## Speaking notes for the leader of the Bloc Québécois

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Thank you. It is a pleasure for me to be here today. I would like to begin with a review of what I believe are the issues of greatest interest to you and then we can open the floor for discussion. First, I will talk about the political situation in Quebec and in Canada. Then, I would like to discuss energy and share our perspective on international relations, against the ever-present backdrop of trade interests. I will be speaking from the point of view of a leader of the Quebec sovereignty movement and I am here to tell you that the question of Quebec's political future is by no means settled.

There are many reasons to think that events may begin moving quite quickly and that Quebeckers will be making a decision on their political status for the third time. Should they choose sovereignty, the international community will be asked to recognize a new country. The U.S. will gain another ally and the world will gain a democratic country with an open economy. A sovereign Quebec will be a win-win outcome for Quebeckers, Canada, the U.S. and the world – for everyone except those who are nostalgic for a Canadian dream that no longer exists in reality.

I will begin by describing the political outlook for Quebec and Canada as I see it. As you are probably aware, Quebec is a full-fledged nation. The vast majority of the political class in Quebec—the left, the right, the federalists and the sovereignists—agree on this as a starting point. This is why the House of Commons recognized Quebec as a nation in 2006. Refusing to recognize this plain fact would have had disastrous consequences for all the federal political parties at the polls in Quebec. However, this recognition by the Parliament of Canada has remained purely symbolic. Quebec has yet to sign the Canadian Constitution that was imposed in 1982.

There is a strong political movement to make Quebec a sovereign country, free to levy its own taxes, make its own laws and conduct its own international relations. At the same time, there are still many Quebeckers who remain attached to Canada, and so public opinion is virtually evenly split between sovereignists and federalists. This situation has prevailed since the last referendum on sovereignty in 1995, when 49.4% of Quebeckers voted 'Yes.'

Since 2003, Quebec has had a Liberal government led by Jean Charest, a former leader of the Conservative Party of Canada and staunch federalist. It is in the current government's interest to play down any conflicts that arise between Canada and Quebec, but that cannot make them disappear. Furthermore, Premier Charest's government is embarking on its third term of office with record levels of public

Page 1 19/10/2010

dissatisfaction, as poll after poll has shown. His government is beset by problems and the more it struggles, the deeper it sinks. It's as though it were trapped in quicksand.

Meanwhile, the Parti Québécois has a new leader in Pauline Marois. She is a strong leader with new ideas, backed by a dynamic team of members of the National Assembly and a thriving organization. All the polls taken in recent months indicate that if there were a general election in Quebec, the Parti Québécois would form the government with a solid majority. So there is a strong probability that the Parti Québécois will come to power again in Quebec in the next election, which must be called no later than 2013.

The Parti Québécois' core objective is Quebec sovereignty, and until Quebec is ready Ms. Marois intends to lead a government that is prepared to confront the federal government on the issues that matter to Quebec.

On the federal scene in Ottawa, there is a fundamental political reconfiguration underway for over twenty years. This reconfiguration is connected to the Quebec issue.

In 1987, Quebec, the provinces and the federal government signed the Meech Lake Accord, an agreement designed to bring Quebec back into the Canadian Constitution. That agreement met the bare minimum of Quebec's historical demands:

- 1. Recognition of Quebec as a distinct society;
- 2. A veto for Quebec and the other provinces over certain key amendments to the Constitution;
- 3. The right for a province to opt out, with compensation, of any federal program in areas of provincial jurisdiction;
- 4. Increased provincial powers over immigration;
- 5. The right for the Quebec government to advise the federal government on appointing the three Quebec justices to the Supreme Court of Canada.

Although the agreement did not go far from Quebec's point of view, when the deadline for the Accord's ratification came in June 1990, several Canadian provinces rejected it.

