QUÉBEC'S International Policy

WORKING IN CONCERT



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JEAN CHAREST PREMIER OF QUÉBEC

vents over the past few years have unfolded, from a historical perspective, at an accelerated pace. Countries referred to as third-world have joined the ranks of the global economic powers. The means for transporting goods, merchandise, and people have changed radically. The technological revolution has transformed the way we interact with information, and images now travel as quickly as capital.

The Cold War has been replaced by a growing number of regional conflicts and terrorism has crossed the ocean. We live under the constant threat of pandemics. Yet at the same time, measures to protect the environment and initiatives to devise a more equitable form of globalization have given rise to new ties of solidarity.

In our rapidly evolving world, the power of nation-states has been diffused due to market expansion. The advent of a global village has brought with it unprecedented challenges that call for international and multilateral solutions. As an integral part of the North American landscape, Québec must make a place for itself in this new world context by asserting its identity, prospering economically, and preserving its values.

Our International Policy aims to provide Québec with timely strategies that will enable it to meet these challenges and benefit from the potential afforded by a changing world. I have already taken concrete action in this regard. In 2005, I led one the largest Québec delegations ever to China. Similarly, early this year, I led Québec's first delegation to India.

The aim of our policy is to strengthen Québec's international influence. It reaffirms Québec's prerogative to vigorously and independently pursue international initiatives wherever appropriate: whatever falls under Québec's jurisdiction at home falls under its jurisdiction everywhere.

In keeping with Canadian foreign policy, the enhancement of Québec's diplomatic initiatives will be achieved mainly through a redeployment of our network of representatives abroad. We will also increase our participation in Canadian initiatives.

Our International Policy marks a turning point. Indeed, it aligns our initiatives with a Canadian position that is more representative of Québec's interests. As a result, Québec's international voice will have added resonance in the 21st century.

Jean Charest

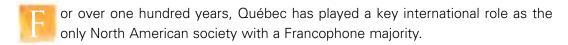
Premier of Québec



MONIQUE GAGNON-TREMBLAY

MINISTER OF INTERNATIONAL RELATIONS

AND MINISTER RESPONSIBLE FOR LA FRANCOPHONIE



Québec takes pride in its identity and is an active participant within the Canadian context. It is a knowledge-based society with an advanced economy fully integrated within the North American market and an abundance of natural resources.

In a new world order characterized by the rise of emerging economies, Québec is asserting its desire to pursue vigorous collaborative and multilateral international initiatives in accordance with its needs.

To accomplish this, the government must first ensure that the expertise and initiatives of its ministries and agencies are focused on specific objectives and shared international priorities. It must then work more closely with metropolitan areas and major public institutions, particularly universities and civic groups already active on the international scene, to ensure that their initiatives are mutually complementary.

The Government of Québec also intends to work collaboratively with the federal government, reflecting the firm belief that it can contribute effectively to Canada's worldwide influence. It also believes that the Canadian government's support of Québec's international initiatives will mean a stronger Québec. However, the Government of Québec has no intention of withdrawing from the international partnerships it has developed over the past forty years; rather, it will work to strengthen its bilateral relations.

The belief that Québec will be stronger and more influential in the international arena by rallying other partners and working more closely with them is the underlying premise of this policy.

Nonetheless, our efforts will surely depend on the degree of openness, tolerance, and hospitality demonstrated by Québec society – our greatest guarantee of success. During the drafting of this policy, I met with many young people who described their vision of Québec and their hopes for the future. They also spoke about their activities and the networks in which they participate. They are not limited by borders. Seeing them so focused on the world yet so deeply rooted in Québec, regardless of their place of origin, I firmly believe that Québec is capable of succeeding and taking its rightful place in the world.

MONIQUE GAGNON-TREMBLAY

Minister of International Relations

AND MINISTER RESPONSIBLE FOR LA FRANCOPHONIE

Preface

uébec's decision to take on an international role dates back a number of years. The scope of its governmental jurisdiction, together with its unique identity within Canada and North America, contributed to this decision. Québec's need to assert itself on the international stage has become even more acute in light of the changing global environment and the enormous challenges Québec will face in the coming years.

Today, deep geopolitical changes are modifying the existing world order. Technological advances are transforming the international economy into an increasingly competitive environment. The phenomenon of globalization must be reconciled with the existence of multiple identities among the world's peoples. The dynamics of North American integration include the regional dimensions of issues such as security, energy and the environment. International trade negotiations are defining the future of agricultural policies as international organizations seek to establish a public policy framework. In this context, Québec intends to step up its international initiatives and to take part in the deliberations and meetings of forums and organizations whose work has a bearing on its responsibilities and interests. The Government of Québec strongly believes that federated political entities can play a key role in building a more prosperous and secure world in which solidarity is a central principle.

Québec is pursuing these efforts to assert itself within the Canadian federation and on the international scene, while cooperating closely on complementary initiatives with the federal government.

The Government of Québec will conduct its International Policy in accordance with the values that forge Québec's identity. It will also ensure that decisions made by others do not constrain Quebecers' right to live and develop on the basis of their own choices.



Chapter 1

The Québec Government's International Responsibilities

Québec is a federated state invested with the political responsibilities that fall within its purview and whose powers are essentially determined by the Canadian constitutional framework. The Government of Québec has exclusive jurisdiction over natural resources management, health, education, culture, municipal institutions and private law. It also has joint responsibility with the federal government in areas such as agriculture and transportation. It manages its own fiscal system and levies its own taxes. It oversees the administration of the courts and the majority of police and public

safety services on its territory, and is responsible for the selection of immigrants to Québec.

"Whatever falls under Québec's jurisdiction at home falls under its jurisdiction everywhere."

Jean Charest, Premier of Québec,
November 8, 2004.

Although the Canadian Constitution does not address international matters, successive court rulings dating back to the 19th century have established that, in Canada,

a federated state is not subordinate to the federal state and that the authority to enact international treaties falls within the jurisdiction of either the federal government or the provinces, according to the internal distribution of powers provided for by the Constitution.

Québec therefore considers itself enabled to exercise the external attributes of the functions it exercises internally. Over the years, it has put into place the appropriate legal and institutional instruments to those ends. It has mandated the Ministère des Relations internationales to lead the Government's international initiatives, coordinate the actions of departments and agencies in this regard, manage a network of representatives abroad, as well as negotiate and enforce international agreements.

Today, Québec has nearly thirty delegations, offices, and local representatives in eighteen countries. More than 300 bilateral agreements are now in effect with the national governments and federated states of nearly 80 countries. The Government of Québec is a participating member of La Francophonie and carefully monitors the work of international organizations in matters regarding its jurisdiction and interests.

Historical Evolution of Québec's Presence in the World: Some Important Dates

- 1871: Immigration agents are dispatched to the United Kingdom and the United States.
- 1882: Hector Fabre is posted in Paris as the "official representative of the Government of Québec for all negotiations concerning the attributions of the province".
- 1911: The Government of Québec names an agent-general to London.
- 1915: A Québec agent-general is named to Brussels.
- 1940: A Québec commercial and tourism office is opened in New York. It later becomes a general delegation.
- 1961: The "Québec House" in Paris is inaugurated. It became a general delegation in 1964.

Today, Québec has close to thirty delegations, offices and local agents around the world.

It contributes to the definition of Canadian positions and it ensures the implementation of a number of international agreements concluded under the auspices of the United Nations and other international organizations.

Global changes and international debates have direct consequences for the Government of Québec. For example, its capacity to govern effectively is being increasingly influenced by norms and standards that are established elsewhere. Québec's growth and prosperity are strongly dependent on its foreign trade. The emergence of new security concerns makes it imperative for Québec to collaborate to a

greater extent with its international partners. The vitality of its culture and the affirmation of its identity depend on its capacity to reach out to the world. Finally, Québec shares the concerns of the global community when it comes to the huge disparities that still exist between rich and poor countries.

The Government of Québec therefore intends to continue and intensify its international activities. This stems from a view largely shared within the Canadian federation: the strengthening of continental integration and the emergence of new economic giants are weakening the influence of countries with low demographic densities. It is in Canada's interest to pool its international resources and to project an image that truly reflects its federal nature, i.e. the existence of two orders of government working in their respective spheres.

The establishment of this new partnership with Canada is founded on the respect and recognition of Québec's jurisdiction, expertise, and unique characteristics.

With this in mind, Québec's International Policy outlines a vision that will guide the Government's initiatives over the next decade—a vision that clarifies the manner in which it intends to ensure the promotion of Québec's interests and thus contribute

to its prosperity, safety, image and influence. The policy was drafted in collaboration with the Government's departments and agencies, as well as with the input of several groups and representatives of Québec society who are active on the international scene.

In short, it expands on the international aspects of the objectives outlined in the governmental action program "Shine among the Best," that serves as a guide for the policies and programmes of all government departments.



Chapter 2

Background

THE CHANGING INTERNATIONAL ENVIRONMENT

ince the end of the Cold War, the world has witnessed a fundamental restructuring of the international system. This has come about in an environment of ever-increasing globalization. It is to the resulting changes that one must look in order to understand the trends that will affect Québec's medium and long-term development.

Global Economic Realignment

The economic supremacy of the United States constitutes an essential feature of the international environment. The American economy accounted for close to 21 percent of world production in 2005 and ranked first in the trade of goods and services. It remains the most dynamic economy in the world, due largely to its flexibility and the gains in productivity made possible by state-of-the-art technology, as well as scientific and technological advancements.

Globalization began as an economic process but has grown to become a far more complex phenomenon with ramifications for political, social, cultural and identity issues.

The North American Free Trade Agreement (NAFTA) solidified North America's position as one of the world's leading zones of economic activity; its vitality should be further strengthened by the creation of the Security and Prosperity Partnership (SPP), between Canada, the United States and Mexico.

The unification process, begun some fifty years ago in Europe, was aimed at laying the foundation for a new political, social, and economic solidarity. The European Union has become a highly integrated economic community with a population of over 450 million. The adoption of a common currency and the development of increasingly harmonized rules and standards have facilitated trade relations within the Union, which has now emerged as the world's second largest economy.

Trade and investment flows have caused certain emerging economies to rise up and compete with developed economies. Of all the continents, Asia is benefiting the most from globalization. Along with Japan, which remains a top-performing economic power, China and India have joined the ranks of the world's major economies.

Chapter 2 Background

By virtue of its history, its stature as a great world power, and the fact that it is a member of the G8, Russia is making its presence felt in the world economy, owing particularly to oil and gas production and the growth of manufacturing output. Brazil has significant economic potential, and its companies are securing enviable positions in strategic niches such as the agri-food business and aeronautics.

The growth of emerging economies has brought with it significant adjustments in the distribution of global production. These adjustments have not only disrupted the traditional consumer goods sector but are likewise affecting the services and high-technology sectors, which are no longer concentrated exclusively in developed economies. The turbulence experienced by these economies will continue so long as commercial trade takes place on the basis of exchange rates that do not accurately reflect market supply and demand.

Over the past few years, the opening of borders, political instability, and an unequal distribution of wealth have contributed to greater migration flows, which have doubled since 1970. Migrants play an increasingly important role in the demographic balance and the evolution of labour markets in developed countries.

These changes have a direct impact on Québec since they affect both businesses and workers, in addition to threatening its ability to compete, especially in its primary market, the United States. The main challenges for Québec's economy will be to adapt to the new global economic environment, consolidate positions in traditional markets, and take advantage of the opportunities afforded by emerging economies.

Economic Integration, Sustainable Development, and Wealth-Sharing

The process of economic integration has resulted in a rapid increase in international trade. This has been accompanied by an even faster growth in foreign direct investment. These two growth factors, namely trade and investment, are interrelated as well.

On the one hand, foreign direct investment flows help to streamline production. On the other hand, integrative trade is replacing traditional trade. Consequently, more and more exports of a given country are comprised of components imported from other countries. Québec is no exception to this trend. An estimated 37 percent of its exported commodities include materials from outside its territory. Foreign investment is now an essential part of the strategy adopted by a growing number of Québec companies.

Background

Another trend of note: the services sector accounts for an increasingly large share of world trade. It makes up approximately two-thirds of world economic activity. Moreover, information and communications technologies are providing new trade opportunities for companies in Québec.

The tourist industry constitutes an important part of the services sector. Over the past few decades, it has grown significantly as a result of increased global wealth, the deregulation of air transport, and a relative decrease in transportation costs. In 2005, tourism accounted for 221 million jobs worldwide, i.e. 8.3% of all jobs in the world. It generated 4 745.7 billion U.S. dollars, corresponding to 10.6% of world GNP. According to the World Tourism Organization (UNWTO), the number of international tourists was estimated at 808 million in 2005. Despite the pressures due to the high cost of fuel, international passenger traffic increased by 7.7% in 2005, according to the International Air Transport Association (IATA). An international context of renewed fuel cost increases or of heightened security concerns could have a strong impact on the future of this industry in the coming years. Québec, whose tourist industry represents 2.8 percent of its GDP and ranks fifth among its exports, will have to position itself carefully if it is to continue to profit from recent favourable trends.

