

Statistics show rise in Canadian living standards

by RON BLUNN
Financial Times

The average Canadian has done much better in the nine months since the Anti-Inflation Board was created than in the nine months previous to controls.

Living standards in Canada have been rising about three times faster under AIB controls than they did prior to wage and price guidelines.

Whether this jump in the rise in living standards is due to the AIB, or in spite of it, is another question.

But it is good news for JeanLuc Pepin, director of the AIB, and bad news for the Canadian Labor Congress, if it hopes to convince Canadians that the board is severely hampering unions' chances of attractive wage settlements.

The statistical proof can be found in comparisons of Statistics Canada figures on increases in average weekly earnings during the nine-month period before and after the introduction of controls, and consumer price index figures for the same two periods.

Average weekly earnings across the country rose 9.3 per cent during the nine months before controls—from \$192.29 per week in January, 1975, to \$210.26 in October.

After controls, weekly earnings rose an average of 9.1 per cent, to \$229.41 in July this year, or 0.2 percentage points less than for the similar nine-month period before controls.

These figures include close to 50 per cent of all employed persons in the country. Among those excluded are teachers

and civil servants, whose income figures are calculated only on an annual basis.

The consumer price index figures for the two nine-month periods were: a 7.9 per cent rise in prices before controls and only a 4.6 per cent rise after controls.

So while the rate of increase of average weekly earnings was down slightly after controls were introduced, from 9.3 per cent to 9.1 per cent, the rate of inflation (as measured by the CPI) dropped more drastically, from 7.9 per cent to 4.6 per cent giving Canadians a real increase in their standards of living of 1.4 per cent before controls and a full 4.5 per cent after.

Comparing these two figures of real gains made by Canadians in earnings,

the increase after controls was more than three times greater than the increase prior to controls.

Differences in tax rates over the two nine-month periods would have little effect on the figures. Most indirect taxes are included in the cost-of-living calculations and since introduction of federal income tax indexing in 1974, there has been reduced erosion of wage gains by tax hikes.

Michael Walker, senior economist at the Fraser Institute in Vancouver, estimates that a total tax bite of 40 per cent is average. (Quebec income taxes are not indexed.)

"There's been a real lag in public recognition about how well we are all doing," says Judith Maxwell, director

of economic analysis at the C.D. Howe Institute in Montreal.

"Prices have been moderating and it takes a while before people come to that realization. Any group which settles for an 8 per cent wage increase over the next year will likely do very well by it," Mrs. Maxwell says.

"The government and the Anti-Inflation Board haven't been very successful in getting across the message that Canadian workers have done very well indeed since the AIB was formed. Statistics like these offer good proof."

Forest Rogers, economic adviser for the Bank of Nova Scotia, concurs. "These figures aren't surprising to me. What is surprising is that people haven't yet recognized the fact that their stan-

dard of living is improving at such a good rate," Mr. Rogers says.

"I'm also surprised that labor can push so hard for more than it's apparent that they are doing much better than last year as it is."

"We've got quite a bit to look forward to. As more people realize that they are doing so well, smaller wage increases will become more acceptable to them, and once that happens, we're on our way," Mr. Rogers says.

He says the government has failed to put this message across properly to the public, but not through lack of trying.

"There is a lot of cynicism in the public mind about controls and the government played right into the cynics hands last month by coming out with their \$1.2 million ad campaign boosting the AIB."



Citizen photo by Doug Weller

Frosty mornings

Yes, it's that time again. Scraping of her car's windshield is becoming a daily routine, but Valerie Wheeler hadn't gone far enough when the photographer spotted her. It's dangerous to scrape only a small peephole — as well as illegal. But Valerie knew that and after the picture was taken she removed all the frost.

OUR MAN IN AFRICA

News coverage boosted

By Southam News Services
OTTAWA — Southam News Services will open a bureau in Africa early in 1977. The new bureau will probably be based in Nairobi, Kenya, but the correspondent will range the continent, paying special attention to developments in southern Africa.

