

the HERALD Free trade models meaningless

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Back to normal?

A court judgement that shook the insurance industry has been overturned and all appeals have been exhausted. A Brampton youth, once granted \$6.3 million for being paralysed, lost his case when the Supreme Court of Canada Feb. 25 wouldn't hear a further appeal.

The courts have ruled fairly. Now, hopefully, some of the radical reactions to the original judgement will subside.

Michael McErlean crashed his dirt bike on City of Brampton property in 1977. His family argued that the 14-year-old boy, paralysed and brain damaged, wasn't responsible for the accident and the City should be blamed.

But responsibility wasn't the big point of this landmark case. The court ruling, which sparked a controversy in Ontario, had to do with compensation for the victim.

Shocked by the excessive and unprecedented \$6.3 million judgement, insurance companies reacted nervously by drastically hiking their rates. They argued that the industry couldn't stay in the business if they didn't accept the realities of liability suits.

The facts are clear: more people than ever are suing for compensation and claims are getting higher and higher.

This left school boards, local governments, fall fairs, taverns, nursery schools and sporting organizations to pay exorbitant rates. Some organizations had to reduce services and halt programs because liability insurance became so unreasonable.

Halton Region and the Town of Halton Hills had to absorb large insurance increases charged to them by the insurance industry as a result of the Brampton accident.

Lawyers and judges let the situation get out of hand. But the decision last week by the Supreme Court of Canada changed all that.

Now we wonder, will rates be reduced because the \$6.3 million judgement was overturned? Past history indicates this won't happen.

But at the very least, the experience of the Michael McErlean case should serve as a warning about how court rulings can't be out of step with what society sees as reasonable.

Stacked deck

A one-man delegation to the Halton school board last week failed to do his homework.

A Burlington taxpayer and businessman addressed trustees Thursday. He lectured them on common business practices and stressed that school boards should be run in a more business-like fashion.

While the gentleman's intentions were good, it was clear he hadn't adequately explored the real problems and concerns a school board faces. While it would be nice to run a school system like a business, it's not easy to do. Here are a few reasons why:

-When it comes to budgeting for school programs and equipment, schools can't be compared to the business world. First of all, schools aren't profit-making bodies. They depend on funding from provincial transfer payments and property taxes at the municipal level.

-School boards such as Halton are finding that the province isn't keeping up with its share of financing.

-To compound the problem, the province keeps initiating new programs for school boards to implement, without offering the money for the boards to keep up with the costs.

-Schooling is becoming more expensive. Computers in the schools are necessary for students to learn ways and practices of the business world. But they come with an expensive price tag.

-Teacher salaries make up the bulk of a school board's budget. Although in theory it would be nice to slash wages of teachers in Halton, it wouldn't be very practical.

While an independent business might weather a long strike, a school board can't tolerate draconian methods when a child's education is at stake. Besides, if Halton doesn't pay the going rate for teacher salaries, the best instructors will go elsewhere, leaving us with a substandard level of education.

Nevertheless, this angry taxpayer speaks for us all when he talks about wasted tax dollars. His comments certainly provide food for thought. Maybe one day he will decide to change the system from within by seeking election as a trustee.

But only then will he really see how difficult it is to make serious budget changes when the cards are stacked against you.

Better in blue



Editor's notebook

By Dave Rowney

While Halton Hills already has a curbside collection program for recycling waste, things could be better.

In Milton, the town's blue-box recycle program has municipal officials anything but blue. Since it was initiated last year, Milton is recycling about 15 per cent of its waste. That's about double what Halton Hills collects in recycling materials.

In Niagara Falls last year about 20,000 blue boxes were issued and about 75 per cent of homeowners use them. The city was able to recycle 70 per cent more waste in 1987 than the year before.

It's funny how one person's opinion about a movie can be so different from another.

movie for fear that a fist fight or a car crash will give them a squeamish stomach.

I started writing this after talking about the movie Shoot to Kill with an avid movie-goer. She expressed interest in the flick until I told her, there were some scenes that weren't too nice.

"It was a good movie, but you probably won't like it because there's some violence in it," I said to her. That was enough to turn my friend off.

Surely as adults we are able to endure more than children and know the difference between right or wrong. Not all violence is necessarily graphic or gory. Nevertheless it is sometimes necessary to move the plot along in an interesting manner.

