

Charest's inspiring trade vision

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Quebeckers have the reputation of being insular, somewhat locked inside the only francophone society in North America. But their past - and their present - belie this image. The first settlers of Nouvelle France were discoverers who, often with the help of aboriginals, daringly explored the continent as far west as the Rockies, as far north as Hudson Bay and as far south as the Mississippi Delta. And contemporary Quebeckers are enthusiastic free traders.

NAFTA is the major legacy of a Quebecker, Brian Mulroney. From the beginning to the end of the complex, protracted negotiations, the agreement was supported by Quebec's entire political class, including sovereigntists and federalists.

So it's not surprising that another Quebecker, and a former minister in Mr. Mulroney's cabinet to boot, is now carrying the idea of opening new frontiers for trade. This vision of "a new economic space" is Quebec Premier Jean Charest's big project, one he calls "modern and unifying," and, indeed, it is an inspiring one.

Mr. Charest wants to scrap the provincial barriers that impede the mobility of workers and the circulation of goods throughout Canada. "Quebec entrepreneurs," says Economic Development Minister Raymond Bachand, "must realize that their natural market is the 20-million-strong territory of 'Quebec plus Ontario.' "

It's not only a question of exports. Quebec's unemployment rate is very low, and the province needs more skilled workers. Increasing immigration is a solution, but an easier flow of the labour force between provinces could bring new skilled workers to Quebec while allowing young Quebeckers to take advantage of a larger job market. This will be discussed in coming months at the Council of the Federation and at a joint session of the Quebec and Ontario cabinets.

Mr. Charest goes much further. He is the major promoter of opening negotiations for a free-trade deal between Canada and the European Union.

On this file - which, of course, would be the ultimate responsibility of the federal government - Mr. Charest is acting as a "sherpa," an advance man who is feeling the water and making the first approaches with future partners. According to a senior Canadian diplomat, the Harper government fully agrees with the project, even if the Prime Minister is mum on the issue.

Mr. Charest's best allies on this file are the French. He has excellent relations with President Nicolas Sarkozy, who is said to have enthusiastically bought the idea of pushing for a European free-trade deal with Canada.

Quebec - and Canada - are too dependent on the U.S. market, with the result that the rise of the Canadian dollar and the slowdown of the American economy have dealt a severe blow to Canadian manufacturers and producers of raw materials.

"We've lost the artificial advantage of our low dollar," Mr. Charest said in a recent op-ed piece, "the price of oil is now at \$100, and international competition is stronger than ever. For the first time, in 2007, China supplanted Canada as the chief exporter of goods to the United States."

And as we are seeing these days, with the two Democratic presidential candidates promising to renegotiate NAFTA, Canada is also vulnerable to the hyperactive American protectionist lobbies.

Because of proximity, the U.S. will always be Canada's main trading partner, but direct links with the 500-million-strong European market could open new doors for enterprising Canadians, especially in areas such as software.

These are long-term projects that will not reap immediate benefits for the Charest government. Issues such as international trade and interprovincial exchanges do not raise passionate debates around the water cooler. But Mr. Charest must be given credit for rising above electoral considerations to develop a vision that will eventually make life better for Quebecers - and Canadians, as well.