

## Fed. gov't okay with offshoring jobs: Peterson



**Minister of International Trade Jim Peterson. (CP PHOTO/Tom Hanson)**

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OTTAWA — The federal Liberals won't weep for Canadian jobs lost to cheaper labour markets in China and India, says Trade Minister Jim Peterson.

Business should feel free to send work offshore to wherever it can be done most cheaply, to help boost their bottom lines, Peterson told a national gathering of the Canadian Manufacturers and Exporters.

"In doing so, you're not going to hear from our government cries of 'outsourcing,' cries of 'offshoring,' or of 'protectionism'," Peterson said

Tuesday.

"Our message to you is very clear: if you are not globally competitive, then your business and your Canadian jobs will be at risk."

Later, Peterson said domestic firms must do whatever they can to strengthen their balance sheets in the hope that will eventually lead to more and better jobs at home.

"The issue is not how many jobs leave Canada, the issue is how many jobs we are creating," the minister said after his speech.

"And if we don't have globally competitive firms, we will not be creating those jobs. This is the stark reality."

Peterson took a similar message to China last month, where he encouraged Canadian firms to take advantage of low-cost global supply chains and expand into that rapidly growing market.

He'll likely reiterate it when he leads another trade mission to the rapidly growing powerhouse of India in early April.

But the theory that global free trade will see low-value jobs at home replaced with highly skilled, well-paying employment so far just isn't working, said Peter Julian, trade critic for the opposition NDP.

And he put the Liberals on notice that New Democrats - key supporters of the minority Liberals in the current Parliament - will boost the pressure on Prime Minister Paul Martin to reconsider his trade pacts and do more to protect domestic workers.

Peterson is making "bizarre and irresponsible comments . . . that are quite outrageous," Julian said.

"It's very clear that things need to change . . . I don't think the word 'crisis' is too strong a word when you're talking about tens of thousands of jobs at risk."

So far, the evidence is mixed in terms of impact of global free trade on Canadian jobs.

Labour economist Jim Stanford recently said he feared 50,000 jobs could be lost as a result of companies moving parts of their operations to cheaper labour markets in China.

A study last week by Statistics Canada found little evidence that well-paid jobs have been disappearing across the country.

But it also found the quality of jobs - as well as security, pay and benefits - has been stagnant for the past quarter-century.

Incomes, even after adjusting for inflation, rose by just two per cent in almost 25 years while temporary work ballooned, unionization shrank and solid pension plans became increasingly scarce, the agency concluded.

"He's dithering while Canada burns, while we're losing all these jobs," said Julian.

Outsourcing of jobs became a major concern last year during the U.S. presidential election with Democrat John Kerry vowing to fight to protect American jobs.

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