

LEADER OF CANADA'S OFFICIAL OPPOSITION
SPEECH BY TOM MULCAIR



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CHECK AGAINST DELIVERY

Thank you for that introduction, David.

It's an honour to be here with you today to discuss how our two countries can work together to build a balanced, sustainable North American economy in the 21st century.

There could be no better—or more timely—venue for this discussion than the Woodrow Wilson Center.

As you know, this month marks the 100th anniversary of Woodrow Wilson's inauguration as president.

Everyone remembers Woodrow Wilson's role in creating the League of Nations.

But this week also marks the 100th anniversary of his second-best known creation: the presidential press conference.

Before Wilson, journalists had never been allowed to grill such a powerful political figure in such a structured, sustained and public manner.

Elected officials, such as myself, have been taking Woodrow Wilson's name in vain ever since.

Just imagine what we'd be facing if someone had told that man about Twitter.

In all seriousness, while the members of the media who are here with us today may see Wilson's commitment to open government as his most lasting legacy, the fact is that for the last hundred years, Woodrow Wilson's ideas have shaped the world's approach to foreign policy in even more profound ways.

Wilson challenged the idea that a country's foreign policy should be based solely on the pursuit of its immediate self-interest.

He believed that governments should project their nation's values onto the world stage.



These approaches have long been respectively labeled as the “realist” and “idealist” schools of foreign policy.

But those terms are starting to show their age.

Today, on the world stage, our most fundamental values intersect with our most fundamental interests.

Peace and security.

Prosperity and social justice.

Democracy and good governance.

These values have served as the foundation of the strength of the democratic world.

These values guide us even now.

A hundred years ago, Wilson began to grapple with the growing interconnectedness of a new century.

Today, we face a world more interconnected than ever.

Economic boundaries have been all but erased.

Information, along with money and resources, can cross borders without barriers.

Threats that once seemed distant are now all too close to home.

A hundred years ago, Wilson believed governments should aim to project their nation's values on the world stage.

Today, governments across the globe are realizing they have no other choice.

In the 21st century, an idealistic foreign policy is a realistic foreign policy—principle has become pragmatic.

Nowhere has this connection between our values and our interests become more clear than in the fight to combat global climate change.

Canadians are keenly aware of the threat global warming poses, not only to our environment, but to our economy as well.

The development of Canada's natural resources has become a matter of fierce debate—within our own borders and beyond.

The sustainability of our industries is already having a direct impact on their development.

Projects that fail to uphold basic principles like polluter pay are being met with increasing hostility on all fronts.

The European Union is considering action of its own to address the carbon intensity of fossil fuels—the European Fuel Quality Directive.

New Democrats believe that Canada's natural resources are a tremendous blessing.

They can be a source of wealth and prosperity for our country for generations to come.

But the future of Canada's natural resource sector will be based on our access to global markets and Canada's access to global markets will be based, in turn, not only the demand for our resources, but on the world's assessment of how we develop them.

The question that faces us now is whether that development will be sustainable development.

I believe that, in the next century, that question will shape the world community's global trade relationships more than any other.

Will using the air, the soil and the water as an unlimited free dumping ground be considered acceptable business practice or an unfair trade advantage.

In the global, 21st century economy, there can be simply no excuse for failing to internalize environmental costs.

And those who fail to recognize that reality will fail to thrive.

In Canada, it was the New Democratic Party that first raised the issue of climate change in the House of Commons in 1983.

As Minister of Environment and Sustainable Development in Quebec, I introduced North America's first comprehensive sustainable development law.

I amended our province's Charter of Rights to include the right to live in a healthy and bio-diverse environment.

My predecessor as Leader of the New Democratic Party, Jack Layton, pushed legislation through the House of Commons to mandate binding carbon emissions targets—a cap and trade plan—across all Canadian industries.

In an unprecedented move for an initiative of such importance, this bill was killed in Canada's unelected Senate, much in the same way that ground-breaking climate change legislation was killed in your Senate a few years ago.



Though the end result may be the same, at least you can take solace in the fact that your Senate is elected.

Ours acted without even a mandate from voters.

Last month, President Obama spoke eloquently in his State of the Union address about the need take real action in the fight against climate change—for our children and for our future.

Contrast that with the fact that our government is the only government in the world to have withdrawn from the Kyoto Protocol.

But what I can say to the millions of Americans who are committed to the fight against climate change is that there are millions of Canadians who stand with you.

In Canada, leaders of all political parties acknowledge that climate change is real and must be addressed.