The Citizen is one of 14 papers in the Southam group. The decision was announced

today by Frank G. Swanson, publisher of the Calgary Herald and chairman of the publishers' news committee responsible for SNS. He said the important recent and prospective developments in Rhodesia, South Africa and the neighboring black states had led SNS to open its first bureau on the African continent, on a two-year experimental basis. Peter Calamali, SNS London

correspondent, leaves for Africa next weekend on a reporting tour for readers of Southam Newspapers.

Meantime SNS Far East correspondent John R. Walker closed the bureau in Peking this month and is now en route home to Canada.

It is expected that SNS will reopen an Asian bureau at a later date.

Police believe man murdered

Citizen staff reporter

HOUSTON — The body of an elderly white male was discovered near Topley Saturday and RCMP believe the man was murdered.

The body showed head injuries and was partially buried in leaves and grass.

It is believed the man was a tourist from Utah, but positive identification has not been made. The man had been dead for at least a week, police said. The investigation is continuing.

'Ghetto' trend concerns city council

by TOM NIXON
Citizen Staff Reporter

A Prince George housebuilder's proposal to build a 175-unit "zero-lot-line" subdivision in the Pinecone area was criticized Monday by city council as being the possible beginning of a trend to create ghettos in the city.

Almost 150 of the units — mainly duplex homes built across two lots with larger side-yards than is usual in standard subdivisions — will be sold under the Central Mortgage and Housing Corp., Assisted Home Ownership Program.

Spokesmen for Central Homes and Development Ltd., the developer, told council the innovative proposal, designed by former city planning consultant Des Parker, allows an

"affordable" home but keeps most of the desirable attributes of normal single-family homes.

Council approved the proposal but voiced reservations.

"Are we going to create entire AHOP neighborhoods?" asked Alderman Trent Beatty. "That's what they're called in Vancouver."

Mayor Harold Moffat said he accepts the zero-lot-line concept but is afraid the Pinecone proposal will lead to a division of the city into upper and lower class neighborhoods.

"I can see that whole flat become an AHOP marshalling yard," he said. "You can drive by others without noticing them but this leaves me with a fear."

Prince George's planning policy has traditionally discouraged creation of "exclusive" neighborhoods

where certain levels of income or social position are reflected by the great majority of residents. Attempts have always been made to spread duplexes and different values of single-family houses throughout neighborhoods.

The Central Homes proposal is to create an entire residential neighborhood down to building fences and landscaping the lots before the homes are sold. The zero-lot-line principle is to keep lots small to cut costs but to make a maximum use of land by disregarding the standard city-required building setbacks.

Alderman Jack Sieb criticized the entire AHOP principle for removing the incentive to save money from young people.

"I don't like this principle of get-

ting everyone in homes no matter what the quality of the home," he said. "What about saving up some money for a down payment and buying a better home? What happened to that idea?"

Aldermen Lorne McCuish and Elmer Mercier both said they can see possible problems in the Pinecone idea but supported the principle of providing better than ordinary homes for young people who can't afford high down payments and large installments to buy more expensive homes.

"I'm afraid of a glut of AHOP housing," said McCuish.

McCuish moved that the proposal be approved in its design principles and the developer be asked to apply for a land use contract. The motion was passed unanimously.

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JOLT FOR TRUDEAU

Tories grab wins in two byelections

by JAMES FERRABEE
Southam News Services

OTTAWA — Prime Minister Trudeau and his Liberal government took two more political jolts Monday—his 57th birthday—when they lost two byelections, one of them considered a safe Liberal seat.

And there may be more bad news before the week is out. The byelection result in the Ottawa-Carleton riding was among the most stunning political turnarounds in recent Canadian political history when Conservative Mrs. Jean Pigott took former Finance Minister John Turner's seat by a majority of more than 13,000 votes.

Turner won the seat in 1974 by nearly 11,000—a turnaround in slightly more than two years of about 24,000 votes.

Part of the Ottawa-Carleton riding is within several hundred yards of Trudeau's official residence at 24 Sussex Drive, and the district where most of the major political personalities live, including probably a half-dozen cabinet ministers, live.

It is also a predominantly a civil service riding, and by tradition they vote heavily Liberal.

