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PRINCE GEORGE
CITIZEN

WEDNESDAY, DECEMBER 22, 1993 — 61 CENTS

Apartheid buried in South Africa

CAPE TOWN (Reuter) — South Africa's white parliament buried apartheid today when it voted overwhelmingly to adopt a new constitution meant to guide the country to majority rule.

The vote commits the country's whites — mostly descendents of 17th-century Dutch settlers known as Boers or Afrikaners — to hand power to blacks, who outnumber them more than five-to-one, after an all-race election set for next April.

In Johannesburg, the African National Congress, long the country's leading black opposition group, hailed the vote with "tremendous joy."

"Now, for the first time, the future holds the promise of a brighter tomorrow," ANC leader Nelson Mandela said in a written statement.

Conservative party members said the adoption of the constitution would rob three million white Afrikaners of their freedom.

"This constitution is a monster. It does not make provision for people who want to be free," said Conservative Leader Ferdi Hartzenberg. "If it is not amended . . . we will not recognize this constitution, we will not participate in the transitional structures and we will not recognize the results of the election."

White extremists have threatened to fight to the finish if, as widely expected, an ANC-led government takes power after the April 27 election.

The parliament voted 237-45 to adopt the interim constitution.

The Conservative party's 35 white members and scores of right-wingers in the public gallery stood to sing the white national anthem, Die Stem, which blacks see as a symbol of oppression.

"We will live, we will die, we're for you South Africa," the conservatives sang in Afrikaans.

Unofficial representatives of the ANC shouted the movement's rallying cry: "Power to the people."

The adoption of the 225-page constitution followed frenzied last-minute attempts to draw the right-wing Freedom Alliance, including the Conservatives, into the transition process.

The alliance, seeking regional autonomy in a post-apartheid South Africa, agreed with the government and the ANC to consider reopening talks in January on the basis of a draft agreement committing them to support the election.

Chief government negotiator Roelf Meyer said there would be time to amend the constitution in January to take account of right-wing demands if talks could be restarted.

The 83-year-old white parliament adjourned after the vote, probably for the last time.

Citizen photo by Dave Milne

Musical friends

Emelia Sass, 80, got a nice surprise Tuesday when a group of students and musicians/social workers sang carols and played for her in a much-appreciated impromptu concert in her home. She was serenaded by John Hughes on bagpipes, Ted Wood with tambourine and Jeff Worthington on guitar. The visit was arranged by the Seniors Volunteer Outreach Program, which brings cheer to elderly shut-ins living in their homes. If you would like to volunteer some time, call Joan Wood at 964-4910.

Tax overhaul agreed to by PM, premiers

by ERIC BEAUCHESNE
and JOAN BRYDEN
Southam News

OTTAWA — Some of Canada's 1.5 million unemployed could be at work in less than two months building everything from roads to hockey arenas after the first ministers agreed Tuesday to a quick launch of their $6-billion job-creation program.

But after that kickstart to the sluggish economy, Canadians should brace themselves as cash-strapped governments embark on a complete overhaul of the country's tax system and social programs.

"We've come to the conclusion the (tax) system no longer works," Prime Minister Jean Chretien said, condemning the "terrible duplication" in federal and provincial taxes.

"Perhaps the time has come to look at the way that we share the pie, to have it much more efficient than today," Chretien said at the end of the one-day meeting, his first with the premiers.

"That could lead quite rapidly to a major change in the approach we have collectively had in the past to taxing in Canada. There's a sense that something has to be done quickly."

And the premier of Canada's largest province agreed.

"We can't go on with the duplication of corporate taxes, income taxes, all these payroll taxes, liquor taxes, gas taxes, cigarette and tobacco taxes," said Ontario's Bob Rae. "In every area, you have the federal and provincial governments competing, falling over each other."

Despite their enthusiasm for reforming the tax system and social programs, the first ministers offered few details of what could be dramatic and potentially wrenching changes to come over the next couple of years.

Nor did they settle the thorny issue of federal transfer payments to the provinces, which Prime Minister Jean Chretien has hinted will be frozen.

Still, most premiers emerged from the 5-1/2-hour, closed-door meeting expressing hope that the new prime minister understands that he can't resolve the federal deficit problem by squeezing transfers to equally cashed-strapped provinces.

"I feel more comfortable that Mr. Chretien is not going to be trying to solve his deficit problems on the backs of the provinces," said Manitoba's Gary Filmon.

And Saskatchewan's Roy Romanow predicted that Ottawa will maintain the "status quo" on the $36-billion-a-year transfer program under which it helps fund health care, education and welfare until the governments agree on social program reforms.