The Canadian public supports basic principles like polluter pay at near universal levels.

Even industry leaders realize that they can no longer ignore these principles and still hope to profit.

Forward-thinking business leaders know that their industries can only flourish when they have, not only a regulatory licence, but a social license as well.

That means adhering to the basic rules of sustainable development.

It means full and public consultations with communities impacted by natural resource development.

And it means working in partnership with Canada's First Nations to ensure our resources are developed responsibly.

It's difficult to perceive Canadian resource development as a sustainable endeavour when our government guts the very environmental assessments Canada relied on to ensure a basic level of sustainability.

To an unthinking investor, this sort of regulatory blank check may seem like a windfall.

But it is, in fact, a poisoned chalice.

In the wake of President Obama's State of the Union, your Ambassador to Ottawa David Jacobson gave Canadians his own frank assessment.

He said that American acceptance of projects like Keystone-XL would only be moved by progress addressing the impact that development will have on issues like climate change.





That's a warning we've have taken to heart.

When it comes to our natural resource sector, our principles are pragmatic.

And this lesson applies not only to the sustainability of our resources themselves, but to the investment policies that will guide their development as well.

In the past two years alone, state-owned Chinese companies like PetroChina and CNOOC—the Chinese National Offshore Oil Company—have invested more than \$25-billion in the Canadian oil and gas sector.

In fact, according to the Conference Board in Canada—by 2020—China will be Canada's second largest investor largely in oil and gas.

This presents an incredible opportunity—and a significant challenge—for both Canada and the United States alike.

CNOOC's recent \$15 billion takeover of the Canadian energy company Nexen paralleled a nearly identical takeover bid for an American oil and gas producer, Unocal, that was rejected by the United States in 2005.

China has made it abundantly clear that it is adamant about expanding its access to the North American energy market.

Of course, if done well, foreign direct investment from countries like China can be an enormous benefit to our energy sector.

But managing that investment will require a coherent vision—one that encourages certainty for investors while protecting our national interests as well.

From the environmental, to the social, to the economic.

Canadian law requires that all foreign takeovers above a certain threshold meet a “net benefit” test to protect Canadian interests.

The trouble is, no one is quite sure exactly what “net benefit” means, and the terms and conditions that accompany foreign takeovers are often kept secret.

In 2010, an NDP motion unanimously passed the House of Commons called for a clear definition of net benefit.

One that would provide clarity to both Canadians and potential investors.

Yet after two years, our current government still has not respected the will of Parliament.





Concerns over foreign investment in Canada have only grown since our current government signed the new Canada-China Foreign Investment Promotion and Protection Agreement—an agreement known by its shorthand, FIPA.

This is an agreement negotiated by the federal government in total secrecy—without any consultation or debate in Parliament.

It is intended to bind the hands of Canadian governments for a full 31 years.

This is an affront to one of the basic tenets of the Westminster system of parliamentary democracy: that one parliament cannot bind the hands of another.

Under Article 6 of FIPA, once a Chinese company is established in Canada, it must receive “national treatment” for expansion and operations—meaning it must be treated as if it were any other Canadian company.

This vital clause gives CNOOC powerful rights to expand its ownership in Canada’s oil and gas sector—and buy up as many new oil leases as it likes—as any Canadian company would.

The treaty goes even further by providing China with a mechanism to sue our federal government if a Chinese company’s right to expand its ownership of Canadian natural resources is blocked or impeded.

Under the terms of FIPA, these lawsuits would be launched in secret—in front of a binding international tribunal—and outside of the rule of Canadian law.

Taken together, FIPA and CNOOC’s takeover of Nexen effectively limit the ability of Canadian governments to independently control our own natural resource policy, while ceding enormous control over our resources to a foreign power.

Canada is no stranger to dealing with the challenges that arise when navigating a complex relationship with a major global power.

But for decades, Canada and the United States have enjoyed a close economic relationship that—while not always perfect—has overwhelmingly served the interests of both sides.

Despite our differences that arise from time to time, Canada and United States are both societies based on the rule law.

We both enjoy modern, dynamic economies.

We both respect fundamental labour, environmental and human rights.





These shared values are the strength upon which our economic relationship has been built.

When it comes to our economic partnership, those shared principles have served pragmatic ends.

And never has principled economic leadership been so needed on the world stage.

President Wilson himself once observed, and I quote, “*You cannot be a statesman and not a banker.*”

That sentiment is even more true today than it was a century ago.

