

Columnists

Community benefits when council takes second look

In rejecting an almost unanimously supported town general committee recommendation to impose a two-year freeze on all commercial and residential development in the Georgetown and Acton urban areas last Monday, town council may have appeared to some as easily pushed around. On the contrary I would argue the turn around shows council is in touch with its constituents in a responsible way.

Before going on any further, readers should know the general committee is comprised of the town councillors.

Except for a few councillors, all seemed to agree with Halton Hills Mayor Russ Miller during the general committee meeting that the development freeze was necessary in order that the town

establish a long term commercial and residential plan.

At the time, the committee recommended that the freeze be imposed until the town's Urban Area Review Study was completed and implemented. "Council would be doing an injustice if it approved a lot of development before the study was completed," argued the mayor during that meeting.

But the mayor and most of the other councillors who supported the freeze reversed their decision during the following council meeting after local contractor David McNally of McNally Construction appeared before council arguing the freeze didn't make economic sense.

Mr. McNally likened the effect of a development freeze in the town during a recession to the ef-



Ben's Banter
By
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fect the closing down of a major company would have on a community.

He explained businesses would suffer from slow working conditions are a time when the economy is already slow.

The mayor said it was this presentation and several calls

from local business people opposing the development freeze between the committee and council meeting that convinced him to change his mind. He speculated it was also the reason why other councillors also followed suit. "We wanted to be part of the solution and not part of the problem with respect to improving the local economic situation," said the mayor.

Some may assume the turnaround at the request of the business community is proof the council has no backbone. This argument might seem more convincing since a huge majority initially supported the freeze, and only two weeks later switched their positions.

As well, some might argue the councillors showed a lack of vi-

sion concerning the long-term future planning of the town by not implementing the freeze.

But further examination of the decision shows that town council was not just interested in appeasing the business community.

As part of its decision, council instructed staff to submit quarterly reports on the progress of the urban planning review to help it decide on any development proposals that go before council between now and when the study is implemented. In this way, hopefully, any development it does approve will fit in with the results of the study.

This all-round fairer decision also proves that the town's system of considering a policy twice before a final decision is made works best for the entire community.

Ontario refusal to 'piggyback' on the GST makes sense

By **VIC PARSONS**
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OTTAWA - Sometimes there are rewards in refusing to cooperate. A case in point is the goods and services tax (GST).

There were warm greetings by federal authorities for Quebec's decision several weeks ago to harmonize its provincial sales tax with the proposed GST.

Quebec would lower its retail tax to seven per cent by 1992 from the current nine per cent and broaden the list of items on which taxes are charged. However, the Quebec tax will "piggyback" on top of the seven-per-cent GST, thus making the combined levy on purchases 15.56 per cent next year and 14.49 per cent by 1992.

This was lauded as a model for other provinces. In theory, it's sound. Administrative costs for business would be reduced and

complexities eliminated with a national sales tax that applies to the same items clear across Canada.

But provincial governments would be well advised to think twice about the notion of piggybacking. It's largely a matter of timing.

That's because of a worm in the rosy apple - recession. Nearly all economists agree we're into it now and some are saying the downturn could be much worse than expected.

Meanwhile, critics ranging from Ontario Premier Bob Rae, a social democrat, to British Columbia Finance Minister Mel Couvelier, a Social Creditor, are condemning the GST. Poor timing is one of their complaints.

BAD TIMING

Simply put, recessions are bad times for governments to be squeezing the pocketbooks of con-



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sumers. Remember that consumer spending accounts for about 60 per cent of the country's production of goods and services.

To illustrate, let's look at one short-term impact of the GST in Canada's two largest provinces.

Ontario's new NDP government recently declared it would not piggyback its eight-per-cent

retail tax on top of the GST. The two taxes would be charged separately. That means on \$100 of purchases beginning Jan. 1 (assuming the GST passes), Ontarians will pay \$7 federal and \$8 provincial tax, a total of \$15.

News reports made much of the idea that, in refusing the piggyback option, the cost to Ontario's treasury would be \$70 million in the first three months of 1991, and \$500 million in the 1991-92 fiscal year.

But let's turn that notion around. By refusing to piggyback the tax, Ontario is leaving the money in the pockets of consumers. The result is a potential stimulus to the provincial economy when it needs it most, during recession, of roughly \$250- to \$300 per household.

Most of that nearly \$600 million is likely to be spent, boosting demand for goods and services in

Ontario and helping build the way back to recovery.

HIGHER TAXES

Over to Quebec. In the January-to-March period of 1991, Quebec consumption taxes will extract an additional \$86 million from consumers. In 1991-92, that extra levy will rip \$250 million more from taxpayer wallets.

That's largely because on the \$100 of purchases in Quebec in Year One of GST, consumers will pay combined taxes of \$15.56, a little over half a buck more than Ontarians.

The payoff for Quebecers from harmonization comes in the 1992-93 fiscal year, when consumption taxes will fall by \$342 million, according to Quebec figures. That extra money will no doubt be welcome, but could nudge up inflation because by then we'll presumably be pulling out of hard times.

Successor to Mulroney lurks in the shadows

By **STEWART MacLEOD**
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OTTAWA - Considering the fact there's so much speculation about the future of Prime Minister Brian Mulroney - will he or won't he lead the Tories into another election? - there's surprisingly little talk about the next logical question: Who will succeed him?

Perhaps it's because no one has the slightest idea.

Down through the years, when a prime minister, or any party leader, had five or six years of service under his belt, the list of likely successors was quite obvious to political watchers. Quite often, the prime minister would bring along his chosen successor, with higher-profile assignments or other acknowledgements of worthiness.

