



Farris Senior Advisor, David Emerson features in the February 17, 2009 edition of The Vancouver Sun.

Canada losing ground, Emerson says

Controversial former cabinet minister still baffled by grassroots uproar caused by party-hopping - By Peter O'Neil

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David Emerson, in his first wide-ranging interview since retiring from politics, says Canada must adopt a more activist foreign policy, be less “short-sighted” in spending initiatives, and avoid the “dangerous” trend of letting leaders be dominated by tiny groups of partisan advisers.

The former senior cabinet minister under both Stephen Harper and Paul Martin also called for an improved Canada-China relationship and predicted that Canada will have little trouble withdrawing its troops in 2011 from Afghanistan.

Emerson also spoke candidly about the “traumatizing” personal impact on his family of his hugely controversial decision to jump from the Liberals to Harper’s freshly-elected Conservative government in 2006.

“Certainly when I travelled abroad . . . people would say, ‘Where’s Canada been? Why aren’t you out more?’...There was a real kind of noticeable impression out there in the world community that Canada is not as visible as we used to be, and should be.” - David Emerson

Emerson, an economist, top corporate executive, and former B.C. deputy finance minister, served as Martin’s often blunt industry minister after being recruited in 2004. Now back in the private sector after deciding not to run in the 2008 election, Emerson said it was clear during his foreign trips that Canada is fading from the international stage.

“Certainly when I travelled abroad . . . people would say, ‘Where’s Canada been? Why aren’t you out more?’ “ said Emerson, who was trade and foreign affairs minister under Harper. “There was a real kind of noticeable impression out there in the world community that Canada is not as visible as we used to be, and should be,” he told Canwest News Service in an interview.

Emerson said Canada’s visibility problems existed under previous Liberal governments and are possibly linked to the 1994 North American Free Trade Agreement, which he said made Canada “U.S.-centric.”

He also linked Canada’s image problem to the minority Parliament that has existed since 2004, which keeps ministers from travelling because of fear they’ll miss votes. And he cited budget cuts that have affected Canada’s diplomatic and trade promotion efforts. He said a more robust foreign policy should seek stronger ties with Europe, China, Japan, Brazil and India.

Emerson also said the Conservative budget was a “pretty good” step to deal with wounded parts of the Canadian economy, but he said he would have preferred more emphasis on investing in science and technology, trade and border improvements, and training.

“What we do now in the short run shouldn’t be short-sighted. It should be in pursuit of compressed actions, or accelerated actions, which are supportive of a long-term strategy,” he said.

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About David Emerson, P.C.

Mr. Emerson obtained his Doctorate in Economics from Queen's University. Nationally he has held senior positions that include Minister of Foreign Affairs, Minister of Industry, Minister of International Trade and Minister for Pacific Gateway and Vancouver – Whistler Olympics. In British Columbia he was the Province's Deputy Minister of Finance, Deputy Minister to the Premier and later President of the British Columbia Trade Development Corporation. He has also served in leadership roles in the private sector, including as President and CEO of Canfor Corporation, the first President and CEO of the Vancouver International Airport Authority and Chairman and CEO of Canadian Western Bank.

Mr. Emerson has been deeply involved in the national public policy agenda, including economic policy, globalization and trade policy, transportation and logistics. In the private sector, he has undertaken the development of competitive global value chains and has been involved in strategically motivated financial restructurings, project financing and public/private partnership initiatives.

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He voiced concern about the government's decision to cut funding for Genome Canada and the Canada Research Chair program. "Now is the time when you've really got to keep pushing resources into research and our educational institutions." Emerson chairs B.C. Premier Gordon Campbell's economic advisory board, serves on several corporate boards, is executive chairman of the B.C. Transmission Corp., and is senior adviser with the major Vancouver law firm Farris, Vaughan, Wills & Murphy LLP.

Emerson, stressing that he was speaking about his experience under both Canadian prime ministers as well as during his time in the B.C. government, said there is a "dangerous" domination of Canadian leaders by small groups of advisers. "I think in Canada generally there is an under-appreciation of the degree to which small cadres of advisers kind of close in on the leader, and keep him or her probably too insulated from sort of your average Canadian," he said. "And that's dangerous."

On China, Emerson confirmed there were divisions within the Conservative government on how to deal with human rights concerns while at the same time not alienate a huge and growing world economic player over the touchy matter. "When I was there we managed [the divisions], we talked about them," Emerson said. "I felt we were making significant progress on a range of issues." He called Harper's election announcement that he wants to visit China "an important signal" to send. "Now, would I like to see us more deeply engaged with China."

On Afghanistan, Emerson said the Canadian Parliament is "absolutely right" to withdraw troops as promised in 2011, and focus more on development.

On the economy, he said the government's projected return to a surplus in 2013 will only be attainable if there's a strong recovery in 2010-11 coupled with politically-unpopular spending cuts and possible tax increases.

He expressed pessimism about Canada's near-term economic prospects. "I still think that we're going to go deeper before we start to turn around simply because you're now starting to see bankruptcies and layoffs and unemployment and shelved investment plans cascading," he said. "And until that cascading stops, and until there's enough consumer and government investment ... I think it's going to be pretty tough."

He said Canada's NAFTA advantage is withering in the post-9/11 era because of U.S. border security measures and protectionism. He called on the government to aggressively seek stronger Canada-U.S. ties, up to and including a customs union. He said at minimum Canada should advocate a North American security perimeter arrangement, a labour mobility agreement that modernizes NAFTA provisions, and greater integration on regulatory matters.

On his controversial defection, which led to an unsuccessful campaign to force him to resign as Vancouver Kingsway's MP, he said his critics misunderstood his motives. Emerson said his ability to influence policy evaporated when Martin, after winning a minority government in 2004, lost the 2006 election and announced he would quit as leader. "When the opportunity was offered to me from [Harper] to join his cabinet I looked at that in this light," said Emerson, who would go on to settle the Canada-U.S. softwood lumber dispute as Tory trade minister.

"Can I be more effective as a senior minister in cabinet, getting things done, which I knew had to be done, or being on the opposite side of the House basically participating in partisan rants?" He said he was baffled at the huge grassroots uproar in which critics portrayed him as an opportunist out for personal gain. He said he has no regrets about becoming a politician, but understands why successful business people shy from it. "I mean the reality of public life is that you essentially lose your rights as an ordinary Canadian. For an ordinary civilian Canadian to be treated that way would be unheard of in Canada, but if you're a public figure people can say whatever they want, they can accuse you of being a criminal, they can basically treat you with any kind of virulent disrespect that they like, and there's not a hell of a lot as a politician that you can do about it."