The growth of advanced economies and the rapid industrialization of emerging ones have increased the demand for energy and raw materials, causing their prices to rise. If the present rate of global economic growth continues, the demand for energy will increase by approximately 50 percent over the next ten years.

Given the direct link between energy use and climate change, decisions regarding energy consumption are one of the most pressing problems of our time. The dual challenge for the international community lies in finding ways to increase supplies while minimizing the impact on the environment. This in turns imposes choices on governments and businesses but it also offers possibilities, especially where renewable energy and energy-efficient technologies are concerned.

Québec ranks fourth in the world for the production of hydroelectricity and has one of the continent's most dependable electrical power transmission networks. It is also engaged in the development of wind power systems. Its ability to produce this form of energy is an important asset. The large amount of hydraulic power still available and the potential of other renewable sources suggest that, over the long term, Québec can consolidate its role in the American Northeast in the early stages of a continent-wide energy partnership.

Managing water supplies is another of the major challenges of the 21st century. According to some estimates, by 2015, almost half the world's population will be living in countries experiencing water shortages. Nearly half the planet's surface is irrigated by basins that are shared by more than one country. Securing access to this essential resource will therefore be a major international issue in the years to come. Québec has three percent of the planet's freshwater reserves and is located along one of the largest drainage basins in the world, the St. Lawrence–Great Lakes ecosystem. It will closely follow discussions concerning water management and build on the progress already achieved with its Canadian and American partners.

According to the *Millennium Ecosystem Assessment Report* released by the United Nations Environment Programme (UNEP) in March 2005, 60 percent of the ecosystems on which life on earth depends have deteriorated to such an extent that the world population's well-being will be affected if radical measures are not taken. Global economic realignment inevitably carries with it considerations linked to sustainable development. In Québec's view, the challenges related to forest management, the preservation of biological diversity, the reduction of atmospheric pollutants and greenhouse gases, glacial melting and permafrost thawing in its northern regions require not only vigorous domestic initiatives but also the establishment of international partnerships to foster research on best practices and innovative solutions.

Finally, alongside countries that need to adapt their economies to globalization is another group of countries whose development remains insufficient. Although economic conditions have improved worldwide, thus raising the standard of living, literacy rate, and quality of public health in a number of countries, progress has not been universal. Despite all efforts, 1.1 billion people, representing 20 percent of the world's population, still live in poverty.

The international community is committed to actions enabling these countries to move out of a subsistence economy and into the first stages of prosperity, but numerous obstacles remain. Improving governance capacity and the quality of education and health-care systems are prerequisites for countries who wish to embark on the path of progress and development. But to experience economic growth, their goods will also need access to world markets. Reaching these goals will be one of the greatest tests for international solidarity in the coming years. Québec's standard of living is high. Consequently, it cannot sit on the sidelines while the international community acts on this issue.

Technology, Knowledge and Culture

The evolution of the global economy during the second half of the 20th century has demonstrated to what extent education, research, and innovation play an essential role in a world where new technologies are constantly changing our methods of production, transportation, and communication.

To boost the competitiveness of their economies, some countries are working to set up research and development (R&D) infrastructures that will improve their ability to innovate. Countries opting for this solution set a goal of allocating 3 percent of their GDP for that purpose. Québec hopes to achieve that objective as early as 2010. Major research projects also rely on international partnerships in order to benefit from the sharing of information, expertise, and work instruments.

Québec has significantly increased its R&D capabilities and needs to continue these efforts. A key challenge for Québec will be to attract foreign researchers to top university research centres and to public and private research consortiums, as well as getting more of its researchers involved in international networks.

Major assets for any city or region seeking to attract national and foreign business investments are its universities, advanced research centres, and its skilled labour force. The presence in a given urban setting or region of all three of these ingredients intrinsic to a knowledge-based economy creates a synergy and an environment conducive to the emergence of niches of excellence. Cities, towns and regions possessing this kind of mix become important political players and economic motors that help drive the national economy.

Technological progress has major consequences not only for the economy, but also for social and cultural life. Information technologies and new means of communication facilitate the exchange of ideas and dissemination of knowledge. But they may also have an impact on long-term social and cultural prospects, giving rise to concerns about the preservation of both the diversity of cultural expressions and the government's capacity to intervene effectively on these issues. The vulnerability of the French language and the distinct features of Québec's identity remain a major focus of the Government's international action.

New Threats, New Decision-Making Centres, and New Players

The evolution of the international context reveals three additional trends that strongly affect state governance. The first has to do with the issue of security. During the Cold War, security was essentially a military matter resulting from conflicts between two superpowers. Since then, that geopolitical situation has given way to new threats that are much more difficult to detect and contain.

The wave of attacks that rocked several regions of the world at the turn of the century has made the fight against terrorism a primary concern for the international community. In taking measures to protect themselves, governments nevertheless have to find a balance between stepped-up security and the openness that a competitive economy requires. They must also strive to find a balance between the effectiveness of the measures they adopt and the need to respect basic freedoms.

Two other key challenges stand out: fighting traditional forms of transnational crime and dealing with the risks associated with pandemics and a deteriorating environment. The magnitude of these threats is such that it is increasingly necessary to view international relations from a security perspective. Unlike the case of classic military conflicts, the fight against present-day threats requires a combination of international collaboration among countries and direct involvement by different orders of government responsible for maintaining public order. Moreover, the distinction between internal and external security is becoming increasingly hard to make. The Government of Québec cannot refrain from taking part in efforts to counter these new threats.

The second trend affecting political governance relates to the role played by governmental international organizations. They deal with problems whose solutions require cooperation among governments. The resulting rules and standards increasingly affect the management of a state's internal affairs. The areas most affected in Québec are trade, environment, culture, human rights, labour standards, public health and public security.

The nature of these issues is also gradually inducing new players such as corporations, public institutions, humanitarian organizations, and local administrations to become more directly involved in international relations. This shift has given rise to a third key element: the growing influence of non-governmental actors in international affairs.

Several other factors influence global development. The evolution of those mentioned here are of particular interest to Québec.

IN SHORT

Major Global Trends Influencing Québec's Development

- The emergence of new economic powers, which are increasingly able to compete with developed countries.
- The increase in foreign direct investments and the development of integrative trade.
- The growing importance of the services sector in the global economy.
- Greater world demand for energy and natural resources.
- Sustainable development as a key concern.
- The strategic role of education, research, and innovation as factors for growth and prosperity.
- The success of cities and regions around the world in becoming key centres of the knowledge economy.
- The rise of nonmilitary threats.
- The consequences of globalization on the identity and the long-term cultural development of societies.
- The growing role played by organizations and international conferences in defining the rules and standards which have an impact on governance.
- The role of citizens' diplomacy in the practice of international relations.
- The search for a more balanced distribution of global wealth.

CHANGES AFFECTING QUÉBEC

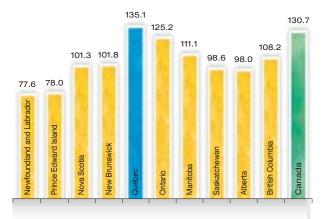
In light of this changing international environment, it is also important to assess the domestic challenges facing Québec's development. With a population of 7.6 million and its location in the Northeastern part of North America, Québec has made important social and economic progress. This has been accompanied by greater openness to foreign markets. International activity has been highly rewarding, and even indispensable, for its development.

Increase in Industrial Output, Employment and Standard of Living

Québec's evolution over the past decades has been characterized by sustained growth, making it possible to diversify industrial output while at the same time substantially increasing employment and the standard of living. The average annual growth rate (i.e. real GDP growth) between 1983 and 2005 was 2.4 percent, while employment climbed at an annual rate of 1.6 percent, reaching 60.2 percent in 2005. The improvement in employment prospects was not only quantitative but also qualitative, since the percentage of workers with post-secondary degrees rose from 42.3 percent in 1990 to 61.4 percent in 2005.

Industrial Diversification, 2002

Of all the Canadian provinces, Québec has the most highly diversified economy, which is even more diversified than the Canadian economy as a whole.



Source: Ministère du Développement économique, de l'Innovation et de l'Exportation du Québec (MDEIE)

The increase in Québec's exports over the last few years has been a major growth factor for its economy. Between 1990 and 2005. Québec's total exports to the rest of Canada and abroad have increased more rapidly than the economy as a whole and currently account for over half of GDP. As a result of higher employment and productivity, the standard of living for Quebecers improved on average 1.74 percent annually between 1990 and 2005. This rate is comparable to Canada's and higher than that of countries in the euro zone. Yet this favourable performance should not eclipse the major consequences rapid changes in the global

economy will have for Québec nor the challenges it will need to overcome in order to stay on track.

The strengthening of the Canadian dollar and a lower productivity rate than the United States suggest that the situation will become more difficult for Québec's exports. As noted in the Québec government's economic development strategy, increasing business productivity, renewing and training the labour force, as well as bolstering R&D are now more vital than ever. Several initiatives are under way to make it possible for Québec to meet these challenges. International measures are an important means of achieving this goal.

Demographic Trends

As is the case with other western societies, Québec is experiencing a rapid aging of its population and a much lower birth rate than in the past. If present demographic trends continue, the population will peak in 2030 and subsequently begin to decline. By 2011, the working-age population will begin to decline. In addition, more than one-third of Québec's entrepreneurs will retire within the next ten years, thus making the renewal of its entrepreneurial class a key challenge for Québec.

Projected changes in demographics will therefore have a strong impact on the labour market. The rise in the employment rate and drop in unemployment that have occurred over the past decade should continue. In such a scenario, it is anticipated that individuals will be encouraged to continue working longer and defer their retirement. From an economic perspective, the slowing of population growth will also have consequences for domestic demand. At the same time, emerging economies will continue to exert competitive pressures on Québec's markets, in Canada as well as abroad.

Population projections will have an impact on overall economic growth but will also affect Québec's cities and regions to varying degrees.

Consequently, the manner in which demographics play out over the next ten years will be crucial for Québec. The availability and training of the labour force are determining factors in attracting foreign businesses and making Québec firms competitive. It is therefore a crucial issue that Québec will need to address. The International Policy reiterates the importance of recruiting a substantial number of well-trained immigrants. This is best achieved by favouring the recognition of foreign qualifications and attracting more foreign students and researchers to Québec.

Identity, Values and Collective Choices

The values behind the Québec government's international initiatives are those of a democratic society respectful of human rights. Québec has been enriched by the diverse origins of its population and cherishes the principles embodied in the Québec Charter of Human Rights and Freedoms, such as democracy, equal rights for women, rejection of violence, secularization of institutions, and pluralism. The respect and promotion of these principles constitute an integral part of the objectives Québec has and will continue to pursue in defending its interests on the international scene. Moreover, as the sole representative of a predominantly French-speaking society in North America, the Government has the responsibility of helping the French language and Québec's culture to flourish. Immigrants to Québec contribute to the enhancement of its culture and inject a new vitality into the development of its society.

Over the years, Québec has sought to maintain a balance between economic and social development. Maintaining this equilibrium is a constant challenge that must be faced while ensuring sound fiscal management. In order to maintain the level and quality of public services, the Government must be able to evaluate its own performance by applying the most demanding criteria and drawing on solutions that have proven successful elsewhere in the world.

In pursuing its international initiatives, Québec can rely on a vast network and thus keep abreast of the most innovative and effective solutions, allowing it to continue both its economic and social progress.

IN SHORT

Major Challenges Stemming from Changes within Québec

- Improving business productivity.
- Increasing the availability of skilled workers.
- Raising immigration levels.
- Integrating colleges and universities into the mainstream of international networks.
- Attracting more foreign students and researchers and bolstering the international mobility
 of its students.
- Reinforcing the competitiveness of Québec's cities and regions.
- Protecting Québec's language, culture, and unique characteristics and helping them flourish.
- Maintaining a balance between economic and social development while valuing sound fiscal management.

THE OBJECTIVES OF QUÉBEC'S INTERNATIONAL INITIATIVES

In view of the issues resulting from a changing international environment and because of the challenges it must face in the future, Québec will focus its international initiatives towards five objectives that take into account its political, economic, and cultural interests.

- Strengthening Québec's action and influence
- Fostering Québec's growth and prosperity
- Contributing to the security of Québec and the North American continent
- Promoting the identity and culture of Québec
- Contributing to the cause of international solidarity

For each of these major objectives, the following chapters outline the issues that Québec will face as well as the priorities that will guide the international initiatives of the Government's departments and agencies.



Chapter 3

Strengthening Québec's Action and Influence

uébec is aware that increasing numbers of international conventions and agreements have a direct impact on its responsibilities, and that, as a result, its ability to make collective choices, to pass laws and adopt regulations is affected by decisions made elsewhere. The Government of Québec will therefore need to pay special attention in the coming years to the deliberations of international governmental organizations which touch upon matters related to its responsibilities and interests.