I've always admired the producers of the James Bond series for balancing the use of violence, action, love scenes, humor and gadgetry into one complete balanced package. A film that relies solely on violent people with meaningless plots will never do well at the box office.

But people do need variety to sit through a two-hour movie, especially without the advantage of commercial breaks every five minutes.

Economists, including both fans and critics of the Canada-U.S. free-trade agreement, have paraded before a legislative committee here that is examining the deal.

Most of the time, they talk of jobs won or lost, with side trips into the esoteric world of economic models and theory.

It leaves this observer more than a little doubtful.

Forecasting by the use of models doesn't mean a lot when you deal with the real world.

Common sense would suggest the biggest influence on job creation in the next few years will be the timing and severity of the next downturn in the business cycle.

And, so far as I know, no economist has a perfect track record in predicting such recessions. It is, more or less, an educated guess.

Hence the appeal, to me, of the testimony of international economists Murray Smith and Frank Stone.

PARALLEL PACTS
Fatter than speak of models or analogies so obscure as to be irrelevant (Hawaii's 19th century free-trade deal with the U.S. is one that nationalists like to peddle), they looked at parallel free-trade deals elsewhere - and did so within the context of the General Agreement on Trade and Tariffs (GATT).

GATT is the multilateral trade arrangement that is the Liberals'



Queen's Park

By Derek Nelson
Thomson News Service

preferred avenue of approach to trade liberalization.

To give a single example, Liberal David Neumann asked the pair how difficult adjustment to free trade might be for Ontario, given the branch plant nature of our economy.

Smith noted Austria - small, with high tariffs and lots of branch plants from big neighbor Germany next door - went to free trade in five years with "surprisingly few adjustment pressures."

"There was no obvious displacement in the Austrian economy, yet it is very close to what we observe between Canada and the United States."

Smith and Stone are members of the Institute for Research on Public Policy, although they said they were testifying for themselves.

They made the valid point that, as Canadians, "we tend to ignore the experience of other countries."

Moreover, Smith was struck by how interpretations can be given to parts of the deal "out of context with either the trade agreement as

a whole, or the GATT, with which there is a lot of inter-relationships in terms of legal provisions and obligations."

They made these further points: -The Canada-U.S. deal provides a "classical free-trade area" under terms of the GATT.

"The essential feature of a free-trade area is that each country retains its independent commercial policy."

INTERWOVEN
-The terms of the Canada-U.S. agreement are "interwoven with the terms of GATT and many of the issues dealt with in this agreement are interlinked with the (current) Uruguay round of negotiations (on GATT)."

-In fact, in the highly protectionist area of agriculture, the U.S. and Canada are contemplating "much more sweeping liberalization" in the Uruguay round than in the Canada-U.S. deal.

-The dispute settlement provisions in our deal are "much more formal" than in other bilateral free-trade areas, including the European Free Trade Association (EFTA)-European Economic Community (EEC) bilateral agreements, the U.S.-Israel agreement and the Australia-New Zealand agreement.

-There is no parallel elsewhere for the exemption of cultural industries (granted under the U.S.-Canada deal).

-In event of major world oil shortages, the International Energy Agreement, to which we adhere, is "more binding" on this country than the Canada-U.S. trade deal, and it requires us to actually increase exports.

