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Mr. Gillespie On White Paper

Seldom has there been a public document which has created such wide spread controversy and violent opposition among the Canadian people as Finance Minister Edgar Benson's White Paper on Taxation. The debate has rolled on since last November and the silent majority have come to realize the message of the White Paper is not only economic in nature but, what is even more frightening, is a vehicle of Socialist change aimed at the heart of the middle class. Its rising rates of taxation will have a crippling effect on the average Canadian wage earner. Since when did any government have the right to penalize thrift, ambition and drive, such necessary parts of any growing and developing society?

The small businessman has a vital role to play in our economic life. Yet if Mr. Benson has his way the countless number of small and, in most cases, family-owned enterprises across this nation will be severely penalized. Mr. Benson's whole premise of taxing the small businessman on the same basis (50%) as such giant international corporations as General Motors and General Electric is highly discriminatory and economically indefensible.

In 1967 some 81,366 small firms, 88% of all Canadian firms incorporated, earned \$35,000 or less and paid a total of \$177 million in federal taxes. However, if the tax levy were at the 50% rate proposed by Mr. Benson, these same small companies would have paid a whopping \$423 million into the federal treasury or \$245 million MORE.

Liberal MP Alastair Gillespie (Etobicoke) is vice-chairman of the Commons Committee on Finance, Trade and Economic Affairs studying the White Paper and he has recently put forward five proposals for amending the Benson legislation.

The five principal areas he names are the taxing of capital gains, the distinction for tax purposes between public and private companies, the integration of personal and corporate income tax, the financing of small business and the kind of special treatment that the natural resources industries should get.

On most of these points, Mr. Gillespie himself is critical of the White Paper proposals:

"I find it very difficult to justify a system which would tax 50 per cent of the gains on, let us say, the sale of Bell Telephone shares, but 100 per cent of the gains on the sale of shares of a closely held corporation or the ownership of a small commercial venture."

The taxing of capital gains on homes and personal possession will have to be completely rethought and the White Paper proposals withdrawn in their present form, he adds.

All capital gains should be taxed the same way, at a top rate of 25 per cent, with the plan to impose a five-year revaluation abandoned completely, according to the committee vice-chairman.

"Nor am I persuaded," Mr. Gillespie says, "that the effects of the capital gains tax proposal are well thought out in relationship to estate taxes." Two possible changes are a reduction in estate taxes or a credit against estate taxes for capital gains taxes paid.

On the distinction between public and private companies, Mr. Gillespie finds several reasons to question the White Paper proposals.

He disagrees with the contention that public and private companies are different and that the private company competes mainly with other private or unincorporated businesses. "Based on my experience and the submissions I have read, this justification for the distinction just does not stand up."

Although one of the purposes of the White Paper is to eliminate some of the existing abuses in the tax system, Mr. Gillespie predicts "the different treatment of dividend income from the shares of closely held corporations and widely held corporations is likely to sponsor a whole new set of tax games to aid tax avoidance."

Mr. Gillespie terms unrealistic the White Paper goal of symmetrywith a 50 per cent corporate tax rate, a top personal tax rate of 50 per cent and the taxing of 50 per cent or 100 per cent of capital gains.

Tax differences in different provinces and the likelihood that future governments will stray far from the 50 per cent maximum tax rate make changes almost certain.

The distinction between public and private companies will be difficult to sustain, he adds.

Mr. Gillespie says he tends to favor the existing dividend tax credit over the White Paper proposal to integrate corporate and personal income tax. In the White Paper system, shareholders of public companies would get credit for the corporate tax paid against their dividend income.

The present system, he contends, is simple, flexible and encourages the purchase and ownership of Canadian shares by Canadians.

Small business, he maintains, can be assured that it will get an alternative form of support to replace the elimination, in the White Paper, of the lower 21 per cent tax rate on the first \$35,000 of corporate profits.

Mr. Gillespie says he favors a scheme that would combine tax deferral principles with a conditional capital formation tax credit.