Many of the challenges governments face can no longer be dealt with on an isolated basis: they require concerted action, sustained collaboration, and extensive negotiation. The issue of cultural diversity was a concrete example where Québec demonstrated its capacity to exert influence on the international scene. By working with experts in academia and from society at large, negotiating alliances within La Francophonie, using its close ties with various countries and governments and joining forces with the

federal government, Québec succeeded in moving the issue forward, from the stages of initial discussion all the way to the adoption by UNESCO of the *Convention on the Protection and Promotion of the Diversity of Cultural Expressions*.

More than ever, Québec intends to use all the levers at its disposal to be active on the international stage. First and foremost, it wishes to participate more actively in the deliberations of international governmental organizations. To do so, it wants to draw upon the greater synergy in its ties with the federal government. Second, Québec must maintain and expand its direct access to foreign political and economic decision-makers. Bilateral relations are the best way to achieve this goal with countries, federated states, and certain regions. Finally, more concerted action with Québec's civil society and institutions are necessary.

Participation in the Proceedings of International Organizations

With the exception La Francophonie, where the Québec government is a participating member, the federal government represents Canada before international governmental organizations. The range of issues covered by these organizations clearly indicates the areas where the need for close cooperation between Québec and the federal government is most acute.

Québec's role in International Organizations

In 2005, the Québec government made public its position vis-à-vis international organizations and identified five mechanisms likely to strengthen Québec's role with regard to them.

- Access to all information and participation during the initial stages of negotiations toward establishing Canada's position;
- Full member status in Canadian delegations and exclusive responsibility for designating its representative;
- The right to speak for itself at international forums on matters related to its responsibilities;
- Recognition of Québec's right to give its approval before Canada signs or declares itself bound by a treaty or agreement;
- The right to express its position when Canada appears before supervisory bodies of international organizations for matters involving Québec or affecting its interests.

On matters within its jurisdiction, the Government of Québec hopes that a formal and predictable framework will ensure its participation within Canadian delegations during the deliberations or conferences of international organizations. In order to make this possible, Québec must be able to participate fully in all stages of information gathering, negotiations, and implementation of decisions relating to its responsibilities.

Québec is convinced that the voice of Canada abroad must reflect both the preoccupations of the federal government and those of the provinces. That is why Québec is prepared to work within Canadian delegations, not only with representatives of the federal government, but also with members of

the Council of the Federation. It advocates the creation of appropriate mechanisms to those ends.

Several matters that have been debated before international organizations and forums will especially mobilize Québec's attention over the coming years. Some examples are the capacity of governments to establish effective public policy in the areas of culture, health and education; the preservation of collective marketing systems for agricultural products, such as supply management; the management of natural

resources (water, forests, genetic heritage); environmental protection; human and labour rights; certain new issues concerning security; and internet governance. In each case, Québec's jurisdiction and interests are at stake.

Another example is the United Nations Educational, Scientific, and Cultural Organization (UNESCO), whose mandate addresses issues equally central to Québec's responsibilities and characteristics. For this reason, the Government of Québec negotiated an agreement with the federal government ensuring the full participation of an official Québec representative within the Permanent Delegation of Canada to UNESCO. This representative will have diplomatic status, will participate in the proceedings and conferences of the organization and will express the Government of Québec's viewpoint. The agreement requires offi-

The Canada-Québec Accord concerning UNESCO

On May 5, 2006, the Government of Québec and the Government of Canada signed a historic agreement which, in recognizing the specificity of Québec and its role on the international scene, provides that a Québec permanent representative will be welcomed into the Permanent Delegation of Canada to UNESCO. The Government of Québec will have the opportunity to speak and to express its point of view at all UNESCO proceedings, meetings and conferences. In addition, a Québec representative will sit on the Canadian Commission for UNESCO.

This agreement, which was concluded in the spirit of a federalism of openness and is asymmetrical in its application, opens a new era of partnership between Canada and Québec on international issues.

cial consultations between Québec and Canada before any votes or public positions concerning areas within Québec's jurisdiction. In case of disagreement, the Québec government has the right not to implement conventions, actions plans and other international instruments determined by UNESCO.

Québec is a member of La Francophonie since 1970 and places great importance on this institution's development. It is through La Francophonie that Québec best affirms its international personality in a multilateral setting. Québec's participation in the proceedings of this international organization is an important feature of its international strategy and provides the political leverage needed to make a difference on a number of international issues, by forging alliances and formulating common positions.

La Francophonie: A New Roadmap

Québec's priorities are based on four major objectives enumerated in the Cadre stratégique décennal adopted by heads of state and government at the Xth Summit of La Francophonie, held in Ouagadougou in 2004.

- Promoting cultural and linguistic diversity;
- Promoting good governance, peace, and democracy;
- Promoting the advancement of international solidarity;
- Promoting education that fosters sustainable development.

La Francophonie is made up of 63 states and governments, nearly one-third of the member states of the United Nations. A unique forum for international discussion and cooperation, La Francophonie made a firm commitment in 2000 to seek better solutions and responses to the common challenges and threats faced by its members. It contributes to major international discussions and is progressively becoming a political

player on such global questions as peace and security, democracy and human rights, development and solidarity.

Québec therefore intends to continue to actively participate in the official proceedings and activities of La Francophonie and to collaborate with its agencies. In this spirit, Québec will host the XIIth Summit of La Francophonie in 2008, coinciding with the 400th anniversary of the founding of Québec City.

Participation in the Negotiation of Bilateral and Regional Agreements

The approach outlined for international organizations must also serve as the model for the Government of Québec's participation in agreements which the federal government negotiates with other countries or groups of countries and which affect Québec's responsibilities. With respect to trade agreements, the current consultative mechanisms must be formalized and broadened to include the negotiations *per se*. A growing number of trade and investment agreements have an impact on matters within Québec's jurisdiction, such as public works contracts, professional qualification equivalence, the services sector, education, training, and labour standards. In this respect, the negotiation of a trade and investment enhancement agreement between Canada and the European Union are of great interest to Québec.

This is also true of other regional initiatives such as the *Security and Prosperity Partnership of North America* (SPP) between Canada, the United States and Mexico. Several of the initiatives planned within the framework of this partnership are likely

to have consequences for Québec's immediate trading partners but also on everyday life. In an effort to balance the needs for security and prosperity, the new partnership will have an impact on such sensitive issues as the mobility of individuals, immigration rules, privacy rights and border crossing regulations. Given the very large scope of this initiative, it is obvious that the contribution of Canadian provinces and of American and Mexican states significantly increases its chances of success.

In Québec's areas of exclusive jurisdiction, the government's capacity to conclude fully valid and binding international accords ensures the integrity of its own laws, in particular those governing human rights issues such as adoption, relations between individuals, or between individuals and their property. Québec's civil law is based on French law, and is therefore unique in Canada, since the other provinces' legal system is based on English common law.

Developing Bilateral Relations

Québec shares similarities and interests with a host of other countries, governments, and regions. It maintains offices or delegations in these countries and has created joint procedures with them for the purpose of promoting and expanding relations. Over the years, the Government of Québec has been consistent and determined in its conduct of bilateral relations. This enables it to rely on longstanding international partners and a well-established network of contacts.

Within North America, Québec has maintained continuous relations with a number of American states, especially along the U.S. East Coast and in the Midwest, and it is building stronger ties with Mexico.

Québec's proximity to the world's most powerful country creates both opportunities and challenges. Québec staunchly backed the free trade agreements signed with the United States and as a result has woven solid ties with its American partners. These ties have been strengthened by common affinities, personal relations, and even family bonds.

Québec-U.S. Relations

- Economic interests and common focal points with the United States are numerous, especially with the states of the East Coast and with those located along the St. Lawrence and Great Lakes waterways.
- Québec shares an 813-kilometre border and one of the largest waterways in North America with the United States. It ranks among the top ten trading partners of the U.S. In 2005, Québec's exports to the United States amounted to \$158 million per day.
- U.S. investments represent close to two-thirds of foreign investments in Québec, and visitors from the United States account for some 60 percent of the revenue generated by international tourism.
- Québec has six Government Offices in the United States, including a Québec General Delegation in New York City. Québec is the only province in which the United States maintains two consulates general.
- The Government of Québec is a member of the Conference of New England Governors and Eastern Canadian Premiers, and an associate member of the Council of Great Lakes Governors.
- Several government departments are collaborating with various American committees and task forces on issues of common interest such as transportation, environment, energy and, more recently, security.
- The American Council for Québec Studies has a membership of some 300 researchers, and the Association for Canadian Studies in the United States has additional members who focus on Québec-related issues.

Four priorities will dominate the Québec government's initiatives in the United States over the coming years: trade and investment, security, energy and the environment.

These priorities will be dealt with at a continental level, by the three NAFTA member countries, working jointly on such important initiatives as the SPP. They will also be dealt with at a regional level, e.g. with American states and Canadian provinces. Québec likewise intends to further promote its priorities by developing its relations with the U.S. Administration and with Congress.

Endeavours to strengthen the North American partnership also demonstrate the relevance of Québec's ties with Mexico, ties that have existed for over 25 years. Through economic cooperation and sustained relations with the central government and a number of Mexican states, Québec will seek to bring its trade relation with Mexico closer to its full potential. The educational and cultural sectors also

offer interesting possibilities. Québec wants to work with Mexico to jointly conceive and realize initiatives that will strengthen its relations and commerce in the area.

Across the Atlantic, the very special nature of relations that exist between Québec and France holds a unique place in Québec's International Policy. Franco-Québécois relations have matured to the extent that the two partners are now able to lead joint initiatives in other countries and form alliances on multilateral issues. These relations have been formed as a result of history, cultural proximity, and shared economic interests. Virtually no area of scientific, economic, cultural, or social activity is absent from this broad dialogue, which is being constantly renewed by the younger generations.

Over the past decade, European unification and the *North American Free Trade Agreement* have further deepened France's and Québec's ties to their respective continents. Yet far from weakening their bilateral relations, these important developments have favoured a unique society-to-society dialogue between France and Québec on priority issues and joint projects. Scientific, economic, and cultural matters should continue to be the focal points of France-Québec relations during the coming years. The emergence of important international issues linked to intellectual property and cyberspace will create new opportunities for cooperation.

Québec-France Relations

Since 1965, the Government of Québec and the French government have taken important steps to shape Québec-France relations and strenghen ties between the two societies.

- France maintains two general consulates in Québec. The one in Québec City is mandated to ensure direct government-to-government communications. Québec reciprocally maintains a Government Office in Paris which benefits from the privileges and immunities normally granted to embassies, and ensures communications with the French government.
- Since the 1970s, the Prime Minister of France and the Premier of Québec meet on a regular basis in the context of alternating visits.
- Sixty bilateral agreements have been signed over the years between the two governments.
- Created in 1965, the Commission permanente de coopération franco-québécoise (CPCFQ) backed 74 projects in 2005 involving researchers, artists,

- representatives from associations, the private sector, and the government.
- The Office franco-québécois pour la jeunesse (OFQJ), created in 1968, currently makes it possible for over 3000 young people from France and Québec to participate in internships or training programs every year.
- The Québec-France and France-Québec Associations generate continued interest and curiosity on both sides of the Atlantic. Several other organizations, associations, and friendship groups help strengthen the bonds between France and Québec.
- Over 330 French subsidiaries currently operate in Québec, generating production worth nearly \$19 billion and employing some 15000 people. There are 161 Québec businesses in France employing more that 13000 people.
- France is Québec's number one cultural market and its second tourist market after the United States.

A First: a Joint France-Québec Mission to Mexico

- In 2004, the Prime Minister of the French Republic and the Premier of Québec headed a joint economic mission to Mexico.
- 90 firms from Québec, 70 from France and 200 from Mexico took part in these meetings.
- An unprecedented event, the mission heralds a new type of partnership between Québec and France.

Québec has also developed sustained ties with other European countries, regions, and communities, particularly with the United Kingdom, Belgium, Germany, Italy, and Spain. This has translated into economic, scientific, and cultural cooperation, all of which contribute to business development, free movement of artists and cultural products, sharing of expertise, and an increase in joint scientific research.

During the coming years, Québec will pay growing attention to Germany, which occupies a prominent place in the international arena. As the world's top exporting country, Germany has great economic potential. The size of its domestic market, its close ties to several new member states of the European Union and the innovative character of its products and expertise offer attractive prospects for Québec. Full advantage will be taken of the valuable relations that Québec has already established with Bavaria.

Québec's historic and institutional ties with the United Kingdom generate important economic, scientific, and cultural exchanges, which it hopes to expand. Québec likewise enjoys a high degree of multi-sector cooperation with Belgium, its regions and communities. Italy is Europe's fourth-ranking economic power and also the country of origin of a large Italian community that actively participates in Québec's development. Furthermore, given that the European Union is currently building bridges with countries in the Mediterranean basin, Italy is especially attractive due to its central location in that area. Spain and its regions, particularly Catalonia, deserve special attention owing to their vibrant dynamic political and economic environment. Most of Québec's initiatives in Europe will focus on these countries.

