

Protestors fight Prime Minister's push for freer trade

Jean Chretien feels that freer trade is necessary in this global world

Source: The Varsity (University of Toronto)

By Richard McKergow

TORONTO (CUP) - While Prime Minister Jean Chretien was busy singing the benefits of free trade

with the Americas, demonstrators chanted outside in the cold.

Last week, the Toronto Convention Centre played host to the fifth Americas Business Forum.

The meeting provided discussion on the Free Trade Area of the Americas (FTAA), an agreement that would see free trade between Canada and 34 South American countries by the year 2005.

Both Marc Lalonde, the Forum

chairman and a former minister in the Trudeau government, and Federal Minister of Trade Pierre Pettigrew met with approximately 1,000 business delegates from across the Americas.

"It has been written that 'good fences make good neighbours,'" said Chretien. "[But] with the rise of a truly global economy, and the global village, it is clear that good bridges make

good neighbours."

However, a small band of protestors outside the Convention Centre completely disagreed.

"Bullshit, get off it, the enemy is profit!" they chanted.

"It's an agreement not based in reality," said Erin Hodge, a volunteer at the Ontario Public Interest

understand that access to the market must be backed up by regimes that are fair and transparent. That is why we joined NAFTA with our two other North American Amigos, the United States and Mexico."

"That is why we have a free trade agreement with Chile, and we invest such importance in the launch of a new run of global negotiations."

Chretien says Free Trade is not an end in itself, but rather a means to a better economy for

its participants.

"[We want to work towards] building a better quality of life for our people," he said. "We are also working together to strengthen democratic institutions, and provide for the wellbeing of our fellow citizens, consolidating democracy, improving quality and availability of social services, protecting the environment and ensuring

access to education."

But much of what Chretien said came under fire from activists.

"In Columbia in the last decade, there have been thousands of deaths, and insane human rights violations," said Genny Santos, a volunteer for the University of Toronto OPIRG division.

Santos took aim at Chretien's claim that Ottawa is only interested in negotiating with peaceful regimes.

"In the results of NAFTA we can see increased sweatshop labour conditions, increased unemployment, increased corporate take-overs over indigenous lands and the only people that benefit from it are the elite," said Santos.

Chretien, however, would say that opinions like Santos' are due to a lack of communication between governments and activists.

"The government has to make sure that the benefits of freer trade are better communicated to those who fear it," he said. END

Taxation

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"This unbalanced system has

made the rich richer and the poor poorer - and the gap keeps growing," claims the report. The alternative budget update, prepared using an economic simulation model similar to the federal government's, considers the various effects of economic growth, inflation and interest rates on components of the federal budget. The CCPA's simulation confirms Ottawa should be able to announce and fund new investments in human services and public infrastructure in its coming budget without significant tax increases. It is expected Martin will try to implement both tax cuts and increase spending in his upcoming February budget.

According to Jim Stanford - an economist and chair with the Macro and Fiscal Policy Committee and author of the alternative budget update - over the next five years the federal surplus could accumulate to a whopping \$117 billion.

This could occur in the absence of any tax changes or major new programs. In Canada, the taxation system is intended to work on the principle of progressive taxation - working to even out incomes over time by taxing high incomes at a relatively higher rate.

However, according to a report by the Manitoba branch of the CCPA, when all taxes are taken into account Canada has a nearly flat taxation system with everyone paying a similar percentage of their income in taxes.

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