For instance, Mackenzie King virtually anointed Louis St. Laurent who, in turn, was almost a godfather to Lester Pearson.

Mr. Pearson, while careful not to officially endorse anyone, was an unabashed fan of Pierre Trudeau who, as justice minister, sat at his right hand - particularly during televised conferences.

And if Mr. Trudeau had not won the leadership in 1968, there were a half-dozen other contestants who would not have been the least bit out of place in the prime minister's office. Such veterans as Paul Martin, Robert Winters, Allan MacEachen and John Turner were all serious contenders.

NO SHORTAGE

And there was no shortage of candidates to replace John Diefenbaker a year earlier, even though he certainly didn't try to upgrade any potential successors. That was because he was

still a candidate for the job himself.

That 1967 Tory leadership campaign was a wing-ding affair, with the likes of - to name a few - Davie Fulton, George Hees, Duff Roblin and, the winner, Robert Stanfield.

When Tommy Douglas, the first leader of the New Democratic Party, stepped down, everyone seemed to feel that David Lewis was a natural successor. And when Mr. Lewis resigned, there were several obvious replacements, the most notable being Ed Broadbent.

John Turner was the odds-on favorite to succeed Mr. Trudeau, years before there was an opening. And Jean Chretien was an equally obvious choice to follow Mr. Turner.

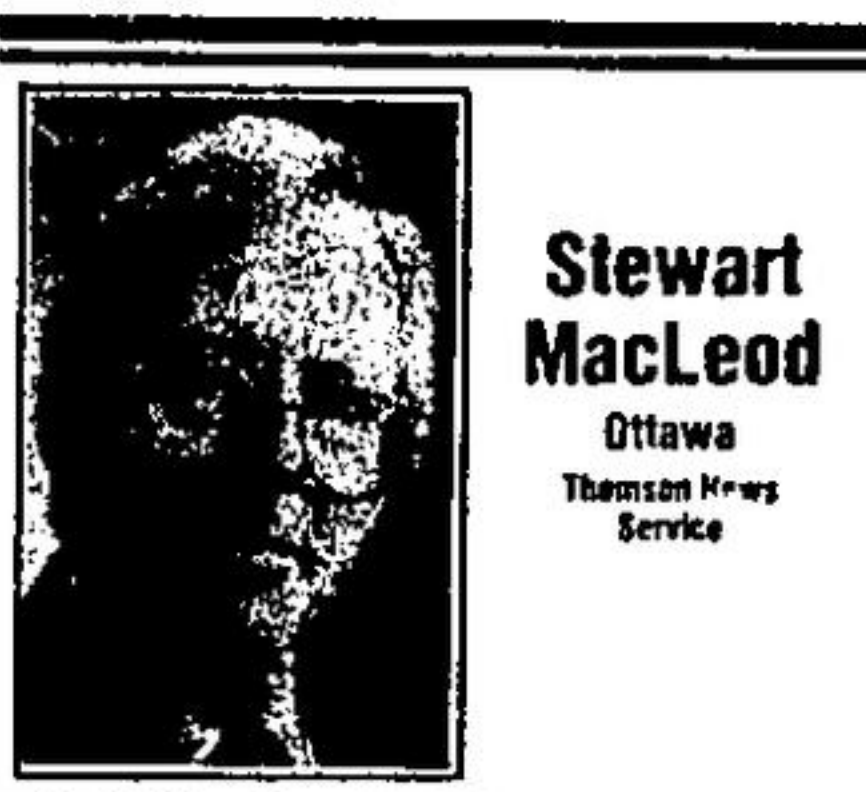
But, when you look at who might follow the present prime minister, nothing is obvious. If you were to ask any six people to name a likely successor, you might well get six different names.

And one reason is that Mr. Mulroney, perhaps more than any other prime minister, has personalized government in his own image. None of his ministers has maintained a consistent personal profile.

Ever notice how often we now embellish the once-popular word "government"? It's invariably "the Mulroney government" and, given the current state of affairs in Canada, it's not always uttered with unbridled affection.

NO STARS

There are probably many reasons why, after six years in office, there have been no steadily rising stars around the prime minister. At various times, for various periods, we've had glimpses of apparent prime



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ministerial material, but never on a continuing basis.

In the last Parliament, for instance, Don Mazankowski was almost as prominent as Mr. Mulroney, as he filled a variety of portfolios, including that of deputy prime minister. But now, with his duties pretty well confined to agriculture, and still unilingual, no one talks about him becoming prime minister. There is more talk of him leaving federal politics.

Finance Minister Michael Wilson is certainly in the news - but not in a way a budding prime minister would like it. We can strike him off the list.

For a time, one heard a lot about former prime minister Joe Clark making a comeback. But as time goes on, there is increasing chatter about another "yesterday's man."

Jean Charest was seen as a possible darkhorse - until he phoned a judge and lost his cabinet job. He could make a comeback, but his odds have lengthened.

Health Minister Perrin Beatty is assumed to be interested in the job, but seems to attract little serious attention. Former candidates, such as John Crosbie,

are easing down, rather than up.

If I were forced, at gunpoint, to pick Mr. Mulroney's most likely successor from the present cabinet, it would almost certainly be Employment Minister Barbara McDougall, who has yet to make a major gaffe and who is

fast becoming bilingual. In second spot, and coming up fast, would be Justice Minister Kim Campbell, who, along with her many other helpful qualities, is already bilingual.

But if a bet is required, I'd want to keep it at the penny level.