The fast pace of European development nevertheless makes it necessary for Québec to update its approach to dealing with Europe. The European Union has become a major political player on the international scene since member countries have ceded extensive powers to the EU over the years. Some of these powers directly concern Québec's interests. The Government will count on the General Delegation in Brussels

to further develop relations with the European institutions. It also intends to participate closely in negotiations regarding trade and cooperation agreements between the European Union and Canada, since they touch upon a number of Québec's responsibilities.

Québec's presence in Asia is modest yet longstanding. This is especially true with respect to Japan and China, where patient groundwork has resulted in access to key political, economic, and institutional decision-makers. Because of its growing trade with Québec, Japan remains a major partner. The Japanese economy plays a crucial role within the Asian market and constitutes a world leader in many high-tech sectors. Consequently, Québec can rely on what has been achieved so far through its existing relations to achieve new objectives in the areas of trade, investment, science and technology, tourism and culture. In the cultural sector, Québec will seek to strengthen Tokyo's role as the distribution hub for Québec culture in Asia by increasing its cooperation with local partners.

Among emerging economies, China deserves special attention considering the opportunities offered by its accelerated growth and huge market. This country is of marked interest for investors, and offers excellent prospects for technological and scientific collaboration, particularly in the areas of education and culture.

India's huge needs in the areas of infrastructure and services offer substantial trade opportunities. In addition, Québec intends to pay close attention to Brazil's economic development. It already maintains relations with some Brazilian states in the fields of health care, biotechnology, and information technology. The future prospects and growth potential of both India and Brazil are such that Québec is considering establishing a presence in these countries.

Finally, Québec has relations with several countries in Africa and the Middle East, with whom it shares priorities common to the Francophone world. Québec will focus specifically on countries with which it is involved in technical or institutional projects, where expertise from the public and private sectors comes into play.

Stronger Ties with Federated States and Large Regions

Like Québec, a number of federated states are realizing the greater impact international relations have on their areas of responsibility. They are striving to develop networks that will allow them to work together in finding common solutions to common problems. Québec intends to work actively within these networks.

An International Instrument Signed by Federated States

Concluded in 2005 with Ontario and the eight American states bordering the Great Lakes, the Great Lakes-St. Lawrence River Basin Sustainable Water Resources Agreement is an international instrument which for the first time links federated states from both countries for the purpose of preserving the integrity of the world's largest freshwater supply.

The U.S. Northeast is no exception to this trend. States and provinces need to work closer together on issues such as air quality, regulation of the energy market and security of supply chains. The Conference of New England Governors and Eastern Canadian Premiers—of which Québec is a member—allows its members to make decisions on policies that will shape the region's future.

As an associate member of the Council of Great Lakes Governors, Québec, like Ontario, is also in direct contact

with some of the most densely populated and industrialized states in the U.S. Québec shares a number of common interests with them, especially those concerning the management of the Great Lakes and St. Lawrence River basin.

In Europe, regions and federated states are becoming more active through the organization of joint policy forums. They are following the example of the Conference of Regions (which has legislative powers) and the Assembly of European Regions, where Québec sits as an observer. Among the participating members are the Walloon region, Flanders, Bavaria, Catalonia, and Scotland, with whom Québec has ties and who provide the added benefit of facilitating Québec's access to European institutions and markets.

Federated states also tend to look beyond strictly geographical considerations and to regroup on the basis of other shared interests. For example, Québec participates in the *Hemispheria* Summits, which notably include Canadian provinces as well as American and Mexican states. With Bavaria, Québec co-founded the Group of Partner Regions, which includes Upper Austria, Shandong, California, Western Cape and, more recently, São Paulo. Québec intends to continue participating in forums that will put it in contact with other regional governments.

The Search for Best Practices

The challenges related to present-day governance encourage public administrations to become interested in what is being done in the rest of the world. Québec regularly leads missions abroad in order to derive inspiration from best practices. Québec itself is, in certain ways, an observation point in areas as varied as immigration and language policy, government support for culture, the development of teaching aids, vocational training, the status of women, the administration of justice, police training, the taxation system, and electoral laws.

Several international organizations are also interested in various instruments, methods and practices developed by Québec. For example, Québec educational experts are often invited to do scientific work for the OECD or UNESCO. Other Québec experts provide technical expertise for the elaboration of La Francophonie's programs.

Québec benefits greatly from these contacts with a number of foreign experts, which enable it to stay up-to-date regarding best practices, for the greater benefit of its citizens. This is why it cooperates with its main international partners, so as to work concretely on developing innovative solutions to the problems arising in today's world. For this reason also, it intends to increase its participation in the work of the technical committees of international organizations.

More Structured Ties with Civil Society

The expansion of the role played by international organizations and the growing presence of organized groups from civil society on the international scene are two facets of the same phenomenon: the internationalization of problems and solutions. The fact that a greater number of organizations such as NGOs, business associations and labour unions, institutions and firms actively participate in international debates, clearly illustrates this trend. Moreover, these groups federate their efforts, create coalitions and develop international partnerships in order to bolster their influence and even impose their agenda.

Thus, relations between government and civil society are becoming an important factor influencing the conduct of international relations. The Government of Québec wishes to create greater synergy with the groups and organizations in Québec that are active internationally and it hopes to start that process by working more closely with the large public institutions that are cities and towns, and with institutions of higher learning.

PRIORITIES AND KEY INITIATIVES

OBJECTIVE

STRENGTHENING QUÉBEC'S ACTION AND INFLUENCE

PRIORITY

Increase Québec's presence and participation in international organizations, and in negotiations and discussions dealing with Québec's interests

KEY INITIATIVES:

- Presence in international organizations:
 - Negotiate the establishment of a stable and predictable framework with the federal government to facilitate Québec's participation in the proceedings of international organizations and forums.
 - Designate a Québec government representative at Canada's Permanent delegation to UNESCO.
 - Set up a plan of international action to support the ratification and implementation of the Convention on the Protection and Promotion of the Diversity of Cultural Expressions by the largest number of countries possible.
 - Step up Québec's presence in New York and Washington in order to better monitor the work of the Organization of American States and the World Bank.
 - Ensure the participation of Québec experts in the working groups of international organizations.
 - Increase the number of Québec interns in international organizations.
- Participation in negotiations and discussions dealing with Québec's interests:
 - Participate more directly in the Canadian negotiation teams at the World Trade Organization (WTO).
 - Participate in establishing the Security and Prosperity Partnership of North America between Canada, the United States, and Mexico.
 - Participate directly in the negotiation of the *Trade and Investment Enhancement Agreement* between Canada and the European Union.

OBJECTIVE

STRENGTHENING QUÉBEC'S ACTION AND INFLUENCE

PRIORITY

Intensify relations with the political and economic decision-makers of countries, federated states, and regions having shared interests with Québec

KEY INITIATIVES:

- Redeploy Québec's network of delegations and offices abroad to strengthen its presence in certain priority areas.
- Develop relations with federated states and large regions:
 - Reinforce ties with North American federated states in order to strengthen the regional space.
 - Ensure representation at regional proceedings in Europe such as the Assembly of European Regions (AER) and the Conference of Presidents of Regions with Legislative Powers (REGLEG).
 - Participate in the Conference of Heads of Government of Partner Regions, so as to promote educational, environmental, scientific, and technological exchanges.
- Work more closely with public institutions, especially large cities and institutions of higher learning as well as with representatives of civil society.



Chapter 4

Fostering Québec's Growth and Prosperity

nternational trade plays a vital role in the development of Québec's economy and in creating greater wealth for society as a whole. In an environment where capital, technology, and even labour move more freely than before, the scope of international economic relations now encompasses a complex set of interrelated factors.

Education, research, and innovation are essential in a world where change is the only certainty.

Thus, human capital development, research and innovation capabilities, the quality of education systems, and the vitality of cities, towns and regions have become essential elements for increasing the competitive edge of Québec's economy and its capacity to position itself in foreign markets.

Market Development

The importance of exports for Québec's economy is evident from their ratio to GDP, e.g. 52.8 percent in 2005. This is not a unique situation: other economies similar in size to Québec's also have very high export rates. This means that economic growth is directly dependant on development of foreign markets.

Sinc	e the beginr	ning o	f the 1980s	, Québec's	economy
has	undergone	two	significant	structural	changes.

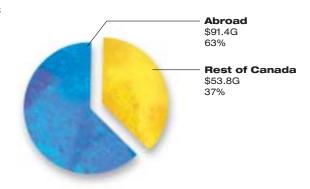
Ratio of Exports to GDP (2005)				
Netherlands	67.1%			
Québec	52.8%			
Austria	51.0%			
Sweden	46.3%			

Source: Ministère du Développement économique, de l'Innovation et de l'Exportation du Québec (MDEIE)

First, industrial production has been modernized and diversified, as is reflected in the types of products Québec exports. Today, exported goods incorporate increasingly advanced technologies. In 2004, Québec's share of Canadian high-tech exports reached 43.5 percent.

Québec's Total Exports Goods and services

In 2005: 145,2 billion dollars

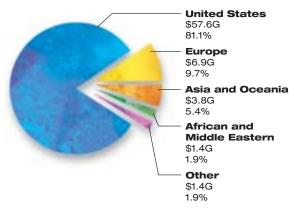


Source: Statistics Canada

The second change concerns the destination of exports. In 1990, Québec shipped 51 percent of the total value of its exports to the rest of Canada. That figure dropped to 36 percent in 2005. Conversely, exports to the United States have risen from 37 percent to 51 percent, while those to other countries have levelled off at around 12 percent. For the purposes of Québec's International Policy, one should take these trends into account and identify the specific factors that will influence the continuing evolution of Québec's exports to the major continental markets of the Americas and to those in Europe, Asia, Africa, and the Middle East.

Québec's International Exports of Goods in billions of dollars in 2005

Total: 71,1 billion dollars



Source: Institut de la statistique du Québec

The U.S. Market

Sales to the U.S. account for over 80 percent of Québec's internationally exported goods. The U.S. market therefore has a highly strategic importance for Québec. However, in assessing the prospects for the next decade, four points should be stressed.

Firstly, close to two-thirds of Québec's U.S.-market exports go to states in the Northeast and Midwest. This fact, coupled with Québec's very strong trade flows with neighbouring Ontario, demonstrate the extent to which Québec's economy is integrated with the states of the U.S. East Coast and the zone stretching from the St. Lawrence River to the Great Lakes. This area therefore constitutes a primary zone of interest for Québec.



In 2005, 51.2% of Québec's international exports were destined for states in the US Northeast and Midwest. Québec is the United States' fourth largest export market worldwide.

Secondly, Québec must also take into account the fact that, over the years, U.S. economic growth has shifted to the southern states, which are as a result gaining significant demographic and economic importance. In 2005, more than 25 percent of Québec's exports to the U.S. went to those states.

A third observation is the 15 percent drop in Québec's exports to the U.S. between 2000 and 2003, a ten-billion dollar decline that can for the most part be explained by the bursting of the high-tech bubble and the appreciation of the Canadian dollar. Québec's exports rebounded however in 2004 (up 5 percent) and 2005 (up 2 percent). The situation nevertheless remains in flux due to strong competition from emerging economies, especially China, and to the substantial rise in the value of the Canadian currency.

The final point deals with global competition on the North American market. The initial advantages resulting from NAFTA have been eroded due to an increasing number of bilateral and multilateral trade agreements signed by the U.S. government. Consequently, Québec will face a considerable challenge if it wishes to maintain and bolster its exports to the U.S. In order to succeed, it will be necessary to improve the efficiency

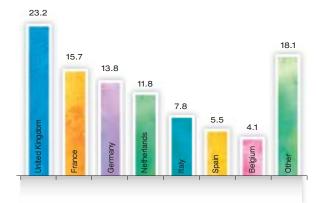
of trade corridors, increase the number of active exporters, and strengthen political, institutional and economic relations with the U.S. These considerations also argue in favour of Québec's sustained commitment to the establishment of the *Security and Prosperity Partnership of North America* between Canada, the United States and Mexico.

The European Market

Historical ties have facilitated the development of Québec's transatlantic trade. The European market still ranks second in importance for Québec, after the United States. Québec exports some seven billion dollars worth of goods to Europe annually. Its main trading partners are the United Kingdom, France and Germany, which receive half of Québec's European exports. Other western European countries, particularly the Netherlands, Belgium, Italy, and Spain are also major partners, accounting for 25 percent of Québec's European-bound exports.

Québec's Exports to Certain European Union Countries, 2005

(As a percentage of the total for each country)



Source: Institut de la statistique du Québec

It should be noted that investment rather than trade is the determining factor of economic relations between Québec and Europe. For example, subsidiaries of European companies were responsible for over one-fifth of capital spending by foreign firms in Québec in 2005. The sales of Canadian subsidiaries in Europe correspond to twice the amount of Canadian exports to the European continent. This seems to indicate that companies prefer to avoid the obstacles inherent in traditional trade by setting up bridgeheads on the other side of the Atlantic.

