

The Threatening Number 11

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Quebec City's old town barricaded off, with 6,000 police called in to control tens of thousands of protestors.

Sounds distinctly non-Canadian. Yet, that will be the scene on April 20 at the Summit of Americas conference where 34 heads of government from North and South America will meet to discuss further moves toward free trade.

Why are people so upset?

Many are concerned that a Free Trade Area of the Americas agreement will restrict the Canadian governments authority in making decisions for the benefit of Canadians. These critics see the FTAA, and other free trade agreements, as serving the interests of multinational corporations, potentially at the expense of the Canadian people.

The areas of concern include labour legislation, the environment, and delivery of health and social services.

The sort of homes we live in, our work environment, the food we eat, the water we drink, and the air we breathe have a powerful impact on our health. More powerful, it turns out, than the health care we receive. Free trade agreements, therefore, can have a major effect on health.

But is it likely that a free trade will really restrict our government's authority to protect us from large corporations? Are the protestors in Quebec City a bunch of nervous nellyies?

Experience with the North American Free Trade Agreement shows there are good reasons to be worried. NAFTA's chapter 11 allows a private company to sue governments if government actions harm that company's assets.

When Canada passed a law banning the importation into Canada and distribution within Canada of the manganese-based gasoline additive,

MMT, the Ethyl corporation used chapter 11 to challenge the Canadian legislation. After lawyers advised that Canada might lose the case, the Chretien government agreed to repeal the law, and to pay the company \$20 million to cover legal costs.

When is evidence about the harmful effects of a substance strong enough to ban that substance? That is a matter of judgement, and of the risks one is willing to take. In the United States, national and state legislation restricts MMT use.

Who should be making the decision about whether evidence of harm from MMT is strong enough to protect Canadians? Our government, or a NAFTA tribunal?

Canadian health care is also vulnerable under NAFTA regulations. Those regulations allow foreign companies access to Canadian markets under the same conditions as Canadian companies. As a result, NAFTA could open the door to privatization of our health care system, with ownership by American companies.

For-profit medicine is more expensive than public health care delivery. The incentive in for-profit health care provision is to sell the product, rather than provide a balanced picture of benefits and risks. Furthermore, private health care could lead to a two-tier system where the wealthy get quicker, better health care than other Canadians.

The Canadian government has not ignored this problem. The NAFTA deal allows Canada to maintain barriers to foreign investment in a number of areas, including education and health care. However, once Canada allows private companies to deliver care in a health sector, a NAFTA tribunal could force the government to open that sector to private investment from abroad.

When it comes to protecting Canadians health, and health care, 11 seems to be an unlucky number. Albertas Bill 11 allows for-profit hospitals to deliver particular types of surgical procedures previously restricted to the not-for-profit service sector. Legal opinions suggest that the legislation leaves Canada open to a NAFTA challenge.

NAFTA and the FTAA aren't the only agreements we need to worry about.

The same issues are at stake in the General Agreement for Trade in Services, a worldwide negotiation. And each time GATS, NAFTA, or FTAA are updated, countries carrying the corporate flag, in particular the United States, push for access to the health care market.

Trade Minister Pierre Pettigrew, speaking for the Chretien government, claims that he will defend Canadas right to protect non-profit health care delivery. But, in GATS negotiation, he will argue that Canadas' private corporations should have access to other countries health markets, while we maintain the right to shut out foreign companies.

Yet the document outlining Canada's position doesn't even mention this issue. Is Mr. Pettigrew hoping that other countries won't notice that Canada wants to have its cake and eat it too? Fat chance. Canada will face intense pressure to allow for-profit foreign health care companies to set up shop in Canada.

Furthermore, Canada chaired the committee that wrote the services report leading up to the FTAA negotiations. The leaked report includes the following statement about points on which all countries agree.

"The FTAA services agreement should have, in principle, universal coverage of all service sectors. Market access is a basic element in services...Therefore, the development of additional disciplines to address measures that restrict the ability of service providers to access markets should be examined."

Our world is controlled more and more by international corporations and giant banks, less and less by elected governments. International trade agreements are one way that those companies have extended their control.

The health of our community is served by adequate public housing, a non-toxic environment, and equitable, not-for-profit delivery of health care. These are not high priorities for multinational corporations.

We can only hope that the Canadian government is as committed as it claims to maintaining its independence in areas related to public health, and health care. When the draft text of the proposed agreement becomes public, we will find out.