

In my case, I feel fairly optimistic about it. I'm a one man operation and if I make it then I feel there is a market for it. I'm the only one in the world that makes this specific product right now, I have no competition. I'm back logged for 1990, if I make everything in the next three months that I need to make in 1990, I'm still going to be short of time. It took me seven years to develop some of the things I'm doing and those costs I can't recoup. I think that over the next three or four years, the next two years to put it pretty bluntly are going to be stinkers because we have the interest rates, we have the GST. We have no secondary industry, there seems to be no interest by the government for putting in a good secondary processing industry, they like to cut down the trees, dig up the minerals. The investors in western Canada don't look forward.

Q. WHAT'S GOING TO HAPPEN IN VANCOUVER OVER THE NEXT TWO OR THREE YEARS?

I think what has happened to property in Toronto is going to happen here. I don't think it can continue to go up as it has, it's gone up all out of proportion.

Vancouver always had that. I lived here in 1981. I bought a house for \$50,000 in 1975 and in 1981 somebody offered me \$300,000. I sold it in 1986 for \$150,000.

Tonight in the paper it mentioned the prime rate, over 14% and the interest rate has gone up a couple of points too. How can that be? How can people borrow a couple of hundred thousand dollars to buy a house if their payments are going to be around \$3,000 a month?

We don't we live in subsidized housing until we're thirty.

When your husband becomes a teacher though you'll probably aspire to a home somewhere...

Yes, but ideally we'd like to save for it. I don't want to be in debt until I'm fifty...

But realistically, do you think that will happen?

Well, if we budget ourselves properly...

P. WHERE DO YOU THINK VANCOUVER IS GOING TO GO IN THE NEXT THREE YEARS?

I think we're going to find that the average person that resides in BC, right in the city limits, the older senior citizens that are in their own houses are going to be the ones to leave. They won't be able to afford to keep their houses because of higher taxes and being on a fixed income. What they'll do is they'll probably migrate to maybe the interior and outside the city limits. You will have younger people that have good jobs coming into the city, they will be able to afford to live in the city.

The economy will slow down because if you always have to pay 40 percent for housing that means you are not going to buy this or that. You're not going to spend money on culture, on books, on movies, all of that is going to cut back. It's going to become a very boring place.

I just wanted to say something to Betty because we live in the same neighbourhood. If you walk around it's very obvious that it's becoming an older community, for instance they're closing schools in West Vancouver because young people are not moving there. The people who are in a privileged position right now are those people in the retired group that bought a house perhaps thirty years ago.

The thing I'm concerned about is that we are going to have another recession. It looks like history is repeating itself. It looks like we are going through a 1980-81 type cycle again. I