Under his plan, 50 per cent of the tax payable on the first \$50,000 of corporate profits could be deferred. Thus with a tax of \$25,000 on business profits of \$50,000, a deferment of \$12,500 would be allowed to accumulate to a total of \$100,000 over a set time, perhaps 15 years.

The deferred tax liability would be offset by a similar tax credit provided no dividends were paid and the deferred tax would thus be forgiven as long as there were no dividends. If dividends were paid, a similar amount of tax liability would become payable.

Mr. Gillespie says he is not sure his system would work, but he thinks it is worth studying. "Such a plan would assist the company that is plowing back all its earnings to finance growth.

Mr. Gillespie was a highly successful Toronto industrialist before he entered federal politics in the 1968 general election. His "in depth' knowledge of the Canadian economy should prove invaluable in formulating new tax policies. It is to be hoped Prime Minister Pierre Trudeau and Finance Minister Benson will see their way clear to give careful consideration to Mr. Gillespie's proposals before any final decision is made on the White Paper.

In Good Hands

Assurance that the world will be in good hands when we of the older generation leave it to the youngsters of today is frequently evident.

Recently, there have been many incidents which prove this point in Richmond Hill and area.

We adults in recent months have become quite critical of the many faces of pollution, but have done little to clean it up. We persist in using detergents for our laundry, because soap is more expensive. We put off having our cars tuned up to eliminate fumes because a checkup costs money. We kick piles of paper and garbage out of cars into the gutter even though there is a wastebasket within three feet. The list

could be lengthened indefinitely. But the young people have done something about pollution. First it was the Boy Scouts and Cubs who collected all the litter from the ditches and shoulders of Newkirk Road. Then it was the pupils of Room 6 McConaghy Public School who gathered up and disposed of the scrap paper and empty bottles in the Mill Pond environs. Both groups have helped make Richmond Hill a more attractive place in which to

live. What have you done? The students of Bayview Second-

ary School have once again conducted a very successful KAP Campaign. Proceeds from the many events held will support seven Korean orphans (a continuing program) and the residue (a considerable amount) has gone to local charities. Hundreds of our young people have

shown an awareness that others are not as fortunate as they and have participated in "walks". It takes a lot of courage to go out and secure sponsors for a project of this kind. It takes even more intestinal fortitude to keep putting one foot ahead of the other, when both are blistered and sore, to doggedly complete the 20, 25 or 33 mile task.

There are the hundreds of young people involved in church activities, teaching Sunday school classes, giving leadership to Scouts, Cubs, Guides and Brownies, helping in the winter carnival and recreational projects of all kinds.

Add them all up and they form the big majority. There has always been a minority to create trouble, to cause problems, but we must never forget that they are the minority and unfortunately get most of the publicity.

Most young people are fine citizens and we should be proud of them. We are, aren't you?



(Photo by William Wallace)

First Licensing Service In 154 Years

In Richmond Hill Presbyterian Church May 6, ten graduates of Knox College, University of Toronto, were licensed to preach by the Presbytery of East Toronto. This is the first time a licensing service has been conducted in the local church in the

154-year history of the congregation. An impressive service of worship was conducted by the Presbytery Moderator Rev. Hector MacRury, minister of Cook's Presbyterian Church, Toronto. The sermon was preached

on students and colleges. He is the uncle of one member of the graduating class. Included in the above picture of the graduates are: Evelyn Carpenter, W. W. H. Chan, Robin Ross, Elgin Wilson, Cameron Brett, Donald Coddling, William McNeil, Norman Allison, Lloyd Clifton and J. W. Frederick.

by Rev. Gordon Brett, minister of Knox Church, Oshawa, convenor of presbytery's committee

Mr. Ross, who spent his boyhood in Woodbridge, was ordained May 7 in the Woodbridge Presbyterian Church, and received the congregation's gift of a gown and hood. His father, a former minister of that church, is now in British Columbia and a sister working with the Indians in that province.



Rambling Around

A Short History Of The Police System

According to definition, police are public or private agents concerned with the enforcement of law, order and public protection.