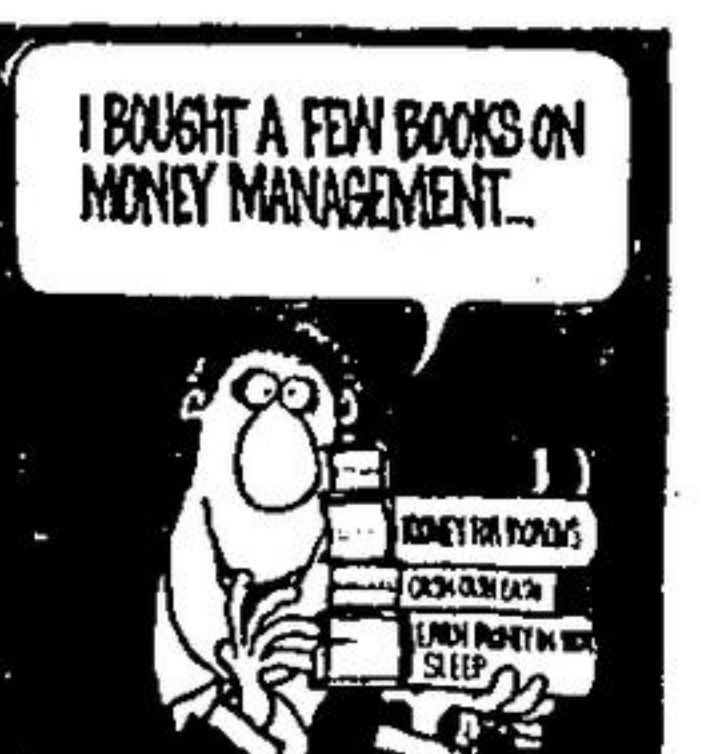
-From 1973-78, the small EFTA countries (Austria, Norway, Sweden, Finland) phased in their free-trade deal with the big EEC. Checking their growth rates for 1973-83 (the extra five years allowing time for the effect of free trade to become clear), Smith and Stone found the EFTA nations' real growth exceeded that of the EEC countries by 30 per cent.

-Both New Zealand and Israel, before they entered their respective free-trade agreements with Australia and the U.S. were running very substantial trade deficits with their large trading partners. Within three years, both were in a surplus position.

Mind you, economists wouldn't be economists if they relied solely on one explanation for anything.

Of equal importance to the success of a free-trade area, Smith and Stone cautioned, is for the smaller partner (Austria, Israel, New Zealand or Canada) to pursue other responsible policies, such as liberalization of its exchange rates and reduction of its budget deficits.

Still, overall, it sounded like free trade has been good news elsewhere.



30 years ago

Rev. Morgan McFarlane officiated at the marriage of Elma Louise Stapleton of Georgetown and Ross McCrimmon Turner of Georgetown. The bride changed from her waltz length gown of blue nylon net and lace to a grey suit for the honeymoon trip to Niagara Falls.

Silver's, the top team in the Georgetown Bowling League, was selected by the committee of the Molson's Bowling Five Pins tournament as one of two teams from the Kitchener-Waterloo zone to roll in their Sportsman Show tournament in Toronto.

Acton Main Street, park and the Free Press office were used in a TV "Perspective" program. The sites were used in a 30 minute film entitled "The Editor" televised by the National Film Board for their Perspective series.

Stuart Young, Phm. B., purchased the former Robb's Drug Store business. Mr. Young had been the manager there since 1968. There had been a drug store at 8 Main St. N. since 1915 when L.V. Hourigan first established the business.

15 years ago

Mrs. Peggy Treahy of Georgetown was chosen Lions Club Citizen of the Year. Mrs. Treahy received an award, engraved plaque during a dinner and dance at the Legion auditorium.

Company lieutenant Dave Brooshead practised his gourmet cooking at Lorne Scotts regiment's survival weekend at Base Borden. Members of the Georgetown's militia company spent the weekend living in tents and cooking their food over fires.

Larry Pickett of Georgetown was elected president of the Georgetown's Horsemen's Association during its annual meeting. The main concern of the meeting was to discuss the planning of the upcoming year's horse shows.

10 years ago

Jim Young of Georgetown was named top salesman of Clay Equipment Corporation's Top Ten territory sales representatives for 1977. The company is represented in Canada through a division office in Georgetown.

In an effort to prevent the long line-ups which result on the first day issues of stamps after an increase of postal rates the Georgetown post office released new 14 cents and 30 cents denomination stamps a month early.

Walter Gray, 85, of Georgetown measured being named Lions Club Citizen of the Year as the second best thing that has happened to him next to marrying his wife Edith. Mr. Gray devoted many years of voluntary service to the community of Georgetown.

A 22-year-old Georgetown man began a 30,000 mile sojourn through Africa and Europe. David Connolly spent five months touring countries such as South Africa, Libya, Morocco and Spain.

5 years ago

Only 5 lbs. 8 ozs. at birth baby Brian Ian Arnold was early and a bit too tiny for the infant car seat his mother received rent free for eight months from the Georgetown Jaycees. Janice Arnold of Norval was presented with the CSA approved car seat for giving birth to the first Georgetown baby during Buckle Up Baby Week.

Elaine Bertrand was elected president of the Esqueving Historical Society. She replaced Cy Waters.