After the Meech Lake Accord failed, polls showed an upsurge in the number of Quebeckers who said they would vote for Quebec independence. Had the Parti Québécois been in power in 1990, Quebeckers would have given sovereignty a large majority. The failure of Meech led to the creation of the Bloc Québécois, the sovereignist party that I lead. Meech also led to the creation of the Reform Party, which opposed the Accord. Stephen Harper, the current Prime Minister of Canada, was one of the Reform Party's founders.

In 1993, in the first federal election after Meech, the Reform Party took the majority of seats in Western Canada, and the Bloc the majority of seats in Quebec. The

Conservatives of the day were trounced and Jean Chrétien's Liberal Party squeezed into power by taking virtually every seat in Ontario. But the Liberals were on borrowed time because they had lost their traditional stronghold in Quebec and were elected only because the right-wing vote split between the Reform Party and the Conservative Party.

When Stephen Harper succeeded in uniting the Conservatives under one party in 2003, the new political configuration that had begun to take shape around 1990 became evident. As a result, there has been a minority Conservative government in Ottawa since 2006. And it is a minority government only because Quebec has stopped the Conservatives at the gate. If you take Quebec out of the equation, Stephen Harper had a comfortable majority of 16 seats in rest of Canada. In Québec, the Tories won only ten seats out of seventy-five.

Since the last elections in 2008, the polls have indicated that public opinion has been very stable. If elections were held tomorrow, the Bloc would keep the majority of seats in Quebec and the Conservatives would stay in power, with or without a majority.

That is the political outlook in Ottawa as I see it. Whether the Liberals or the Conservatives form the federal government is inconsequential from Quebec national's perspective. After all, governments almost invariably act in their own national and electoral interests. Both parties share the same interests and Canadian public opinion has hardened considerably towards Quebec over the last 20 years.

A large majority of Canadians are opposed to any compromise on matters of language, culture, immigration, public finance, international relations or even respect for Quebec's constitutional jurisdictions. In fact, 61% of Canadians refuse even to contemplate negotiations to reach a constitutional agreement with Quebec. So there is a solid wall against Quebec and no federal party would try to break it down because it would be electoral suicide. It therefore appears likely that Canada will soon find itself with a sovereignist government in Quebec City and a federal government increasingly estranged from Quebec.

Consider for a moment the fact that Stephen Harper's current government won fewer than 15% of the seats and less than 25% of the vote in Quebec in 2008. If another referendum were held on sovereignty, federalists in Quebec could no longer promise any changes to the Canadian federation. Any promise of reform would not be credible anymore. So, the choice would be clearer than ever before: on the one hand, sovereignty, a natural state of affairs for many nations. And, on the other hand, the status quo, which undermines Quebec and which even the federalist parties in Quebec find unsatisfactory.

Conditions are therefore ripe to once again ask the question of Quebec's political status within the next few years. Quebec's approach was clearly laid out and established in the two referendums held in 80 and 95. It is rigorous and beyond democratic reproach. During both previous referendums, the high voter turnout and absence of violence were in themselves remarkable. In Quebec, all parties agree that the wording of the referendum question is a prerogative of the National Assembly. Everyone agrees that a

clear majority is 50% plus one, which is the threshold the parties used to declare the victory of the 'No' side in 95, despite the very slim margin. The government of Canada recognized and legitimized Quebec's process by actively taking part in both referendum campaigns.

Quebec has also repeatedly expressed its intention to preserve and protect the rights and the many institutions of its English-speaking community, regardless of the political status Quebeckers choose in the future.

Quebec was the first in Canada to recognize the national existence of Aboriginal peoples in 85, under René Lévesque Government. Another important achievement was the signing of the Paix des Braves, a nation to nation declaration of peace after long, bitter legal disputes between Cree leaders and the Government of Quebec. Québec also agree with the UN Declaration on the Rights of Indigenous Peoples.

And so, a sovereign Québec will guarantee at least as many rights as Canada gives them now.