In modern cities their duties range from criminal investigation and apprehension to crime prevention, traffic control and maintenance of records. In many countries police have a political function.

The foundation of the present metropolitan system was laid in 1829 by the eminent British statesman, Sir Robert Peel. Members of the London Police Force are affectionately called after him, Peelers or Bobbies. The London Bobby is considered a good example for policemen everywhere in the world. In the same year Scotland Yard was organized.

On the American frontier, before the government was well organized, vigilante committees functioned as volunteer police. The Texas Rangers and the Royal Canadian Mounted Police are examples of organizations that function in large, sparsely populated areas. The colonies maintained constables and this office survives in the rural sheriff.

Regular police forces appeared in many states after the establishment of the New York City organization in 1844.

Administration of the police system varies in different countries. In Europe it tends to be centralized. In the United States and Canada there is decentralization although the RCMP provides police services for eight of the 10 Canadian provinces and the territories. Metropolitan police have a wide function and provincial police (Ontario and Quebec) are concerned with many aspects of law enforcement.

Federal government police include members of the RCMP and agents of the Department of National Revenue and the Department of Justice. The fight against crime on the international level is co-ordinated by the International Police Commission. * * * * *

I'M FOR MORE POLICE PROTECTION, NOT LESS

I've heard it said that a uniformed policeman standing around with nothing to do could still be considered a good investment of taxpayers' money. I agree because police presence acts as a deterrent to criminal intent.

One has only to think of a few recent events in the area to be aware that the police spring into action when the need is there. It's reassuring to most citizens that there are able, well-trained men to act on their behalf. It is the police who enforce the laws and bring order to the community and they should be given credit and respect for doing so. With a few exceptions, a policeman is the most

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THE TIN GODS AT QUEEN'S PARK ARE DICTATORS

Dear Mr. Editor:

The announcement that Metro is to expand another 50 square miles to the north is typical of the dictatorship of the provincial government at Queen's Park. In the area proposed for annexation by Metro, 82% of the people concerned want no part of Metro. Like myself, the biggest number of them moved out of Metro and have no desire to return. The big tin god at Queen's Park says it is so and the little tin gods echo the big tin god's, "It is so". Have the people concerned no voice in this

matter, or have we another "Hitler" or "Stalin" at Queen's Park? Perhaps they have forgotten history. Revolutions, in 90% of cases are caused by over-taxation or oppression, and oppression is caused by dictatorship. Never in the history of Ontario have we had such dictatorial Ministers as we have at the present time. The record of the Robarts Government goes from one restrictive piece of legislation to another.

It is time we told Premier John Robarts and Minister of Municipal Affairs Darcy McKeough we do not want to enter Metro and we want no part of reassessment as it is constituted at present.

Stand up for your rights and let the powers that be know where you stand. We want the right to decide where we will go and under what municipal government we will live.

Speed the day of the next provincial election.

CECIL JONES, 116 Woodward Avenue, South Thornhill.

Dear Mr. Editor: had his interest as well as their county education and say to The government, by now, walkathon to Toronto City Hall, own at heart and would strive heck with the expenses?" must recognize its need for a a student variety night, a dance

lining it to nine municipalities continuance of themselves at a Ontario's Treasurer, Charles themselves to raise through council of 28 members.

ed to their vociferous belly-penditures? aching and has increased the number of seats on the regional council to 28.

The poor taxpayer has been ently and economically. One very well be fought on the orilaboring under a delusion for a good representative is better ginal principal issue raised by dents this year have raised long time. He thought that than half a dozen mediocre the White Paper — the nature \$4,700. politicians at the municipal lev- ones. Is regional government of the society Canadians are to Events of the well-organized

public money to a minimum. York County, one would think a virtue of savings to one which was a hockey game featuring Now comes the rude awakening. The provincial government strive to ease the burden on the towns a constant that the powers that be, would be to the constant towns a constant to the constant to the constant to the constant towns a constant to the constant towns a constant to the constant to proposed that the County of taxpayer but this apparently creasingly vulnerable to the cri-york be reorganized into a redoes not concern them. They ticism, particularly from the \$135. gional government by stream- would rather try to ensure the provinces.