In his State of the Union address last month, President Obama renewed his call for the elimination of corporate tax loopholes that allow the richest few to get out of paying their fair share.

In Canada, New Democrats are pressuring our Conservative government to do the same.

A February report by the OECD found that aggressive tax planning by multinational corporations is not only eroding the tax base of many countries, it’s threatening the integrity of the entire international tax system.

The British Tax Justice Network says international tax havens are costing countries tens of trillions of dollars worldwide, and leaving small and medium-sized businesses to pick up the slack.

When a dishonest few are allowed to game the system—leaving middle class families and small businesses to foot the bill—it’s up to the government to act.

And a New Democratic government would do just that—working aggressively with our G20 partners to make sure that everyone plays by the same rules.

Since 2008, political and economic watchers the world over have come to learn about the stability and strength of the Canadian banking system.

What is far less understood is that the strength of Canada’s financial system is built as much on our values as it is on our expertise.

Canada was not immune to the siren call of financial deregulation that swept across the rest of the developed world just over a decade ago.

In the 1990’s, Canada’s Liberal and Conservative parties alike joined the chorus.

It was only New Democrats who held the anchor tight against the calls for radical deregulation.





Today, Canadians are grateful that we did.

Canada's financial industry provides ample opportunity for ambition and for profit.

It provides significant incentives to attract the best and the brightest of our society to it as a profession.

But what our system does not allow is for the narrow self-interest of a few to trump the larger interests of all Canadians.

It does not sacrifice stability for the sake of promoting voracity.

Now, five years separated from the global economic crisis of 2008, Canadians are once again bracing for economic threats from abroad.

The threat of financial instability in Europe.

The threat of political gridlock right here in Washington.

The effect of U.S. sequestration cuts that have recently come into effect, combined with an end of various Bush and Obama tax breaks two months earlier, are already affecting the American economy—and Canada's as well.

Consider the effect that cuts to border services are having on your economy in the North-East and Mid-West.

Now imagine if, instead of your exports across that border constituting 4% of your Gross Domestic Product, they comprised 23% of your Gross Domestic Product, as they do in Canada.

You can understand our concern.

The United States faces a serious long-term budget challenge. That cannot be denied.

But the arbitrary austerity of sequestration is not a solution to that challenge or to any other.

Neither are the gridlock and brinksmanship that have gripped your Capitol.

At its heart, the pursuit of public life must be the pursuit of the public interest and of good government.

Our country—much like yours—faces record levels of voter disengagement and frustration.

All across Canada, I meet people who are committed to their communities, but turned off by politics.



By the cynicism and the game playing.

By the antics they've seen in parliament.

And to be blunt, it's difficult to blame them.

But in our 2011 federal election, something special happened.

From coast-to-coast-to-coast, Canadians began to rediscover their voice in our democracy.

They didn't just embrace the positive and optimistic vision put forth by the New Democratic Party, they saw themselves as part of it.

Nowhere was this more true than in my home province of Quebec, where millions of voters made history by delivering a resounding "no" to the politics of division that had weighed us down for so long.

If mature, democratic countries such as ours cannot resolve the differences that confront us, then what hope can other nations hold for resolving struggles of their own?

Here too, principled leadership on the world stage has never been more needed.

Even as we in North America struggle with the fallout of the deepest economic crisis since the Great Depression, the rest of the world has not stopped rotating on its axis.

Whether it's activists fighting for the rule of law and respect for human rights in China,

Or young people demanding accountability from their governments in Eastern Europe,

Or an entire generation awakening in the Middle East,

The struggle continues against challenges far greater than what we face here at home.

The actions of great countries such as ours will shape the next century just as they did the last.

Will we act out of fear or mistrust, and risk deepening division?

Will we sit idly by, and allow emerging democracies to flounder?

Will we shrink from the challenges that stand before us, or will we rise to the occasion?

As President Wilson understood, we cannot separate our most fundamental interests from our most deeply held beliefs.

Democracy, human rights and social justice are not the luxuries of the powerful; they are the values upon which our power is built.



In the last century, our two countries served as a model of partnership and progress for a waiting world.

We built that partnership on the strength of these values.

In the 21st century, as we prepare ourselves for an increasingly complex set of challenges.

Let's re-commit to those same values, and to those who share them.

When we look out onto a horizon filled with uncertainty, it is those most familiar and most ardent principles that will give us strength.

And that will allow us to overcome even the most daunting hurdles.

Together, we always have.

Thank you.

Merci.