Future prospects regarding the European market essentially depend on the internal dynamics within the European Union. Domestic demand has been stimulated by the integration of Central and Eastern European countries, while the existence and development of common standards will continue to foster commercial trade among member countries within the enlarged market.

In light of this situation, Québec will have to work harder to maintain and strengthen its position within the European market, which is also being targeted by the emerging economies. The existence of a common currency—the euro—facilitates trade for Québec firms, but adapting their goods to European standards poses considerable problems. Companies also need more strategic information about business opportunities in Europe as they arise and about this huge market's diverse commercial practices.

The Québec government is responsible for developing an integrated vision of the European market without losing sight of local characteristics, because European distribution networks still have an important national dimension. Québec needs to take note of favourable opportunities created by the arrival of new members in the European Union, notably Poland.

Québec also needs to be on the lookout for business opportunities in Russia, which constitutes an important juncture between Europe and Asia.

Other Markets

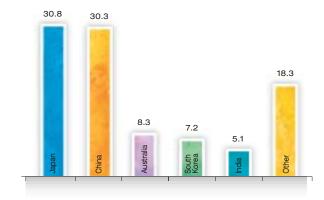
While Québec's priority interests lie with the United States and Europe, it must nevertheless endeavour to diversify its trade by targeting markets that offer the best potential. It is only logical for Québec, which is directly affected by NAFTA, to develop its trade with Mexico. At the same time, the growing number of emerging economies makes it important to focus specific attention on the Asia-Pacific area.

The Mexican Market

Mexico is becoming an increasingly important partner, both for Québec and for the rest of Canada, through the development of significant political, economic and cultural bonds. Although economic trade appears modest, it remains difficult to measure the real volume of trade that transits to and from Mexico via the United States. The reinforcement of North American trade brought about by NAFTA and further plans by the governments of the three countries to reduce obstacles posed by certain rules and regulations suggest that better market prospects are in the offing in Mexico. In order to take advantage of this momentum, the Québec government must continue to develop institutional relations in the economic, academic and scientific areas. It must also encourage Québec's economic leaders to explore Mexico's business opportunities more systematically and to invite their subcontractors to join them.

Québec's Exports to Certain Asian and Pacific Countries, 2005

(As a percentage of the total for each county)



Source: Institut de la statistique du Québec

The Asia-Pacific Markets

Over the past few years, Québec's exports have experienced their strongest growth in the Asia-Pacific zone, jumping from a share of 2.8 percent to 5.3 percent overall. In terms of value, this represents an annual growth of 15.7 percent between 1999 and 2004. Québec's main trading partners are Japan (which imported \$1.1 billion of Québec goods in 2005), followed by China (\$1.1 billion), Australia (\$317 million), South Korea (\$275 million), and India (\$195 million). These figures indicate the extent to which the economies in this region of

the world are thriving and how important it is to take them into account in promoting Ouébec's economic interests.

In addition, the Asia-Pacific region has, over the past few years, become an increasingly integrated economic area, which largely explains its vitality. In 2003, intra-regional trade represented 52 percent of the total foreign trade of the countries in this area. The process allows Asian countries, especially Japan, to increase the competitiveness of their goods on world markets by capitalizing on China's comparative advantage as an assembly and production centre.

Japan stands out as Québec's number one export market in Asia. It ranks first in the region for the purchase of high-tech goods from Québec. In fact exports to Japan increased at an annual rate of almost 15 percent since 2000, and the Japanese market offers excellent growth prospects for the coming years.

Québec's exports to China, which had been very modest, jumped by 74 percent between 2000 and 2004 and have also diversified considerably. The Premier of Québec led an important mission to China in September 2005, demonstrating the need to approach this market by targeting specific sectors and large urban centres like Beijing, Shanghai, and Guangzhou. Shandong province, which, like Québec, is a member of the Group of Partner Regions, has also been targeted.

Québec's volume of exports to India remains modest, yet the sub-continent is quickly becoming one of the world's technology leaders, making it an attractive partner in the area of services. Québec must not delay positioning itself in sectors where the demand will grow as the Indian consumer's standard of living rises. This applies especially to the development of infrastructure.

Québec carried out its biggest economic mission in China in 2005

- In September 2005, the Premier headed to China where he led the largest economic mission ever carried out by the Québec government; more than 150 business and institutional representatives were involved.
- In early 2006, the Premier also led Québec's first economic mission to India.

South American Markets

Québec's exports of goods to South America have remained relatively stable over the past few years. They totalled \$567 million in 2005. Nevertheless, two key factors should be monitored more closely. First, Brazil's emerging economy could feasibly become a major pole of growth over the long term. Second, the gradual economic integration of the countries of the Southern Cone heightens Québec's interest for the region.

The African and Middle Eastern Markets

Québec's exports to Africa and the Middle East amounted to \$1.41 billion in 2005, representing approximately 2 percent of its total exports. Québec businesses in the services sector are particularly active in these markets, especially in Francophone countries, as management and engineering consultants. The Maghreb countries in particular have demonstrated an interest in developing economic relations with Québec. In view of the special relations Québec enjoys with the countries in this area as a result of its involvement in La Francophonie and given the extent of their needs, Québec could very well develop business opportunities in this area during the coming years.

Developing the Export Capacity of Québec Businesses

An increase in international competition, the development of trade in the services sector, and the deepening of integrative trade are three factors that are likely to have a profound impact on Québec's exports. In light of this situation, the Government must adapt its programs to help companies consolidate their presence in foreign markets and support their marketing activities.

Support for Exporters With a Proven Track Record

Considering the changes taking place in various markets, Québec has decided to review its approach concerning export development programs. The Government's economic development strategy calls for a 25% increase, by the year 2010, in the number of businesses exporting over one million dollars worth of goods. The strategy is also designed to strengthen and develop the market share held by active exporters.

Finally, the Government will help businesses increase their capacity to export, through measures aimed mainly at small and medium-sized businesses.

Improved the Marketing of Technologies and Goods Generated by the Service Sector

Several sectors in the service industry have promising export potential. Financial services, specifically the insurance sector, will likely account for a greater share of foreign trade. Other areas, especially tourism, offer marked growth opportunities for Québec.

The tourist industry generates 180 000 direct or indirect jobs. Over the 2000-2004 period, 3.3 million foreign tourists, on average, visited Québec annually, two-thirds of whom came from the United States. The tourist trade balance with the U.S, which usually runs at a deficit, has evened itself out over the past few years. In order to deal with the increasing competition, Québec adopted a new tourism policy in 2005 so as to brand itself as a choice tourist destination and to capitalize on opportunities afforded by the changing international environment. The Government's objective is to increase tourism revenue from nine to thirteen billion dollars by 2010.

Some service sectors that rely on public expertise also display great potential. The Québec government's investment over the past fifty years in the development of public utilities has resulted in the emergence of large companies in such areas as engineering, transportation, forest industry equipment, municipal infrastructures, and housing. In the educational sector, universities, cegeps, school boards and private institutions are becoming more and more involved internationally. In recent years, often in partnership with the Québec government, the private sector has made inroads into such areas as state-of-the-art health care technology, as well as environmental, information, and geomatics technologies. The international demand for the products and expertise of these companies is not only rising, but will most likely grow significantly over the coming years.

Two observations should be made, however. At the present time, Québec's private and public sector expertise is not sufficiently integrated for Québec firms to be positioned advantageously vis-à-vis foreign competitors vying for international contracts. Exporters in the service sector therefore need to be supported more effectively, and measures need to be put into place that will strengthen the competitiveness of Québec's international offering. Clearer guidelines also need to be devised regarding the terms under which Québec's expertise will be made available to international financial institutions that support projects in developing countries.

Making it Easier for Québec Firms to Establish a Presence Abroad

The evolution of international trade clearly demonstrates that countries with growing export markets are generally those whose businesses have established a presence abroad. Often considered as an indispensable element of business development, the acquisition of foreign companies, or the creation of foreign subsidiaries makes firms more responsive to local markets and lays the groundwork for exports to other countries. For a number of firms, investing outside Québec proves to be an essential step for growth. The Government will take these realities into account in the way it provides support to Québec firms.

Increasing Foreign Investment

Attracting investment and pursuing business opportunities in foreign markets are essential elements to ensure the expansion of an open economy such as Québec's. For example, from 2000 to 2004, non-residential private-sector investments have reached an annual average rate of twenty billion dollars. With its economic development strategy, the Government of Québec now seeks to increase these investments by 4 percent annually between 2005 and 2010. Capital investments by foreign companies accounted for 24.6 percent of non-residential investments in 2005. Of these foreign investments, 73 percent and 22 percent are attributed to American and European firms, respectively. To reach its goal of increasing private sector investments by 4 percent annually, the Government hopes to raise the contribution of foreign companies, by relying on a promotion strategy targeting foreign direct investment. Compared to the competition, Québec's economy enjoys definite locational advantages and offers investors favourable economic conditions such as a skilled labour force as well as education and research capabilities in the high-tech sectors. However, these assets do not always receive adequate visibility, and the quality of Québec's business environment remains underestimated.

To make Québec's advantages known to foreign investors, the Government plans to develop an image of excellence, highlighting Québec's strengths and to convey that image to economic decision-makers. Prospecting efforts will be focused on potential investors in key sectors. Additional efforts will be made to attract immigrants with business backgrounds planning to set up small and medium – sized firms.

The challenge facing Québec is to attract foreign investors by remaining a competitive and attractive place to invest. To be successful, the Government must ensure better coordination among the key players in Québec and take full advantage of its network of representatives based abroad.

Protecting Québec's Interests in Trade Negotiations

Traditionally, the Government of Québec has supported international trade liberalization initiatives. The thrust toward liberalization, which ultimately led to NAFTA and to the Agreement establishing the World Trade Organization (WTO), has made the development of an open, modern and prosperous economy possible.

In addition to the lowering of customs duties, trade negotiations also deal with some new issues that are crucial for Québec's economy. This is particularly the case with matters related to trade in services.

Another major issue involves trade in agricultural goods. WTO member countries are seeking to achieve more open world markets for agricultural goods and a decrease in government support for agriculture. This could have an impact on Québec's collective marketing regime. This is why the Government of Québec, jointly with the federal government and the agricultural sector, will vigorously defend its supply management system. It will also maintain its public policies and its capacity to act effectively with respect to public services, such as health and social services, education and culture.

In the event of trade disputes, such as those affecting aeronautics and agriculture, the Québec government cooperates with the federal government to defend the measures and programs involved. The goal is to ensure that the rules of international trade law and the decisions of dispute settlement bodies are heeded and implemented promptly.

Increasing Capacity for Research and Development

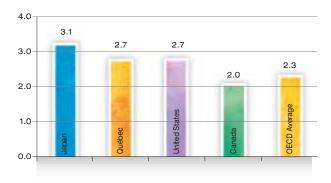
As is the case with trade and investment, research and development activities are playing a growing role in globalization. This trend can be explained by the fact that the development of know-how is based on building a critical mass of researchers as well as on interdisciplinary partnerships, access to state-of-the-art equipment, and comparative analyses of ideas and findings. The international direction that R&D is taking is not in itself a new phenomenon. However, until recently, it was concentrated in industrialized countries.

Owing to advancements in information technologies and new research methods that allow for networking and the fragmentation of research projects, large multinational companies, which are responsible for nearly half of R&D spending worldwide, have begun to locate research installations outside developed countries. These research centres are no longer simply working to facilitate the adaptation of goods to local markets or to get more favourable treatment from the governments involved. They are now assigned global research mandates. As with production and services, R&D today is a candidate for outsourcing. China and South Korea have joined the ranks of the world's top ten countries investing in R&D.

The vitality of Québec's economy is directly dependent on research and innovation. It has succeeded in attaining a high level of R&D activity, equivalent to 2.7 percent of its GDP in 2002. Pools of researchers have been created, business-university consortiums have emerged, and massive investment in equipment has taken place in fields such as information technologies, optics and photonics, genomics, biotechnologies, and nanotechnologies. The contribution made by foreign companies, which account for almost one-third of Québec's industrial research, should be highlighted.

To maintain its place among the group of advanced and emerging economies that invest in R&D, the Québec government has set the goal of reaching an R&D rate equivalent to 3 percent of its GDP. To achieve this objective, Québec hopes to enhance its international research partnerships, attract investment by offering researchers a stimulating environment, and make it easier for firms based in Québec to obtain global research mandates from multinational companies.

Domestic Spending on Research and Development as a % of GDP, 2002

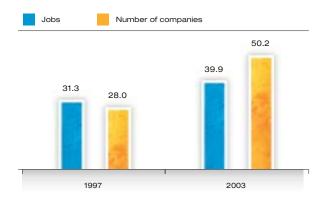


Source: Institut de la statistique du Québec

The Bio-Pharmaceutical Industry in Québec

Over half of all Canadian bio-pharmaceutical companies are located in Québec, with almost 40% of jobs in the sector. Québec is home to six of the seven research centres operated by multinational pharmaceutical companies in Canada.

