

FRANK GIORNO



David Crombie, the Tiny Perfect Mayor, who's been performing a slow strip during his four years in office has finally removed his political G-string. Crombie, who was elected alderman in 1969 and mayor in 1972 on a reform platform, bared all during City council's Week of Winter Madness more conservatively known as council's downtown planning debacle.

Though the honeymoon between Crombie and the Reformers was officially called off by council Yahoo John Sewell shortly after his Worship took up residency in the house that Vilho built, lovable David was still able to keep his reformer image while playing footsies with the Developers.

As you all remember, it was our TPM's tiebreaking vote which gave Meridian the go-ahead on its St. Jamestown West project, just a few days after he first occupied the Mayor's Chair.

Being the shrewd politician that he is, Crombie was able to walk on a fine line, alternating between the reformers and the Old Guard. More often he'd play for time. The 45 foot by-law was an example of this.

At the time it was implemented, the by-law was hailed as a radical step in dealing with rampant growth in the downtown core. What it really was intended to be was a stalling tactic, giving an army of city planners time to devise the Crombie Plan for future downtown development.

On paper, the plan looks good, what it lacks is the specific mechanisms to make the plan work. For example, the Crombie Plan stresses mixed housing and commercial developments with housing units for working and low income families in the downtown area. As an inducement for developers, who are under no obligation to construct such complexes, the Plan gives developers the right to increase the commercial space if it builds housing units.

This same ploy would be implemented for preserving historic sites. It sounds lovely, right? But the plan does not spell how low income families will be able to afford the rents in their complexes which will resemble the Colonade or Manu Life.

The Crombie Plan was nicely gift wrapped with a proposal which will, if it works, create 20 acres of parkland within the downtown area. City budget chief Art Eggleton, who approved of the Crombie Plan, was sceptical about the parks proposals which he termed as being "pie-in-the-sky".

If memory serves us, the federal Liberals used the "let them have parks" approach in securing crucial votes in the 1972 elections in the Metro region. Very shrewd, that Crombie.

Despite it all Crombie was able to keep intact his guise as a reformer. Getting his plan accepted was another story. Since his middle of the road proposals pleased only the five members, including his Worship, of the Executive Council, a little politicking was called for. Would Crombie woo his former mates the Reform buddies or would he turn to Freddie Beavis' Old Guard?

When it came to the crunch Crombie embraced the pro development old guard, showing his true colors. And they are the same colours worn by Uncle Bill Davis — Tory Blue.

Finance minister at York

High wages and low productivity are creating havoc for exporters, MacDonald

By S. JENNIFER HUNTER

Canadians are going to have to buckle their belts a bit tighter if they want to stem the growth of inflation, according to Donald MacDonald, federal minister of Finance.

"It is going to be a difficult period for Canadians generally," MacDonald said in a speech last Wednesday. He was addressing a crowd of 600 who had gathered in Curtis Lecture Hall "I" to hear him discuss the federal government's wage and price control programme.

MacDonald outlined four points in the new economic policy: the government will attempt to guide fiscal and monetary policy, reduce the threat of further inflation, modify rate of growth, and guide prices and incomes.

The monetary policy of the federal government is intended to "reduce the rate of creation of new money supplies and reduce price increases," MacDonald said. "The expansion of the money supply has to take into account the price increases that will make money tighter."

MacDonald explained that the rate of money supply would increase four and one half to five per cent in the next fiscal year. But the postal strike interrupted the money supply and so the figures for January are much higher than expected.

The government has tried to modify its own expenditures by cutting various programmes. But 56 per cent of the total federal budget goes into the financing of statutory programmes, transfer payments to provincial governments and social benefit programmes.

"It is difficult for the federal government to cut back in these areas," MacDonald stated, "and it reduces to a small sector the area which the reduction of expenditure can be made."

The government has devised structural policies in the areas of energy and housing and has instituted a programme of fair trading practices.

"We are concerned about the competitiveness of the financial system and we want to provide financial services for Canadians," MacDonald said.

"Competition in the market place is the best means of satisfaction. Effective competitive law is of national interest."

