

## **Supporting the Canada-EU deal makes sense for opposition parties when most Canadians are likely to see expanding trade with Europe as a sound response to this country's sluggish economy**

John Ibbitson

The Globe & Mail

June 4, 2013

On the better-late-than-never front, Canada and the European Union are expected to announce their long-awaited trade agreement during Prime Minister Stephen Harper's trip to Europe next week. If so, this will make things interesting for the NDP and the Liberals.

Each will have to decide whether to support or oppose the most comprehensive trade deal for this country since the Canada-United States Free Trade Agreement of 1988. Back then, both parties opposed closer trade ties with the United States. What will they decide this time?

The prediction from this desk is that Thomas Mulcair and Justin Trudeau will ultimately endorse the pact.

The Comprehensive Economic and Trade Agreement, or CETA, will go much farther than FTA ever contemplated. Its most controversial clauses are expected to extend patent protections for pharmaceuticals, leading to higher drug prices.

Provinces and municipalities could be forced to open their procurement programs to European firms, and there could also be limited concessions on agriculture.

Either the NDP or the Liberals could decide to oppose the deal on any or all of these grounds. So why would they offer their support?

Let's look first at the NDP. The New Democrats have never supported a free trade agreement between Canada and any other country, a major reason why many Canadians see them as protectionist, irresponsible and in thrall to Big Labour.

But Thomas Mulcair has worked hard to reposition the official opposition as trustworthy on the economy. By supporting CETA, he would be able to portray himself as a 21st-century leader in tune with the realities of globalization.

CETA would lessen Canada's economic dependence on the United States, which should appeal to New Democrats who fear the American hegemon's influence.

European states are generally more socially democratic than Canada—if New Democrats won't support a trade deal with the Europeans, who will they sign with?

Most important, provincial governments have been in on the negotiation. The word in Ottawa is that, apart from some temporary unpleasantness with Newfoundland and Labrador, the

provinces are largely onside—no doubt because there will be carve-outs to protect individual provincial interests. If no province howls, then why would the NDP?

The same reasoning is likely to inform Liberal Leader Justin Trudeau's thinking. The Liberals opposed the Canada-U.S. deal; Jean Chretien initially opposed the North American Free Trade Agreement, though he reluctantly ratified it as prime minister. When in power, the Liberals signed few bilateral agreements, preferring to focus on the Doha round of the world trade talks, which failed.

Endorsing CETA would send the message that Mr. Trudeau is willing to rise above the Liberals' protectionist past by supporting a trade agreement with the developed world's largest trading block. To borrow an overused phrase, it's a no-brainer.

This doesn't mean that opposition support for CETA should be considered a given. The NDP, especially, will be under pressure from social-activist groups such as the Council of Canadians and from some union leaders to protect Canadian jobs and Canadian sovereignty from what they see as the evils of globalization.

And trade expert Colin Robertson warns that Quebec's reaction will be crucial, even though Liberal Premier Jean Charest was a leading supporter of the accord.

"The NDP will take its lead from Pauline Marois," the Parti Quebecois Premier, he predicted Monday.

Either the NDP or the Liberals—or both—could claim that the Conservatives signed a bad deal as they desperately scrambled for something, anything, to distract from the Senate expenses scandal.

So avenues for opposition exist, if the opposition wishes to take that road. But most Canadians are likely to see expanding trade opportunities with the developed world's largest market as a sound response to this country's sluggish post-recession economy.

It would be a courageous politician who opposed free trade with Europe. And no one would be more willing to take on that politician than Stephen Harper.