

# Canada urged to pursue Free Trade with Europe

**A deal in the near future is 'a must,' conference founder Gil Rémillard tells JANET McFARLAND**

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MONTREAL --Canada's focus on negotiating a free-trade pact with the countries of the Americas should not distract attention from creating a free-trade agreement with Europe, former Quebec cabinet minister Gil Rémillard said yesterday.

Mr. Rémillard, who is founder and chairman of the annual Conférence de Montreal, said it is "ridiculous" that Canada has just 8 per cent of its annual trade with Europe, a wealthy market of 375 million people. The European Union has negotiated trade pacts with Mexico and Chile, and is in talks with Brazil, he said, and Canada should not miss an opportunity to negotiate something similar.

"What we should have in the near future is a free-trade agreement with the European Union. I think for us, it's a must," he said.

Mr. Rémillard, who held several cabinet posts under the Liberal government of Robert Bourassa, said this year's theme of La Conférence de Montreal is the relationship between Europe and the Americas, including sessions on trade and business links with Europe.

"We have to find a way to have a more substantive trade with European countries," Mr. Rémillard said. "Of course, it's easier for us to have trade with our neighbours the Americans but it's sure that we have to find new ways to deal with European countries."

More than 2,000 delegates are scheduled to attend four days of sessions on a wide array of topics such as financial system reforms, agriculture, energy deregulation and city planning. German Chancellor Gerhard Schroeder is scheduled to speak today on Europe and the Americas, as is Canada's Trade Minister, Pierre Pettigrew.

Former finance minister Paul Martin will also speak today on equity in international economic development --an indication he plans to continue to play a high-profile role in the global poverty debate despite his new status as a back-bench member of Parliament. Mr. Rémillard said Mr. Martin did not cancel his speech after leaving cabinet because he was invited as a founding father of the G20 group of countries and not as Canada's finance minister. Canada's new Finance Minister, John Manley, was also invited, Mr. Rémillard said, but could not attend.

Mr. Rémillard, now a lawyer in Montreal, said he conceived La Conférence de Montréal in 1994 after leaving politics because the free-trade debate of the previous decade had convinced him the world was changing quickly in an era of globalization. He decided the best way to keep abreast of change was to bring together business people, academics, union leaders, and officials from various international organizations to discuss key trends. To keep a balance in the debate and avoid creating an entirely political forum, only one national leader is invited each year, he said.

"I realized that everything was going so fast, and we were creating a new system of international economy with a global market," he said. "I said perhaps we should try to have a forum in Montreal to bring together people to be sure we have a good understanding of what's going on."

Agriculture is one major theme, he said, because it has become one of the most contentious issues in international trade. Food safety issues, including the debate about genetically modified food, have also been areas of conflict between Europe and the Americas, and are broadly important for many countries.

Agriculture, however, is also one of the areas that could stand in the way of Canadian trade talks with Europe.

Canadian Prime Minister Jean Chrétien is a strong supporter of a free-trade pact with Europe, but the European Union has been reluctant to conclude a deal.

Mr. Rémillard said global protectionist trends are becoming a threat, and the giant U.S. farm bill, which will provide huge new subsidies for U.S. farmers, might pose a danger to negotiate a new round of global trade liberalization. As well, the proposal for a free-trade area of the Americas is also under "some shadows" with economic problems affecting countries such as Argentina and Brazil.

Despite the hurdles, he said a trade deal with Europe would be an important way for Canada to focus on new markets for trade.