in place of the present 14. A re- higher level of government. MacNaughton, is still actively their own efforts almost \$2,000 ginal council consisting of 16 Has the time come when we, campaigning for a larger slice to support seven Korean youngmembers and a chairman would the taxpeyer, should organize of the federal revenue pie. The sters. Their contribution to replace the present county a ratepayers association in White Paper proposals worsen KAP provides food, clothing every municipality and join to- the provinces' position, not im- and education for these foster This to me, appeared sensible, gether to form a central associ- prove it. They "would virtually children. however, it has become apparation at the regional level, to pre-empt use of the income tax The remaining money will be ent that some York County enable us to convince the gov-field for the federal government distributed to local charitable

politicians' noses were put out ernment that we are the people which already enjoys surplus organizations. of joint because they were not and that we are deeply con-fiscal resources," he charges. The KAP Committee and the assured of a seat on the new cerned and truly interested in This isn't his only line of at-other students of Bayview excouncil and they raised such a saving money and eliminating tack but it may prove, in the tend deep appreciation and clamor, the province has yield- unnecassary and wasteful ex- longer run, one of the more ef- thanks to Staff Advisor Don



By MARY MONKS

Fine Production Of "The Crucible" By Theatre Company Of Thornlea

"We would not have done that in our day". I am almost as sick of hearing that phrase as the youngsters to whom it is addressed. What it means in many cases is that we could not have done it. I was aware of this when I saw Arthur Miller's "The Crucible", performed by the Theatre Company of Thornlea Secondary School last week. I know that my contemporaries would have had neither the understanding nor perception to tackle such complex material, and what is more, to make it a moving, often poignant experience. It is a tribute to the students that their director, Howard Reynolds, had such faith in them, and the guts to let them try it. "The Crucible" is the story of the Salem

witch trials at the close of the seventh century. It has its parallels today, when there are those who see their own particular bogey behind every tree, and we all recognize that brainwashing is not exclusive to communist regimes. Presumably the author had this in mind when he wrote his play. His subject may be based on historical fact, but there is nothing archaic in a society in which faith and honesty are corrupted by fear, superstition and self-interest, or in which the fear of death can make

perjurers out of good men. The action of the play demanded four locales, and these were achieved by groupings of furniture on an open stage, assisted by lighting. The awful presence of the church was suggested by a silhouette of a typical New England spire, and the constant reminder of death by a gibbet. A raised platform at stage left made for interesting groupings, and was used to advantage, especially in the trial scene. Art director was Gerry Costello. The sturdy furnishings of the period, together with the good earth colors of the costumes, while attractive to the eye, provided the minimum of distraction from the dialogue, and sustained the sombre theme of the

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New Plastic To Solve Pop Bottle Problem Nuisance disposable pop bot- to disintegrate in sunlight, thus

Resetting The Schedule (Montreal Gazette)

Finance Minister Benson has conceded, admittedly form proposals won't be imple-The government's announcement that it would introduce the binding. He also said that no legislation is being drafted at this time.

When will the proposals be implemented? It will depend on the speed with which the Com- sical strength and becomes britmons and Senate Committees the and easily broken down by complete their examinations of them. On that basis, it would water. The resulting small parnow appear they'll not be im- ticles can then become part of plemented in 1972 either. The the soil in a form susceptible to plates of both committees are attack by micro-organisms. too full to expect they will have read all submissions, studied all proposals and drafted the Students At Bayview amendments they will want to make within two years.

there is a very good chance the MUNICIPAL POLITICIANS | I ask you, "Is this necessary?" proposals will simply be shelved The KAP (Korean Adoption

to do a good job and at the With the big jump in taxes mandate for such a sweeping featuring SHE and a bridge and same time, keep spending of through the reassessment of shift from a society which makes euchre. The top class project

JACK WILLIAMSON, plus in the White Paper may yet Martin for their time and effort 67 Catherine Avenue, prove to be its most damning in co-ordinating the events of

tles may soon become a thing promising a solution to the problem of disposing of unsightly University of Toronto chem-plastic containers. Studies by ists have devised a method the group, under Dr. James whereby plastics can be made Guillet, professor of chemistry, indicate that some plastics show substantial degradation after

exposure of less than a month, Plastics are made of lengthy molecules whose atoms are linked in chains. They are invulnerable to the attacks of micro-organisms, which degrade roundabout way, that his tax re- other materials into their constituent chemicals.