In both 80 and 95, Quebec showed a willingness to negotiate with Canada in good faith to ensure an orderly transition following a winning referendum. Quebec also declared its intention to sign an association or partnership agreement with Canada once it becomes a sovereign state so that people, goods and capital can circulate freely between the two countries. And rarely has a nation been as ready as Quebec is now to exercise sovereignty over economic, social, legal, territorial and political matters.

What we hope to see from the United States government is, first and foremost, no interference in our domestic affairs when Quebeckers make their decision. Secondly, I am counting on the United States to be a decisive player in the event that the 'Yes' side wins a referendum, and to push for negotiations and a quick and orderly resolution between Canada and Quebec.

The economic stakes are huge for all of us—for Quebec, Canada and the United States—and it will be in everyone's interest to resolve this political situation quickly and smoothly. Relations with the United States are absolutely crucial for Quebec. I would also like to think that they are important for the United States, particularly where trade with the Northeastern states is concerned.

Quebec has a special relationship with France for obvious historical and cultural reasons. Clearly, we also have very close relations with our Canadian neighbours. However, Quebec's most natural economic partner has always been the United States. Since the birth of Canada, this fact has been obscured by the development of its domestic market. But as soon as the Free Trade Agreement with the United States was signed, Quebec-U.S. trade exploded. Now, Quebec's trade with the U.S. far exceeds its trade with Canada. In 2008, Québec exports to US were valued 51 billion dollars compared to 35 billion in Canada.

This helps to explain why we get nervous every time Congress runs a protectionist fever. Quebec is a free-trading nation. In 1988, during the debate in Canada on the proposed free trade agreement with the United States, Quebec championed free trade. If not for Quebec, Mulroney was put at minority in Canada, with only 106 seats out of 220.

On matters of trade policy, relations between Quebec and the U.S. are excellent. There is the recurring softwood lumber dispute but that is essentially a conflict between producers in British Columbia and certain U.S. states. Unfortunately, because Quebec is part of Canada, we are caught up in it. We are, however, committed to supply management in agriculture as is the House of Commons who voted unanimously to support this system. I have to say that this system of supply management helps us to escape from the massive agricultural subsidies seen in Europe and here in United States. However supply management would probably be the main trade issue for a sovereign Quebec.

One thing is certain: our relationship with the U.S. would be the focal point of a sovereign Quebec's foreign policy. We will be able to interact much more directly with US officials and elected people when we are a sovereign nation. The United States already has a very solid ally in Canada. Should Quebec become a sovereign State, the U.S. would have two very solid allies for the price of one.

Speaking more generally, there are two foreign policy issues that dominate the headlines in Quebec and Canada: Afghanistan and climate change. I should say first of all that it is with great caution that I raise matters of foreign policy.

I always try to imagine what the policy of a sovereign Quebec government would be: the policy of a country that has a sense of responsibility to its allies and needs to make decisions that are not always in keeping with what public opinion wants. Which is why we strongly supported the military intervention in Kosovo for instance.

On the need to intervene in Afghanistan, there was unanimity across the West and it was supported by a UN resolution. A sovereign Quebec would certainly have taken part in the military operation that followed 9/11. The Bloc Québécois supported this military action. Once we have made a commitment, we need to act responsibly towards our NATO allies. Because our operation was also intended to be a state-building mission, we had to do everything possible to safeguard the population, take control of the country and make a difference in people's lives in order to win hearts.

Unfortunately, the war in Iraq confused the issue completely. Instead of bringing international community full attention, military capabilities and financial resources to bear in Afghanistan, it had turned in huge part to Iraq.

Nowadays, the Bloc Québécois' current position is that Canada needs to withdraw from military operations in Afghanistan. All the parties in the House of Commons share this position.

As you know, Canada and Quebec have given a great deal and we have paid dearly in casualties. Public opinion is no longer on side and the Canadian armed forces themselves are at the end of their tether. That being said, Canada and Quebec are still prepared to contribute to the reconstruction and state-building effort in Afghanistan – police training, aid and democracy reinforcement for instance - but as said the Prime minister Harper, without any military presence.

