

Road to economic recovery open but it's an uphill ride

By ANGELA BLACKBURN
The Champion

Canadian economic recovery is expected to be strongest in Ontario, spelling good news for Halton but not an easy ride.

Deficits in Ontario and Canada will keep interest rates high while inflation remains low, a marriage that threatens to reduce transfer payment revenues and equates to high capital project costs for local government.

Expected continued high unemployment will also keep up the pressure on social programs.

Before presenting a 1995 operating budget overview to Halton regional councillors last week, finance commissioner Joe Rinaldo illustrated a financial snapshot of Halton, within Ontario, Canada and the G7 countries.

On the plus side, Halton has historically had strong growth, has a well-educated workforce, a population younger than the average compared to Ontario and Canada, includes affluent communities with higher than average incomes and retail sales, low welfare caseloads and a diverse economy.

"Halton is however not without its own problems and challenges for the future," reported Mr. Rinaldo.

Residential development has been recovering but commercial/industrial building activity remains weak.

"Servicing problems will represent a very real constraint to future growth," he reported. The \$700 million Halton Urban Structure Plan (HUSP) must become reality if water/wastewater services are to expand in Oakville, Milton and Halton Hills, paving the road for growth.

"Welfare caseloads, while low in comparison with other regions, have increased dramatically and are not expected to decline," reported Mr. Rinaldo.

Finally, Halton's population is aging and there will be increased needs for seniors' services.

In the big picture, combined Ontario/Canada debt sits close to \$600 billion or \$26,000 per capita in Ontario — the equivalent of a \$70,000 mortgage for each average-sized household in Canada.

Mr. Rinaldo said the deficit claims about 23 cents of every tax dollar. "It's reaching a level where there will be no choice but to do something dramatic," he said, adding the International Monetary Fund (IMF) is warning Canada. "I wouldn't be surprised if they said we can't lend you money in the next 10 years." Mr. Rinaldo noted Japan has been pulling out of the Canadian bond market in the last six months.

The commissioner said expectation

Native teachings night at Crawford Lake

An evening that will provide a glimpse of how Indian people lived in the area many years ago is planned for Crawford Lake Conservation Area next month.

On Sunday, Aug. 14, join in for an evening of traditional native teachings. A special blend of nature's teas will be served, followed by participation in native games, dance and storytelling. The event is scheduled for 7:30 to 9:30 p.m. and is available by pre-registration only.

To register, call (905) 854-0234. Space is limited. The cost is \$8 for adults and \$5 for children.

Crawford Lake is located at Guelph Line and Steeles Avenue.

standards in Canada are too high and must be lowered.

"What's really telling is how it compares to the G7 countries. When it comes to debt, Canada is second only to Italy."

A June survey of 16 investment houses shows a 1.8 per cent 1995 inflation rate prediction, despite fed-

eral government estimates of a 1.3 per cent increase.

Economic recovery is slow but "we're seeing balanced growth in the economy and we're seeing consumer confidence coming back," said the commissioner. Export markets are also flourishing.

Unemployment is expected to stay

at double digit levels over the short term.

The country is however, as the result of restructuring, now highly competitive worldwide. Mr. Rinaldo looked to Ford Motor Company's success with the new Windstar van, made in Oakville. "(Economic conditions) will position industry in the

GTA (Greater Toronto Area) extremely well," said Mr. Rinaldo.

Many manufacturing businesses scaled down or relocated to less expensive jurisdictions, but their loss has been partially compensated for in service industry growth where, 80 per cent of the jobs are currently found.

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