City after a piece of the pie

by KEN BERNSOHN
Citizen Staff

Although the 10 premiers and Prime Minister Jean Chretien agreed to a $6-billion infrastructure improvement plan Tuesday, the City of Prince George won't know how much it will get, or for what, for at least a month.

The provincial leaders agreed Tuesday to immediately launch the two-year program to build or repair roads, sewers and other municipal infrastructures.

The deal calls for cost-sharing with municipalities. Ottawa and the provinces will sign deals next month outlining the ground rules and work could start on some projects as early as February.

The City of Prince George wants to make its requests as soon as possible, city manager George Paul said today.

"We have a five-year capital budget with projects on it that may or may not go ahead due to financing," Paul said. "We have a tentative list together we'll take to council Jan. 10."

One of the ground rules in the new agreement is a promise that the program will be used to fund only projects that wouldn't otherwise go ahead.

Whether that means the multiplex, approved by voters in a Nov. 20 referendum, will qualify isn't known.

"The multiplex is based on assistance from other governments and that's the message we gave the public during the referendum. We'll have to see if it qualifies," Paul said.

The infrastructure program "will go through (the Ministry of) Employment and Investment and through Municipal Affairs, which I'm sure will consult with local governments," Joslyn Jenkins, spokesman for the provincial Ministry of Finance, said from Victoria today.

Adrian Dix, spokesman for Employment and Investment Minister Glen Clark, said the rules of the game haven't been decided yet. Victoria has been negotiating what the rules should be and will continue to do so in the new year, he said.

SENIOR DEPUTY GOVERNOR TAKES OVER

Crow replaced as central bank chief

by GORD McINTOSH

OTTAWA (CP) — The federal government has appointed a new Bank of Canada governor after current governor John Crow withdrew his candidacy for reappointment, Finance Minister Paul Martin announced today.

Gordon Thiessen, 55, senior deputy governor of the bank, takes over Feb. 1.

The Saskatchewan native will, as did Crow, serve a seven-year term. He will be the sixth governor of the bank. He will earn an initial salary of $224,000 a year, bank documents show.

Martin announced the change of command at a news conference that raised a few unanswered questions.

Fred Hyndman, chairman of a special committee set up by the board of the central bank to recommend the next governor, said Crow asked not to be renominated for personal reasons.

Just three weeks ago, Martin said in an interview that Hyndman's committee had recommended Crow be reappointed.

Martin indicated then he would wait until mid-January before deciding who would be governor.

Martin did not answer when asked if he would have reappointed Crow had he remained a candidate.

Hyndman said his committee had looked at a number of possibilities in the last year, including having Crow stay.

But the minister also announced something that appeared to please financial markets.

The central bank's vigorous offence against inflation will remain as will the famous "price-stability" policies of Crow, Martin said.

"His legacy is the low inflation and interest rates that we now enjoy and this is indeed an impressive accomplishment," Martin said.

Martin and Thiessen jointly announced that the bank's 1995 inflation target of one to three per cent, with a midpoint of two per cent, will be extended to 1998.

What that means, said Thiessen, is that the bank will tolerate a high point of three per cent inflation temporarily because of unforeseen developments, but the bank feels the most desirable inflation goal is two per cent or lower.

"Price stability remains the objective," Thiessen said as he sat next to Martin.

Financial markets, where Crow's replacement was widely anticipated, appeared to take the news in stride. By mid-morning, the Canadian dollar shot up 0.35 cents to 74.74 cents US after opening trading down 0.15 cents.

"I don't think anyone in the market was expecting a joint announcement on extension of inflation targets today and that's a very positive factor for the markets," said Andrew Pyle, senior economist at MMS International.

"Thiessen's what we call a Crow clone," said Tom Hutchison, senior international economist at the same firm.

"They've reaffirmed the importance of inflation targets, so everything is pretty much as she wrote."

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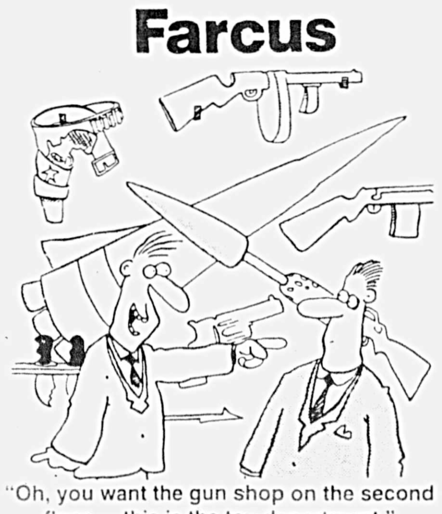
Farcus



"Oh, you want the gun shop on the second floor — this is the toy department."