(Percentage of total for Canada)



Source: Statistics Canada

It is essential to identify priority areas so as to create a cluster effect and to avoid the dispersion of efforts. This prioritization will simultaneously take into consideration Québec's strengths, the nature of its networks, and investments made in world-class infrastructures. Areas of particular interest are biotechnologies, genomics and proteomics, nanotechnologies and high-tech materials, information technologies—especially bioinformatics and optics and photonics—climate change, sustainable development, nutraceuticals and functional foods, food safety, marine science and technology, hydrogen, renewable energy sources, and aerospace technologies.

The Government intends to support multilateral cooperation, notably through partnerships within the European Framework Program and through the work of research consortiums. At the bilateral level, the United States, Mexico, France, Germany, United Kingdom, China, Japan and Israel are among the favoured partners.

Human Capital Development

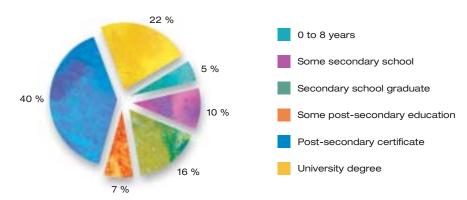
Although attracting foreign investment and developing export markets are fundamental to the vitality of Québec's trade, initiatives aimed at stimulating trade and investment will not have lasting effects unless Québec can count on a new generation of young entrepreneurs and a skilled labour force capable of working in an increasingly international environment.

Québec's demographic situation requires both vigilance and immediate attention on the part of the Government. Québec's inward investment agencies are already working in tandem with organizations specialized in human resource development. The government department responsible for immigration is likewise ensuring a better balance between regional labour needs and the selection of immigration candidates.

More will need to be done not only to recruit and retain a greater number of skilled immigrants, but also to ensure that universities, colleges, and the "grandes écoles" remain competitive, that their programs meet the highest international standards, and that young Quebecers benefit from conditions that promote study abroad and openness to the world. Education, training, student mobility, and a skilled labour force are at the core of human capital development.

Educational Attainment, 2005

Québec's workforce is highly educated, with a high percentage of bilingual and multilingual workers.



Source: Statistics Canada

Attracting Skilled Workers

Since World War II, Québec and Canada have been among the few governments with integrated immigration policies, based on planning and systematic recruitment abroad. In the face of similar demographic pressures, a number of other developed countries have joined the list of those making an all-out effort to attract skilled workers and entrepreneurs.

As a result, the competition to attract workers in strategic sectors has grown more intense. Because Québec has exclusive responsibility for selecting, hosting, and integrating immigrants within its borders, it has no choice but to intensify its efforts in this field. From 1999 to 2003, Québec welcomed between 30 000 and 40 000 people per year. In the future, it plans to increase immigration levels and to increase the proportion of young workers, including students and applicants who offer the best potential and who fulfill the requirements of the job market most adequately. Moreover, a special focus will be placed on attracting immigrant entrepreneurs, so as to fill the entrepreneurial void that exists in a number of regions in Québec.

Québec has already taken steps to bolster the security and integrity of the immigration process. It is also selecting immigrants from a diversified geographic pool. In addition to refining its promotion, recruitment, and selection strategies, it must pursue its initiatives to facilitate the integration of newcomers if it hopes to benefit from their professional qualifications and entrepreneurial skills. In this respect, the recognition and accreditation of foreign qualifications is crucial.

Facilitating the Recognition of Diplomas, Degrees and Qualifications

In 2005, the Québec Minister of Immigration and Cultural Communities announced various initiatives to facilitate the recognition of diplomas, academic degrees and qualifications of people trained outside Québec:

- An invitation to the professional corporations to re-examine their procedures, so as to ensure that people trained outside Québec are not deterred from joining a regulated profession.
- Amendments to the Professional Code to allow the professional corporations to be more flexible in issuing new types of permits facilitating the integration of professionals trained outside Québec.
- Access to the special training programs required by professional corporations for a greater number of immigrants trained outside Québec.

The Educational Sector, Young People and World Outreach

Like other industrial societies, Québec is striving to adapt its education and training programs to the new requirements of the international environment. Colleges and universities play a vital part in developing a society's openness to the world. Several initiatives contribute to the achievement of that goal: reaching cooperation agreements between educational facilities, creating

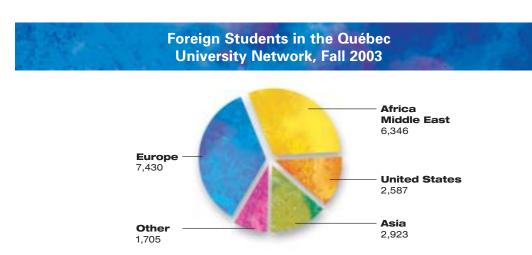
Work Permits for Foreign Students

The Governments of Québec and Canada have signed an agreement that allows foreign college and university students to work off-campus for 20 hours a week. In addition, after graduating, foreign students can obtain a one-year work permit or a two-year work permit if they agree to work in an outlying region.

common curricula, establishing consistent standards to ensure the recognition of diplomas and degrees, including an international component in training programs, and providing foreign language training.

In 2004, Québec's universities had a foreign student population of over 20000. These students actively contribute to the development of research in Québec's universities and lay the groundwork for future collaboration with their home countries.

To maintain its position in a highly competitive world, Québec will need to promote and increase the visibility of its educational facilities and ensure that students are offered attractive conditions. Student mobility is one means by which young Quebecers can become knowledgeable about international realities and learn to adapt to an increasingly internationalized environment. Several thousand students study outside Québec every year, benefiting for the most part from programs which allow



Source: Ministère de l'Éducation, du Loisir et du Sport du Québec (MELS)

the completion of a semester at a foreign institution. Other opportunities are available through reciprocity agreements, short-term programs, the granting of dual-university degrees and joint thesis supervision.

Inter-university alliances stimulate student mobility. Over the coming years, the challenge will consist in ensuring that an ever greater number of students from Québec receive part of their education at the best institutions abroad, and that more researchers from Québec will be able to join international research teams.

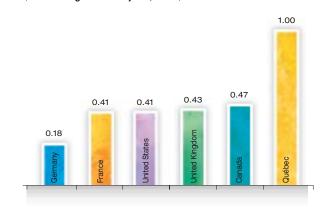
Participating in internships in other countries is another way for young Quebecers to become more open to the world and better integrated into international networks. Over the past forty years, more than 125000 young people from Québec have had the opportunity to work and study abroad, with the support of the Office Franco-Québécois pour la jeunesse, the Agence Québec-Wallonie-Bruxelles pour la jeunesse, and the Office Québec-Amériques pour la jeunesse. It is essential to build on these achievements and strengthen these initiatives, particularly by creating more synergy among these organizations, resulting in a higher number of exchanges and internships for young people.

Jobs in the Aerospace Industry

Montréal is one of the world's leading aerospace centres.

The percentage of the workforce employed in the aerospace sector is the highest of all industrialized nations, at 1%.

(Percentage of total jobs, 2004)



Source: Ministère du Développement économique, de l'Innovation et de l'Exportation (MDEIE)

Working in Partnership with Cities, Towns, and Regions

Integrative trade, the knowledge economy, and information technologies have taken the competitive process onto a new plane. Cities, towns and regions are now directly affected by international competition. To effectively plan their development, attract investors, ensure the availability of a skilled workforce, and build viable infrastructures, cities, towns and regions can no longer operate in a vacuum. They must compare themselves with the best and rise to that level of achievement. Their ability to adequately determine their assets and strengths, fully understand the regional, national, and international environment, and bring together key players in a commitment toward shared objectives has become a key for successful growth and development.

In Québec, the greater Montréal area has long been a driving force for economic development. As a point of entry to the industrial heart of North America, Montréal is home to one of the world's busiest inland harbours. An intermodal crossroads, Montréal is located within 1000 kilometres from one-fourth of the North American population. Montréal is a major aerospace centre and leader in biotechnologies and pharmaceuticals. The area has one of the highest concentrations per capita in North America of jobs in high value-added sectors. Montréal's "grandes écoles" and four French and English language universities attract one of Canada's largest foreign student populations. The offices of more than sixty international organizations and more than forty consulates general are located in Montréal. The city hosts a number of major sports and cultural events as well.

The Montréal Metropolitan Community's economic development plan stresses the importance of reinforcing strategic industrial clusters and establishing a regional system of innovation. With this plan, the Community aims to expand the region's international involvement on a North American and global scale.

Québec City is a major Eastern Canadian urban centre and has enhanced its role as the capital by reaffirming its strengths in science and technology, particularly in several high-tech sectors including medical research, optics and photonics. The capital is developing its international activities in line with its functions as a seat of government, an academic and scientific centre, and the hub of francophone activities in North America. Québec City is a UNESCO World Heritage Site and a very popular tourist destination.

In addition, Québec supports the development of other thriving urban centres. Due to their vitality and the synergy derived from the combined presence of first-rate institutions and training centres, these cities play a key role in the development of their regions.

Moreover, considerable joint efforts have led Québec's regions to identify niches in which they posses the critical mass necessary to position themselves favourably on the North American and even the world market. International partnerships are a useful tool in developing these niches, and the Government of Québec intends to facilitate such endeavours.

The Québec-New York Economic Summits

The Québec-New York Economic Summits have revitalized the corridor linking the Hudson Valley, Lake Champlain, and the Richelieu River. A number of agreements have been reached in the areas of transportation and cross-border regional promotion, adding to others between chambers of commerce aimed at developing technology and tourism. Other trade corridors have also experienced renewed growth, as is the case with the Chaudière-Kennebec corridor.

Strengthening trade corridors and developing crossborder regional groups are effective measures to link local communities and business interests. The Government of Québec seeks to facilitate the establishment of such trade corridors by working in collaboration with neighbouring American states.

It is essential that cities, towns and regions become more active in international partnerships and networks, where they can access useful expertise and solutions for their development. The Québec government would therefore like to see them develop strategic plans,

involving all key local players, and draft overall international strategies. The recently established regional conferences of elected representatives can play a decisive role in this regard.

Striking a Balance between Environment and Development

Environmental degradation carries heavy political and economic consequences for societies, states, and governments. Major policy shifts appear necessary for the world's environment and ecosystems to survive over the long term. Their preservation calls for both economic and social measures.

The Government of Québec was part of the Canadian delegation at the 1992 Rio Earth Summit. Since then, it has actively participated in various international forums on environmental issues and intends to continue to do so. Moreover, it wishes to promote the development of ties among countries, regions, businesses, research groups, and organizations that are seeking concrete, lasting and practical solutions. Taking social and environmental considerations into account in product manufacturing and distribution has become a reality of international trade. These standards can be seen either as impediments to trade or opportunities to compete among the best. Québec favours the latter point of view.

In 2004, the Québec government unveiled its *Sustainable Development Plan*, which links together the economy, environment, and social progress, and places them at the heart of government's initiatives.

With respect to energy, Québec is firmly committed to promoting various renewable energy sources by adopting ambitious goals. It therefore expects to increase hydroelectric energy production by 4500 megawatts by the year 2010 and wind energy production by 4000 megawatts before the year 2015. Québec also aims to become a world leader in the management of energy transmission networks and in the integration

The Sustainable Development Act

In April 2006, the National Assembly adopted the Sustainable Development Act. This Act allows Québec to rank among the few states in the world that have passed legislation that deals specifically with sustainable development.

of various energy sources into these networks. Moreover, with respect to greenhouse gas emissions, it insists that the federal government take into account its hydroelectric production, a renewable source of energy resulting in two times fewer emissions per capita in Québec than the Canadian average.

The Government of Québec is also concerned about the protection and conservation of forests and ecosystems, and has incorporated the principles of sustainable development into its forestry and public land management practices. Québec's *Strategy and Action Plan* on biological diversity, adopted in 2004, constitutes an important first step. Québec intends to participate in the work of international organizations pertaining to these issues.

Using Energy to Build the Québec of Tomorrow– Québec's Energy Strategy 2006-2015

In May 2006, the Government of Québec announced the six key priorities of its Energy Strategy for the coming years:

- Resume and Accelerate the Pace of Development of Québec's Hydroelectric Potential
- Develop Wind Power, An Energy Source for the Future
- Use Energy more Efficiently
- Innovate in the Energy Field
- Consolidate and Diversify Sources of Oil and Gas Supply
- Modernize the Legislative and Regulatory Framework

The Government seeks to reverse the downward trend of its electricity exports of the past few years, which translated into a sharp reduction of its net sales of electricity outside Québec's borders. In keeping with the principles of sustainable development, the Government will also support the development of new energy technologies, including cleaner burning fuels (including fuel-ethanol), geothermal and solar energy and hydrogen. Through these measures, Québec is taking concrete actions to reduce greenhouse gas emissions.