In a seven-year research program, the chemists have found that if groups of atoms sensitax changes in 1971, he told tive to ultraviolet rays are in-Parliament, is not necessarily troduced into the molecular chains during chemical synthesis of the plastics, the chain will

break apart when exposed to the The plastic then loses its phy-

On the basis of that schedule, Raise \$4,650 For KAP

ARE EMPIRE BUILDERS I say "no, it is not. A smaller until after the federal election. Program Committee, headed by body could operate more effici- The election, indeed, may Barry McKillop, reports that

fective. That understated sur-Rawlings and Principal Arthur

Blue Hills Great Challenge To Workers Says Speaker the buildings, and to D.

BY MARGARET LADE

Any person who sets out to plan facilities for a childtreatment centre must be a very dedicated person saidthe guest speaker at the official opening of Blue Hills Academy for Emotionally Disturbed Children on CFRB Sideroad in King Township

Before declaring the building officially open, Dr. Naomi Rae-Grant, chief of child psychiatry at the University of Toronto Medical School and at the Hospital For Sick Children, added that the dedication of those who initiate the project is nothing to the dedication involved once the project gets underway.

Before the project can get started, said Dr. Rae-Grant, its board of directors must sell the community, the municipal authorities, and the province on the need for it, to acquire land, zoning, services and financial back-

comes in once the building is up, however, has one of the hardest jobs in the world, she continued. "You need a lot of patience to become a child care worker. It is a very demanding job." A brisk wind blew over the

hills south of Aurora where the two cottages that comprise the new Blue Hills Academy stand. Provincial and municipal

officials, members of the medical profession, the board of education and dozens of supporters and interested spectators were assembled on the freshly sodded and landscaped grounds for the opening ceremonies. They were welcomed by

The child care worker who Russell MacDonald, chairman of the board of directors, who described the achievement as "a labor of love". The two new buildings on the six acre site are just a

beginning, said Mr. Mac-Donald. There are now six children in residence, and soon there will be 12, all referred by their parents through the family physician to the psychiatric services of York County Hospital and

then to Blue Hills Academy. One building now serves as a residence, the other as an administration building, but two more buildings will be added as soon as finances permit.

Mr. MacDonald paid tribute to the board of directors for their devoted service in bringing the project to a successful conclusion in its first phase, mentioning particularly the board's Vice-President Glenn Ferguson of King, "who worked day and night to see the project completed."

He introduced Douglas Allen, senior member of the architectural firm of Allen, Brown and Sherriff of Richmond Hill, who had designed

Bourke Constructon Company of Maple for finishing the buildings by the April 1 target date.

York County Commissioner Stewart Burnett, Reeve of Whitchurch Township, brought greetings from the

Dr. William Hughes, director of psychiatric services for York County Hospital, Newmarket, told the assembly that the medical profession in York County "Welcomes Blue Hills with relief as well as with pleasure. It is sorely

needed." Six years ago, said Dr. Hughes, a report was made to the province, and the greatest needs cited were for

psychiatric services for children and adolescents and services for addictions. "These two problems seem

to have coalesced," he declared, "and it is very welcome to the medical and particularly the phychiatric segment of the county."

The Ontario Department of Health was represented by Miss Betty Graham, director of child care services for the province. Dr. Naomi Rae-Grant was introduced by Dr. Paul Perry, a member of the board of directors and one of the original committee formed four years ago to plan child care services for

Members of the board of (Continued on Page 14)

York County.