As a country, Quebec would never make a significant difference militarily, given its size and resources. However, that does not preclude our making a contribution and Quebec will certainly have an army and shoulder its responsibilities. Mainly, Quebec could make a difference by providing political support and taking very specific initiatives made possible by the development of leading-edge expertise. We are French-speaking, which means that we can work effectively in French-speaking countries in Africa and in Haiti. I especially see a sovereign Quebec becoming a specialist in reconstruction after conflict or catastrophes. Certainly Quebec will be a responsible player in the international arena.

Then there is the question of climate change. I believe this is a vitally important issue. And here Quebec and Canada have opposing views, attributable mainly to our diverging national interests. Everyone is for the environment; it's a motherhood issue. But whether a country is for or against a binding international agreement clearly depends on its own national interests. A binding international agreement to fight climate change, with a carbon exchange, is obviously in Quebec's strategic interest. We have immense clean energy resources, based on water and wind power. And our oil imports are responsible for our trade deficit.

In 2008, when oil hit \$150 a barrel, our trade deficit reached \$18 billion, owing to \$17 billion in crude oil imports. That would be the equivalent of an \$800 billion trade deficit for the U.S., give or take, only by oil imports! You will appreciate, then, that anything that helps Quebec reduce its dependency on oil and make its clean energy more competitive will give us a significant strategic advantage. And an agreement such as Kyoto takes us in that direction.

Today, it seems clear that neither China nor India is prepared to reach a binding agreement that would hamper its growth. Although this is understandable, we must forge ahead, with or without them. This means a carbon exchange scheme with an emissions cap. If western countries were to sign such an agreement, their businesses would be placed at a significant disadvantage and adjustments would have to be made.

North American countries could impose a "green tariff" on imports from countries that do not restrict their greenhouse gas emissions. This could be called a Tariff on Imported Polluting Products: a TIPP. We would simply ask China or others to pay a Tip for doing the job! This would be a good way to take up the climate change challenge while maintaining our economic competitiveness.

There would be a price to pay where China is concerned; that's to be expected. After all, China is building coal-fired power plants like there's no tomorrow, inundating us with subsidized products and exporting its unemployment through an artificially undervalued

currency. At the same time, China is investing heavily on green technologies and if we don't wake up, we will soon be trailing them on that matter. Whether it is 20, 30 or 50 years from now, the day will come when we have to make the shift to oil-free economies.

Quebec's primary natural resource is its clean energy. We are boosting our hydroelectric production and are only just beginning to tap our wind energy potential. If the United States makes the bold shift to clean energy, it will find major, stable and reliable sources in Quebec. Freeing itself of its dependence on foreign oil is just as important to the U.S. as it is to Quebec, if not more so, since for the U.S. there are security considerations in addition to economic imperatives. As I see it, the strategic interests of Quebec and the U.S. are closely aligned when it comes to energy issues.

In conclusion, the question of Quebec's political future isn't making headlines at the moment and an outside observer might think that little has changed in Quebec and Canada over the past 20 years. In fact, things are moving under the surface and the undercurrents are reshaping the landscape. Nothing can happen for now, because the Quebec government is led by Jean Charest and he is not about to hold a referendum on sovereignty. But once the Parti Québécois is returned to power, everything will become possible once again.

The Quebec nation is caught in a country that is becoming increasingly unitary. Quebec remains outside the Canadian Constitution. Canadians don't want to hear about accommodations for Quebec anymore. There is no political will. Quebec federalists can feel the ground shifting beneath their feet. Particularly since we have never before had a federal government that is so far removed from Quebec's values and interests.

All this suggests a gathering pace or, as I call it, an acceleration of history. As you know, history moves in spurts: some days are more momentous than a decade and some decades count for less than an hour. The coming years may well be decisive for Quebec. And if, as I hope, Quebec becomes a sovereign country, everyone will come out ahead.

THANK YOU.