The second byelection was in St. John's West, in Newfoundland, a Tory-held seat which was won by a reduced majority by former provincial Conservative minister John Crosbie.

The surprise in the Newfoundland byelection was that the Liberals came a poor third, taking less than 20 per cent of the vote behind the Conservatives and the NDP.

Byelections traditionally favor the opposition when a government is at mid-point in its mandate, as the Liberals are, and because the vote turnout is never as heavy as it is in a general election.

The turnout in Ottawa-Carleton was more than 60 per cent, or about eight per cent less than it was in the 1974 general election, a respectable figure. In Newfoundland only 50 per cent of the voters turned out.

Neither constituency can be said to be typically so direct comparisons with the recent popularity polls of the parties shouldn't be taken too seriously. It is interesting, nonetheless, that Monday's results, if compared with the recent Gallup Poll, overestimates Liberal popularity, and underestimates both Tory and NDP strength.

The Conservatives took close to 50 per cent of the vote — in Ottawa slightly more than that, and in Newfoundland, slightly less.

The Liberals came in at 30 per cent in the Ottawa seat, and less than 20 per cent St. John's West. The last Gallup Poll gave the Conservatives 45 per cent of the popular vote



CROSBIE



PIGOTT

compared to 33 per cent for the Liberals and 16 per cent for the NDP.

Coming after the Gallup poll 10 days ago, plus the resignation of Defence Minister James Richardson last week, and another poll Saturday showing Opposition leader Joe Clark leading Prime Minister Trudeau in a head-to-head preference poll among voters, the two byelections leave little for the Liberals to cheer about as Trudeau heads for an eight-day visit to Japan Tuesday.

While he is away, as many as three federal Liberals could decide to give up their federal seats to run for the provincial Liberal Party in Quebec. Premier Bourassa called an election Monday night for November 15.

It is rumored that former Environment Minister Jean Marchand, former Consumer Affairs Minister Bryce MacKasey, and several backbench Quebec Liberals might seek provincial Liberal nominations. The defections, if they come, could mean more troublesome byelections next spring or early summer. And the message in the last year, confirmed Monday night, is that Liberal seats aren't even safe in Quebec anymore.

TODAY



Ben Wicks
"It seems that an arms manufacturer makes them in his spare time!"

FEATURED INSIDE

● Quebec Premier Robert Bourassa has called a provincial election for Nov. 15. Page 2.

● A B.C. man who wanted to be a musician has developed into one of the top amateur boxing men in Canada. Page 18.

● Mayor Harold Moffat says the cost of servicing lots on the Lower Mainland is out of line and Vancouver should take note of Prince George's system. Page 7.

● Chiang Ching, widow of Mao Tse-tung, has been accused in posters through the provinces of China, of plotting the death of the late chairman. Page 5.

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THE WEATHER

Sunny skies are predicted for today.

No rainfall was recorded Monday.

Monday's high was 10 with an overnight low of -5.

Low tonight, -5, with a high of 10 today and Wednesday.

On Oct. 19, 1975, the high was 11; the low, 3.

Morning fog patches and sunny skies are predicted for the next few days.



NOW HEAR THIS

● Here's some news for Hart Highway and North Nechako people who are always running to catch the bus: morning Prince George Transit runs will be 10 minutes earlier in these areas, effective Wednesday. Better set that alarm clock for an earlier awakening.

● A local man not renowned for his skill as a hunter returned from a hunting trip claiming to have seen a huge bull moose "just standing there." When asked why he didn't shoot it he replied, "I couldn't, it's cow season in that area."

● You never know about those cowboy nasal twangs. A friend of one Alberta cowboy visiting Prince George said his accent wasn't caused by two years spent in Texas, but by embarrassment of wearing braces on his teeth when he was young. It seems he started talking through his nose so people couldn't see his teeth.

● Hunters in remote bush country who think they are safe and free to violate game regulations had better think again. A father-and-son in a bush camp near Anzac, north of Prince George, received fines of \$500 and \$200 in provincial court recently for shooting a grizzly without having a species tag.