PRIORITIES AND KEY INITIATIVES

OBJECTIVE

FOSTERING QUÉBEC'S GROWTH AND PROSPERITY

PRIORITY

Strengthen and increase economic exchanges with the United States and Europe, and diversify trade by branching out to certain expanding markets

KEY INITIATIVES:

- In the United States, Québec will concentrate its efforts on four sectors in particular: trade, security, energy, and the environment. It will especially strive to play a leading role in consolidating the North American economic space by working with East Coast and Midwestern states to develop cross-border partnerships and identify normative and regulatory obstacles that impede trade. Additionally, Québec will increase its economic presence in Washington and Atlanta.
- In Europe, Québec will seek to develop business opportunities in five high potential sectors in Western European countries (aerospace, construction, life sciences, information and communications technologies, and environmental goods and services); take advantage of the new opportunities afforded by European expansion and support businesses in adapting their products to European standards.
- To diversify its export markets, Québec will concentrate its efforts on five expanding markets where it will step up its presence and target its initiatives: Mexico, Japan, China, India and Brazil. To increase the likelihood that businesses shall succeed in these markets, support will focus particularly on facilitating project start-ups, and encouraging networking among firms.
- New initiatives will also help stimulate exports and attract foreign investments:
 - Support for the export of Québec's expertise and know-how by collaborating with the École nationale d'administration publique (ENAP) to create a centre for the international promotion of Québec's expertise.
 - A new strategy for promoting and prospecting foreign investments.
 - Measures to help Québec firms set up operations abroad with the aim of increasing sales and developing business partnerships.
 - Support for regions that have adopted an integrated international action plan, particularly to develop their niches of excellence.

OBJECTIVE

FOSTERING QUÉBEC'S GROWTH AND PROSPERITY

PRIORITY

Make knowledge, innovation and education core elements of international initiatives

KEY INITIATIVES

- Increase funding allotted to international research partnership development and to attract foreign researchers.
- Intensify and better coordinate the international promotion of Québec's educational opportunities.
- Restructure tuition exemption scholarship programs for foreign students to attract more candidates to university postgraduate programs and a greater number of students to college-level technical training programs.
- Develop an integrated public sector offer with regard to educational services in order to support reforms and the development of education systems, with special emphasis on emerging economies.
- Expand international internship opportunities for young people and increase support for youth entrepreneurship projects abroad.

PRIORITY

Attract more qualified immigrants and facilitate their integration into economic life

KEY INITIATIVES

- Support the recognition of academic degrees and of qualifications by helping professional orders and institutions of higher learning conclude agreements with foreign partners.
- Target promotional and recruitment efforts abroad based on Québec's identified labour needs, with special emphasis on the priority areas of Latin America, and Eastern and Western Europe.
- Increase the number of prospective business immigrants invited for an exploratory visit to Québec.
- Increase the number of foreign partners in French language instruction to enable immigration candidates to begin their linguistic training before arriving in Québec.



Chapter 5

Contributing to the Security of Québec and the North American Continent

n the 21st century, threats to international stability come increasingly from nonmilitary factors such as terrorism, transnational organized crime, the spread of infectious diseases and the deterioration of the environment. These emerging perils directly affect Québec's areas of responsibility, whether it is acting alone or jointly with the federal government.

Sovereign states must deal with traditional wars, however preventing and handling new sources of danger often depend on federated states and local communities. Within the Canadian federal context, national security involves a range of different powers, some provincial, some federal. The powers exercised by the provinces regarding the administration of justice, public safety, health care, the environment and agriculture reflect the important role they play in building a more secure world.

Emerging threats transcend borders. Their presence is often difficult to detect and to quantify. They blur the lines between what is international and what is local. As opposed to the classic threat of war, which is handled by the international institutions and sovereign states, the prevention and appropriate response to these new threats often call upon domestic jurisdictions, especially those of federated states and municipalities.

When terrorist attacks occur, the targeted cities, towns and regions are the first responders, coordinating the efforts of health services, police and fire departments to come to the victims' aid. During the outbreak of the severe acute respiratory syndrome (SARS) epidemic, it was the local health care systems that took responsibility for treating the victims. Now more than ever, this new reality calls for innovative approaches and solutions. It also necessitates access to sources of reliable information and collaboration in administrative and judicial matters at the local, regional and global levels.

The Fight against Terrorism

The events of September 11, 2001, sparked an awareness of the scope and magnitude of terrorism. Terrorist groups often take advantage of open borders and adapt their methods to take advantage of the modern means of communication. The international community, particularly the United Nations Security Council, is alarmed by the potential access of terrorists to weapons of mass destruction and the ties they are able to form with criminalized groups.

Canada and Québec are not immune to the threat of terrorist attacks. That is why the Government of Québec has taken special measures to step up security. For example, it has enacted legislative changes to make the issuance of official documents more secure and to respond more efficiently in cases involving infractions against immigration laws. The Sûreté du Québec and the Montréal Police Department, in collaboration with the Royal Canadian Mounted Police, are members of the integrated national security and anti-terrorist team. The Ministère de la Sécurité publique has created a discussion table to counter chemical, bacteriological, radiological, and nuclear threats. An emergency preparedness plan is in place to deal with the possible aftermath of various types of catastrophes, including terrorist attacks.

Québec has equally strengthened its ties with bordering American states by signing memoranda of understanding which provide for information-sharing with Vermont, New Hampshire and Maine. It also signed an anti-terrorist cooperation agreement with the State of New York. In addition, the Government participates in the Northeast Homeland Security Directors Consortium, comprised of ten American states and three Canadian provinces. The Consortium is deeply committed to the fight against terrorism and its efforts over the coming years will be aimed at strengthening its actions, both internally and with international partners.

Transnational Organized Crime

According to the United Nations, transnational organized crime will represent another major challenge for the international community in the 21st century. Organized crime has also taken advantage of the opening up of markets to engage in drug trafficking, the smuggling of illegal weapons, human trafficking, and money laundering on a larger scale.

In its 2005 report, the U.N. Office on Drugs and Crime estimated the number of drug users in 2004 at 200 million, generating proceeds of \$US 320 billion.

- The smuggling of illegal weapons is a major security concern for the governments of Canada and Québec.
- After drug trafficking and the smuggling of illegal weapons, human trafficking ranks as the third most lucrative criminal activity.
- Money laundering is vital to transnational criminal organizations. Studies indicate that between five and seventeen billion dollars might be laundered each year in Canada.

While the power to amend the Criminal Code falls within the purview of Parliament, it is the Attorney General of Québec who enforces criminal laws. Many of these laws are based firmly on international conventions and resolutions of the U.N. Security Council such as the *United Nations Convention against Transnational Organized Crime, the Protocol to Prevent, Suppress, and Punish Trafficking in Persons*, and the *International Convention for the Suppression of the Financing of Terrorism*. Several of the measures contained in these international conventions directly affect Québec's responsibilities in matters of law enforcement. Moreover, the Attorney General has the power to prosecute members of criminal and terrorist groups in Québec, including, in certain cases, individuals who reside abroad. The Attorney General also has the authority to have goods located outside Québec confiscated if they have been used

to commit a criminal offence in Québec or constitute the proceeds of such offences.

The Québec government's responsibilities within its borders make it a key player in the hierarchy of operations that are essential to the security of Canada and its neighbours. With regard to both crime and terrorism, Québec has established close ties in the area of technical cooperation with neighbouring American states.

To be an effective partner, Québec must have access to reliable sources of information, understand the context in which new threats develop and be aware of the international instruments which can be used to prosecute them.

Contributing to the Security of North America

- The Premier of Québec headed a mission to Washington in 2005, during which he explained to members of the Senate and of the U.S. Administration, including the Secretary for Homeland Security, the various initiatives the Government of Québec has taken with regard to security;
- In May 2004, the Minister of International Relations undertook discussions on key transborder issues with members of the U.S. Administration and of Congress, as well as with security experts;
- In August 2004, Québec's Minister for Public Security hosted in Québec City the heads of the Northeast Homeland Security Directors Consortium, comprised of representatives from 13 Canadian provinces and American states;
- The Government of Québec signed agreements for emergency preparedness assistance and management with neighbouring American states.

In collaboration with the federal government and other jurisdictions, Québec actively seeks solutions while ensuring that the fundamental values of respect for personal freedoms and the rule of law are preserved.

Making Cross-Border Trade More Secure

Since its economic prosperity is largely dependent on trade with the United States, Québec must contribute to the task of maintaining a secure and efficient border. On December 12, 2001, in order to facilitate the flow of trade while taking security needs into account, Canada and the United States decided to establish a "Smart Border" plan and adopted a number of measures aimed at guaranteeing a more secure border and better coordination of anti-terrorist activities based, among other things, on the sharing of information.



Québec shares a border 813 km long with the United States, and the St. Lawrence is one of North America's main waterways.

To give impetus to the Smart Border plan, both countries implemented several joint programs, some of which directly affect citizens and businesses. The NEXUS program, for example, facilitates border crossings for Canadian and American citizens who meet the security criteria of both countries. In the United States, the aim of the FAST/EXPRESS program (quick and secure shipping) and the C-TPAT (Customs-Trade Partnership Against Terrorism) is to expedite the transit of pre-authorized goods through customs.

Border management decisions have a direct impact on the responsibilities borne by the provinces. They must deal with these new circumstances and adapt

their laws, policies and programs in consequence. Their participation is therefore crucial to the success of the Smart Border, and Québec is cooperating fully in this process.

The Smart Border is not the sole Canada-U.S. border initiative. Unilateral measures can be taken at any time, as is the case with the new stringent standards governing the entry of agri-food products into the United States, and with the new documents that will be required to cross the U.S. border in the near future. The *Security and*

Passport issuance is a federal responsibility, but the issuance of civil status certificates, a prerequisite for obtaining a passport, is a provincial responsibility.

Prosperity Partnership of North America (SPP), which was signed by Canada, the United States and Mexico in 2005, is evidence of this desire to act in a more concerted fashion. The trilateral partnership should lead to better coordination of security policies and legislation. Implementation will require a substantial commitment by federated states. Several public security, energy, health, transport, environmental, and agricultural measures covered by the SPP fall within Québec's responsibilities.

The Government of Québec established one of the first animal health risk management and prevention systems in North America and it works to prevent problems that are essentially local in nature from getting out of hand, resulting in a closed border for a whole range of agricultural products. To this end, Québec will promote new and innovative risk management approaches. The idea of dividing the Canadian territory into zones that are approved by the International Organization for Animal Health would allow for more efficient bio-security monitoring while at the same time maintaining open access to the various agri-food markets.

The tightening of transborder operations is an inevitable reality that will be accompanied by the implementation of other related procedures. In this context, securing Québec's exports and supply chains is a strategic objective. The Government of Québec hopes to promote export businesses and their suppliers to adhere to programs designed to facilitate border crossings for low-risk individuals and merchandise.

Borders are no obstacle to the expansion of the cyberspace. The generalized use of information technology and advanced computer systems makes governments, businesses and individuals vulnerable to cyberattacks. As e-commerce and e-government grow ever more important, data banks and information systems become strategic infrastructures that need protection. Organizations cannot face those challenges alone; the Québec government will pursue efforts with the federal government to increase international cooperation on this issue. With the aim of sharing knowledge and best practices concerning the protection of information, it will also work with countries and organizations seeking to reinforce security of data bank systems.

The Fight against Pandemics

In its 2004 report, the *United Nations High-Level Panel on Threats, Challenges, and Change* noted that infectious diseases have become a threat to international security due to the speed with which they can be transmitted, the high number of persons that can become infected, and the enormous pressures they place on health and social services and on socio-economic systems.

The opening of borders and volume of transcontinental passenger travel have increased the risk of spreading infectious diseases. The past thirty years have witnessed the development of new diseases and the reappearance of others thought to have been eradicated. Malaria, measles, pneumonia, dysentery, and tuberculosis are on the rise and are among the world's most serious infectious diseases. The most widespread and tragic is undoubtedly HIV/AIDS, which has killed more than 24 million people the world over.

Some viruses, such as SARS and influenza, have appeared in various regions of Canada and are among the diseases being actively monitored. Health care authorities

The Government of Québec Develops a Flu Pandemic Action Plan

In March 2006, the Minister of Health and Social Services announced the Government's action plan to manage the consequences of an eventual flu pandemic. This plan includes notably the following elements:

- Epidemiological monitoring, preventive measures and measures designed to control infections;
- A massive vaccination campaign and the use of antivirals, if necessary;
- Controlled access to hospitals;
- Creation of appropriate mechanisms for public information;
- Maintenance of services in the health care system, by having recourse to replacement personnel and volunteers.

are also paying close attention to animal diseases that are transmittable to humans and to the possible mutation of the avian flu virus.

