

Speaking Notes

**Hon. Halvar Jonson
Minister
International and Intergovernmental Relations**

**Canada Visiting Research Chair in Brazil Studies Project
(Opening Conference)**

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8:30 a.m.**

**Rozsa Centre
University of Calgary**

Speaking time: 12 minutes

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Introduction

Thank you, Dr. **[WINE-GAR-TIN]** Weingarten, for that warm introduction.

Good morning ladies and gentlemen.

It is a pleasure to be here today, and a privilege to offer opening remarks for this conference – part of the inaugural Brazil Chair Project.

I would like to begin by extending a warm welcome to the project's first visiting chair, Dr. Marcos **[YANK]** Jank.

Dr. **[YANK]** Jank is not only recognized as a leading scholar in Brazil.

His in-depth knowledge of international trade negotiations makes him respected around the world.

We are fortunate he accepted the position of visiting chair and that we have an opportunity to hear his

perspectives on world trade, particularly trade in agriculture.

Please also join me in welcoming another visitor to Alberta, His Excellency, the Ambassador of Brazil to Canada.

The Ambassador just recently took up his new post in Ottawa.

Your Excellency, it is my hope you enjoy your visit, and that you experience the natural splendor and warm hospitality our province is famous for.

Alberta's Commitment to Free Trade

I would like to focus this morning on a topic of great importance and interest to Alberta – free trade.

To say that our province merely “supports” trade liberalization is an understatement.

Indeed, the principles surrounding free trade are vital to the economic well-being of many Albertans.

The pioneering spirit our province was founded on nearly a century ago, combined with our wealth of natural resources, makes Alberta able to compete globally in the trade of goods and services.

As such, the Alberta government pays careful attention to developments in international trade.

Our government does everything it can to make sure that international trade rules and practices evolve in a way that offers the most advantages to industry, businesses, and people in Alberta.

Alberta's position in international trade negotiations is long-standing.

As the provincial economy, laws, regulations, and jurisdiction are affected by negotiations, Alberta has to

be fully involved with the federal government in trade negotiations, such as the WTO.

We are strong supporters of trade liberalization – an objective we have consistently pursued through multilateral, regional, and bilateral negotiations.

In fact, Alberta was the first province to call for a free trade agreement with the United States.

I could get into a complicated explanation of why we have taken this stand.

But the reason we support trade liberalization can be summarized in much simpler terms.

Alberta's economy has grown substantially over the last few decades, especially since the implementation of agreements such as the North American Free Trade Agreement.

Today, 40 percent of the gross domestic product our province generates, and about the same percentage of jobs our citizens have, are linked to international trade.

Our province ranks third among all provinces in international exports, trailing only the larger, and more populous, provinces of Ontario and Québec.

Since our domestic market is limited, we must look beyond our provincial borders to remain competitive and prosper.

So, as a provincial government, we are committed to pressing hard for a more level playing field internationally, to ensure our industries and businesses have the opportunity to expand into foreign markets, to ensure the province is involved in the negotiations.

Alberta's International Trade Priorities

Alberta's overall objective in international trade negotiations is to promote liberalization in three major areas:

- Trade in agriculture;
- Trade in services, and
- Trade remedy rules.

I will discuss our objectives for agriculture in some depth in a few moments, because it is my belief that movement in this area is vital if the current round of world trade negotiations is to be successful.

However, I would like to first touch briefly on the other areas – trade in services and the reform of trade remedy laws.

Trade in services is becoming increasingly important to Alberta. It is our fastest growing and most dynamic sector.

We are moving further and further into value-added and knowledge-based industries.

No longer is Alberta only a source of raw resources.

More Alberta exports are leaving our province fully manufactured.

And we are quickly becoming recognized as a world leader in the rapidly growing biotechnology sector.

As such, it is understandable why we have such an interest in ongoing trade in services negotiations.

Alberta is also seeking improved rules for subsidy, countervailing, and anti-dumping measures, because current trade remedy rules are not consistent with the spirit of free trade and principle of national treatment.

We believe that these rules should protect competition and promote efficient market operation.

They should not be used to shield individual competitors from the realities of competition in the global marketplace.

Now, I would like to turn to the area of agricultural trade. I am certain it is an area of particular interest to many here this morning, including Dr. **[YANK]** Jank.

I had the opportunity to discuss trade in agriculture with various government and non-government officials during my recent participation in the WTO Ministerial Conference in Cancún.

I think we can agree that overall, the outcome of the conference was disappointing.

More deadlines were missed and the timely conclusion of the Doha Round is now in doubt.

But we did manage to accomplish one important thing. We came away with a keener understanding of other countries' positions, particularly developing countries.

There is no doubt in our mind that we **must** have a successful conclusion to these negotiations.

I believe that on the basis of what we learned, it would be beneficial to recall why we enter into trade negotiations in the first place.

In the past, the standard approach has been to push aggressively for increased market access for those products we export, but be far less generous in areas where our producers want protection.

The underlying flaws of this approach are obvious.

Under such a scheme, consumers and processors pay higher prices for imports.

Lower income families are among those hit the hardest. Also, processors become uncompetitive in world markets.

What do subsidies for agricultural goods result in?

They result in inefficient agricultural practices that often damage the environment, and the diversion of government funds from pressing social concerns.

Producers in developing countries face trade barriers in developed countries, but still have to compete with subsidized exports dumped onto international markets by the same rich, industrialized countries.

Trade negotiations are about developing a vision of how we want things to be.

We have to identify what will be in the long-term best interests of producers and consumers in exporting and importing, developed and developing countries.

We need a consistent and integrated approach to agricultural trade liberalization and international agreements with binding commitments that create a level playing field for everyone.

For these reasons, one of Alberta's goals is to improve market access by eliminating all tariff and non-tariff barriers for all agricultural products.

We also believe that all agricultural export subsidies, in all their forms, should be eliminated for all products – as soon as possible.

Finally, we need substantial reductions in trade and production-distorting support.

Now, I recognize that agriculture is unique in some ways.

I agree that special initiatives are sometimes needed to deal with unexpected events, like natural disasters or huge price swings.

Programs to help deal with such events are not foreign to Alberta. Alberta has had programs in the past to assist farmers through hard times.

However, Canadian governments are under constant pressure to provide more subsidies.

We are not happy about being forced into more support programs. We would rather get rid of the subsidies in all countries. But under the circumstances, we have to support our farmers.

The Importance of Dialogue

Of course, one of the keys to achieving our international trade goals is dialogue between countries, particularly among parliamentarians and trade policy experts.

Having an individual with Dr. **[YANK'S]** Jank's background speak with representatives from our universities, governments, and business community, is a prime example of what I am talking about.

Such information exchanges can be catalysts for developing ideas on how to bring the current round of international trade negotiations to a successful conclusion.

As Minister of Alberta International and Intergovernmental Relations, I would like to express the Alberta government's support of the Brazil Chair Project.

Our ministry has a tradition of supporting initiatives focused on research in the area of international trade, particularly in partnership with post-secondary institutions in Alberta.

The result in the past has been the development of proposals that have influenced – and often become part of – Canada’s international trade negotiating positions.

Conclusion:

I would like to conclude by thanking the organizers of this conference for giving me the opportunity to address such a distinguished group.

Dr. [YANK] Jank has a couple of busy weeks ahead of him, with plans to travel to a wide range of events in London Ontario, Toronto, Ottawa, and Montréal.

I wish him a safe and pleasurable journey.

And to the participants here today, please have a productive and most enjoyable discussion.

Thank you.