MacDonald was referring to the fact that wages in Canada are higher than in most foreign countries, while productivity is lower. This, coupled with the rising value of the Canadian dollar, is creating havoc with our export trade.

Industrial relations have also created many difficulties in export production. "In 1975 we had a record of 10 million work-days lost," MacDonald stated.

"We have to come to some better means



Federal finance minister Donald MacDonald speaking to students in Curtis.

of adjusting the incomes in Canada through the cooperative efforts of labour and management. The economy was not working effectively and inflation was proceeding at a rapid rate because of the increasing expectations of income settlements."

In accordance with the prices and incomes guidelines programme, 65,000 business firms are required to supply information to the federal government by the end of this month.

The provinces have been asked to establish rent control policies to govern the rate of rent increase, but only three provinces have signed up for this programme.

MacDonald cited the fact that the government has also introduced a ways and means bill to tax those with incomes of over \$30,000

per year. But MacDonald stated that the tax was "not a punishing amount".

Income and price restrictions were necessary at this time MacDonald insisted, because "given the acceleration of the rate of interest that was growing in Canada, we had no choice but to put on these restraints."

In response to a question about the increase in unemployment insurance benefits MacDonald said, "In an economy with seven per cent unemployment and where performance of an economy is down because markets are not buying, it is appropriate that we should have a strong floor of unemployment insurance."

"This is not a disincentive to work," he said. "Those adversely affected by market swings should not do without income."

OPEN LETTER

Why is \$10,000 not enough? asks manager

The Founders College Council has authorized the Cock & Bull Management Board to speak on the present and future financial relationship between the pubs and the Administration.

The Administration's interest lies generally in its obligation to provide certain services to the university community within the framework authorized by the provincial government for 'ancillary enterprises' (food service, bookstore, residences, and so on). The policy rationale for student managed pubs must be viewed in the larger context of the administration's commitment, and the respective college's declared interests, as well as in dollars-and-cents terms.

The general advantage for the administration in the present arrangement is clear; by the two main criteria, standard of service and price, the administration fulfills part of its obligation with virtually no risk or financial cost.

The Founders Cock & Bull is owned by the College council. The council delegates to the Cock & Bull management board the responsibility and authority to operate and manage the pub. It is the job of the management board to deliver a package of services to the Founders community efficiently and effectively within the framework established by the council.

On this basis, the council has been effective in maximizing the flow of benefits to the college and has insured that the pub functions on sound and accepted business practices.

With respect to the services that the pub receives from the university, the pub will pay approximately \$10,000 in fiscal 1976 based on a floating surcharge on pub revenue. It has been our general understanding that these large payments reimburse the administration fully for the various unstated costs it incurs in licencing and servicing the pub. The pub has paid for all

capital expenditures, maintenance, repairs, and so on.

Historically, the pub has operated at a deficit and as a result the council's equity in the pub has been systematically eroded. The objective of the management board is to operate the pub on a break-even basis.

It is not our policy to seek any form of subsidy from the administration expect insofar as the Administration grants to the college control and use of 'college' property. In the past we have been remiss in not obtaining a proper accounting of the services that we receive for our payments.

To rectify that situation, and to clarify the present controversy, it would seem appropriate to have a suitable accounting made by the administration of the full range of services that it provides directly to the pub, and the administration's cost for each service. If that accounting shows that the Administration is not recoring its costs, then we will

negotiate an increase so that the administration can reach a break-even position with respect to the Cock & Bull.

Short of a reasonable accounting, and a negotiated settlement, we are advised that the administration may be placing itself in the position of a landlord, our present payments constituting rent, and that as tenants we may be protected by the recent rent control legislation regarding rent increases.

We feel that we are acting in good faith in recognizing the administration's interest in not subsidizing the Cock & Bull, and our willingness to negotiate an increased fee for services rendered. In return we expect the Administration to act in good faith in recognizing that our interests lie in knowing precisely what we are paying for, and that an increase will not ultimately be unilaterally imposed on the pub.

Charles Farrugia
Cock & Bull
Management Board