Acton's Dirty Dozen volleyball squad consisting of the town's police detachment battled their way to the semi-finals at the third annual Al Ruelton's tournament. Over \$700 was raised in the charity event played at the Acton High School.

The Georgetown District High School wrestling Rebels planned down a Peel-Halton championship at White Oaks Secondary School in Oakville. Altogether 18 of 19 Rebel wrestlers earned team points at the Peel-Halton meet.

Citizens' forum

Red Cross campaign

Dear Sir,
Help us celebrate "March is Red Cross Month". Give a blood donation or volunteer some time with the Georgetown and District Red Cross branch or both.

Last year, thanks to that generosity we were able to provide over 200 articles of sickroom equipment free of charge to those in need. We provided 99 round trips to out-of-town doctors for those unable to obtain transportation, most of these clients were senior citizens. Our blood program held seven clinics and collected 1575 units of blood. Over 60 people were trained in first aid. We hold weekly Fitness classes in three senior buildings. We offer Individual Emergency Aid, Tracing and Reunion and our volunteers are always on stand-by for Minor or Major Disasters. Approximately 916 were enrolled in Red Cross Water Safety programs.

You may not need any of these services now... BUT you may one day and you'll be glad they are there.

Help us help others... give generously.

Rosanne Monaster,
Vice-Chairman,
Georgetown and District
Red Cross

Coverage was generous

Dear Sir,
I would like to thank you for the generous editorial you wrote on Feb. 3. Being a small art group we welcome your comments and the way you expressed your feelings about our show to the public.

The Herald has always been there with its support for us and we certainly appreciate it.

Sincerely,
Shirley Brambley,
President,
Palette and Pencil Club

Women's Place helpers tops

Dear Sir,
The staff, the clients and the board of directors of Halton Women's Place would like to extend their most sincere gratitude to all those individuals and organizations who had contributed time, money or supplies to our facility over the Christmas holiday season.

Needless to say, many children and their mothers benefitted greatly during that time when it was, for them, difficult to join in the festivities.

We hope to continue to provide our services to those in need. We thank all those who have given and may continue to give to Halton Women's Place.

Dr. Maria Grande, M.D.,
Chairperson, Publicity
and Public Relations Committee,
Halton Women's Place

Reader likes writer's story

Dear Sir,
We wish to applaud Brian MacLeod for his astute column "Garbage: a dirty business" in the February 20 issue of Halton Hills Outlook.

Unlike our neighbors, Brampton, Oakville, Burlington and Metro Toronto, we in Halton Hills rely on underground resources for our water - both municipal and rural.

Should Reclamation Systems succeed in their bid to turn the Acton Quarry into a dump, our drinking water could be at risk.

Let's stop the process now. Ministry of Environment officials acknowledge that public opposition is a consideration. So let's oppose... for our own and our children's sake. Please write: The Honourable James Bradley, Ministry of the Environment, Suite 100, 135 St. Clair Ave. West, Toronto, Ontario, M4V 1P5.

Contributions to P.O.W.E.R. are accepted at Georgetown/Acton Branches of Halton Hills Credit Union or Box 274, Acton, Ont. L7J 2M4.

Yours truly,
Wendy Shepherd,
RR4, Acton

Will you be at water meeting?

Dear Sir,
Too few people know or seem to care that the small area of green space (swamp) protecting the town wells on Princess Anne is to be sold as building lots.

It's not too late to ask questions. Please attend the public information night tomorrow, Thursday, March 3 at the Administration Building on Trafalgar Road. Be at that 7:30 meeting. It's your drinking water.

Yours truly,
Barbara Halsall,
Georgetown

In your opinion

Question: What do you think the importance is of religious theatre?

Asked at Holy Cross Church during dress rehearsal of His Last Days.

Importance of religious plays



DAVID WALKER: "It helps to dramatize the lessons of the Bible in an interesting manner."



TRUDY WINDER: "To get a better idea of what Easter is all about."



LUCIAS RAMAKERS: "To let people see how it really is. It gives you a better idea."



MADELEINE MARKS: "I think to visualize the actual events which occurred during the time of Christ's existence. It gets people involved which is very important."



MIKE WASKALIK: "To visualize the actual events which occurred during the time of Christ's existence. It gets people involved which is very important."