The best way to confront this threat is through effective public health measures, prevention and pandemic preparedness. Québec has in place infectious disease tracking and monitoring systems. It is also better prepared to respond to a major health crisis, following the creation of the Institut national de santé publique and the Institut national de santé animale, and the establishment of the Government's emergency preparedness plan. Beyond organizational measures, the

development of Canada-wide and international information and collaboration networks is indispensable in order for Québec to better anticipate the risks associated with the spread of infectious diseases and to deploy all necessary means to control them.

Investing in Prevention

The Government of Québec will:

- Invest in the construction of new animal pathology laboratories
- Support farmers who realize the necessary investments for the confinement of poultry

Managing Environmental Risks

Environmental degradation has serious political and economic implications for societies. States and governments must operate the necessary policy shifts, to preserve the quality of the environment within their territorial boundaries and put more emphasis on cooperation. Since problems are often international and regional in scope, solutions should be as well.

Prevailing winds carry pollutants that are causing air quality to deteriorate in the Northeastern part of the continent. This transboundary pollution is worsening three problems that are of the utmost concern to Québec: acid rain, smog, and airborne toxic substances such as mercury. The government will continue to work with decision-making bodies stemming from the *Canada-U.S. Air Quality Agreement* and within the framework of the *Mercury and Acid Rain Action Plans* adopted by the Conference of New England Governors and Eastern Canadian Premiers.

In terms of climate change, the Northeastern portion of the continent is one of the regions most directly affected. The St. Lawrence River banks and Northern Québec are already feeling its first effects. Better regional and international cooperation on this issue is necessary. The New England Governors and Eastern Canadian Premiers have resolved to bring greenhouse gas emissions back to 1990 levels by the year 2010 and to realize a further 10 percent reduction by the year 2020.

Access to water and prudent management of this resource constitute other strategic international and continental issues. Over 70 percent of the planet's freshwater supply is used for farming and nearly one-third of the world's population is dependent on subterranean water. According to the United Nations Environment Programme (UNEP), human activities such as farming and industrial development contribute to water contamination and to the over-exploitation of water sources. More importantly, these activities contribute to the progressive depletion of water supplies. Since the 1960s, water siphoning has doubled to meet domestic and industrial needs.

Québec possesses 3 percent of the world's freshwater supply. It has a responsibility to preserve this resource and take the necessary steps to protect water quality and the ecosystems. Québec also shares the major system formed by the Great Lakes basin and St. Lawrence River with the rest of Canada and with the United States. Managing this system is complex and requires the collaboration of several governments.

The International Conference on Biodiversity, held in Paris in January 2005, stressed the fact that increasing numbers of animal species are disappearing. According to the United Nations, declining biodiversity is occurring at unprecedented rates and the deterioration of large ecosystems has reached such dramatic proportions that their long-term sustainability will be compromised unless radical changes are made. Human activity, global population growth, the increase in waste pollutants, habitat destruction and the growing pressure on the water supply are partly responsible for the decline in biodiversity. Finally, the increase of national trade has significantly amplified the risk of introducing non-indigenous species, which requires more international vigilance and cooperation.

To better control the risks associated with climate changes, water basin management, and biodiversity, Québec intends to intensify its collaboration with the federal government and neighbouring provinces, and with American states.

Natural Disasters

Natural disasters can be devastating in terms of the resulting number of victims, the destruction of living conditions, and economic losses. Over the past ten years, more than two billion people have been victims of natural disasters. Moreover, the number of disasters of this kind is likely to increase.

Having experienced such events, Québec has worked to devise an emergency preparedness plan to protect the population in the event of major disasters. The Government of Québec has created a government operations Centre that is mandated to anticipate events that could affect civil security. The centre is in charge of compiling and analyzing incoming information and disseminating it to first responders and the appropriate authorities. It also oversees emergency management.

Natural disasters know no borders and in many cases their consequences reach far beyond the scope of a single decision-making body. Intergovernmental cooperation is therefore essential because it results in adequate aid distribution to affected communities. Thus, the Government of Québec, the Atlantic provinces and six neighbouring American states have endorsed measures to ensure an increased protection of their communities by signing a mutual aid agreement, which provides for a response mechanism to natural disasters, resource shortages, and technological disasters. To that end, the parties involved created the International Emergency Management Group.

PRIORITIES AND KEY INITIATIVES

OBJECTIVE

CONTRIBUTING TO THE SECURITY OF QUÉBEC AND THE NORTH AMERICAN CONTINENT

PRIORITY

Ensure rapid and reliable access to strategic information, and participate in the work of regional and international bodies with respect to nonmilitary security

KEY INITIATIVES:

- Establishment within the Ministère de la Sécurité publique of an integrated center for security information.
- Intensy cooperation with the United States, notably with the Northeastern States, on security matters.
 - Step up Québec's involvement in the Northeast Homeland Security Directors Consortium.
 - Establish new cooperation between the Québec Attorney-General and his counterparts in bordering states.
 - Reinforce existing ties between administrative and police organizations in Québec and the state of New York.
 - Increase security-related simulation exercises involving Québec and states in the U.S. Northeast.
 - Collaborate on scientific issues with the U.S. Center for Disease Control (CDC) and conclude technical collaboration agreements with the states of the East Coast aimed at preventing the spread of infectious diseases and pandemics.
- Increase regional and international collaboration on environmental security issues with special emphasis on improving air quality, reducing greenhouse gas emissions, preserving the resources of the St. Lawrence River, fighting invasive species and preventing the risks associated with biotechnology.
- Cooperate with France on civil security issues and establish an international network of Francophone police training facilities in collaboration with European countries.
- Participate in the work of international organizations and forums dealing with nonmilitary threats.

OBJECTIVE

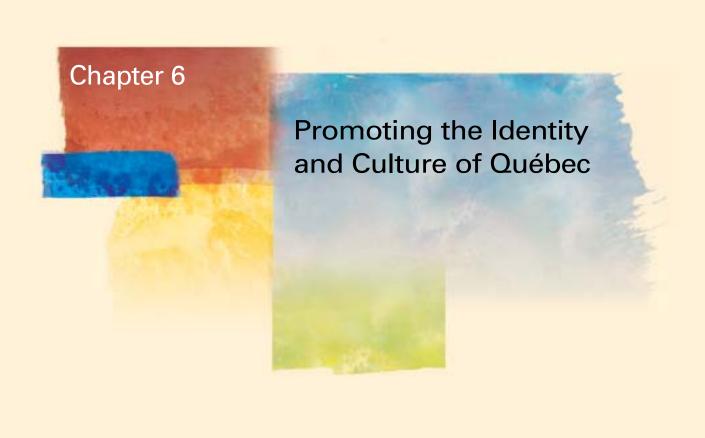
CONTRIBUTING TO THE SECURITY OF QUÉBEC AND THE NORTH AMERICAN CONTINENT

PRIORITY

Facilitate the safe and efficient cross-border flow of people and goods and enhance the security of Québec's strategic infrastructures

KEY INITIATIVES:

- Establish infrastructures that facilitate cross-border flows, especially FAST/Express lanes, at the following border crossings: Lacolle, Saint-Armand-de-Philipsburg, Stanstead, and Armstrong.
- Set up training and financial support programs to increase the accreditation of businesses to programs related to the Smart Border.
- Participate in the Canada-United States Cargo Security Project for making inter-modal containers secure.
- Complete work on the agri-foods tracking system.
- Secure electric energy infrastructures, and Québec's access to oil supplies.
- Collaborate with the United States and certain European countries to ensure the security of public information technology systems and the protection of personal information.
- Reinforce the verification of identity documents issued by the Québec government, to reflect new North American standards.
- Establish partnerships and enhance measures to deal with criminal activities that may be related to immigration.



Chapter 6

Promoting the Identity and Culture of Québec

lobalization favours the clash of ideas, lifestyles and identities and, while it has allowed humanity to make significant progress, it has also increased interdependence within the international community. Thus, globalization brings peoples of the world closer together while highlighting their diversity.

As the only predominantly Francophone society in America, Québec intends to assert its identity while at the same time fostering openness and access to other languages and cultures.

Forged by history, language, and culture, identity is also defined by a society's collective choices. In Québec, these choices are reflected in such principles as the rule of law, the status of French as an official language, equal rights for women, condemnation of violence, separation of church and state, respect for diversity, balanced labour relations, and sustainable development. They are also embodied in

the overriding social consensus that has emerged over the years in support of universal health care, access to higher education, and solidarity with those most in need.

When the Government of Québec is involved in promoting its interests internationally, it does not set aside these choices and values that make up Québec's identity. On the contrary, it reflects these choices and values, and ensures that decisions made elsewhere do not limit the ability of the Québec society to live and prosper in a manner consistent with the choices it has made.

Among Québec's unique features, the use of the French language has a far-reaching influence on social organization and on the development of institutions specific to Québec, particularly with respect to the education system, culture, administration of justice, means of communication and governance. The government plays a decisive role in preserving and promoting these unique features of Québec's society while simultaneously encouraging its outreach to the world.

French as a Living Language

Francophones are a minority within Canada and make up only 2 percent of the North American population. In 1974, the National Assembly declared French Québec's official language and subsequently adopted the Charter of the French Language, which is the cornerstone of Québec's language policy.

The success of this policy resides in the fact that it has been able to strike a balance between clearly affirming the French character of Québec's society and respecting the Anglophone and Aboriginal communities as well as Allophones that form an integral part of it. This language policy has allowed French to become Québec's primary language in the workplace, for business and trade, in education and administration. This has unquestionably been one of Québec's great achievements.

Around the world, an increasing number of countries and communities are striving to achieve similar results, by balancing concerns regarding identity and openness to others. A total of 287 states and territories, in over 180 countries, have adopted policies to promote one or many languages. In this century, language planning has become a widespread rather than an isolated phenomenon.

What has been accomplished in this field should by no means eclipse the fragile nature of those gains. Promoting and fostering the French language remains an essential part of the Government's International Policy.

Québec lends its support and expertise to forums of La Francophonie and plays a key role in developing French-language tools of learning and knowledge. Home to the French presence in North America, Québec hopes to develop closer ties with French-speaking communities in Canada and in the United States and to the development of the French language and culture in the Americas.

The role of French in emerging technologies is another major point of interest. The Government of Québec will work actively with regulatory bodies that establish international linguistic parameters in information technologies. Québec also wishes to collaborate with its partners in La Francophonie to make more Francophone content and Francophone works available in digital format.

Developing reference tools dealing with the French language will be an ongoing activity as well. Québec has made substantial international headway in this area. Language education is crucial to the expansion of French and should be bolstered by a strengthening of the global network of French instructors. Quebec will support initiatives in this regard.

Promoting the French language has never meant that other languages should be neglected. In fact, Québec has the largest bilingual and multilingual workforce concentration in North America. Québec's European roots, North American lifestyle, and desire to live in French make it an impassioned defender of linguistic diversity.

Today, a large segment of Québec's population is bilingual. The younger generation has moved toward mastery of a third language, particularly Spanish. This undeniable advantage has already given Québec an edge in the Americas. In linguistic as well as cultural matters, Québec intends to assert its identity while at the same time remaining open to other languages and cultures. This principle forms the basis of Québec's international stance on cultural diversity and is a guiding social principle.

Québec's Culture on the International Scene

Cultural activities alone represent 2.3 percent of Québec's GDP. That figure rises to 7.7 percent when the communications sector is included. Over half of Canadian artistic performances abroad are produced by companies from Québec. The high number of artists and cultural exports from Québec on the international scene is all the more remarkable, given its relatively small population.

This international presence is vital to Québec's outreach and provides a source of stimulation and inspiration. New opportunities outside Québec mean more work and income for artists and for workers in cultural organizations and businesses. They extend production runs and increase sales of cultural products. They also foster partnerships and co-productions that allow for financial risk-sharing. Creativity builds as cultural exchanges grow. Every culture becomes enriched by another's artistry as it absorbs those cultural influences. Interaction with artists from abroad ultimately results in new audiences for new creations.

Four Major Challenges

Although Québec has gained exposure on the international stage, the cultural sector faces four major challenges.

First, the vibrancy of the international cultural market raises standards for quality and originality, while requiring more investment for artists to succeed away from their home base. Technical advances and the fading boundaries between artistic disciplines are changing the creative process and forcing artists to adapt and create new material more rapidly.

Second, cultural networks have changed, and new types of alliances are emerging. For example, certain networks, rather than being national in nature, are being created in cities, towns and regions, according to artistic or professional affinities. These cities and regions acquire international recognition through specific cultural events, such as the International Jazz Festival in Montréal, the Avignon Theatre Festival, the Frankfurt Book Fair, the Guadalajara Book Fair, and the Cannes Film Festival. They in fact become strategic crossroads for the presentation of first-rate cultural productions and places where international success and notoriety are achieved. In short, cultural activity also keeps pace with globalization. Every year, Québec hosts numerous artists, writers and producers from outside its borders, which shows that it is fully integrated in the major international distribution networks. Its presence abroad is based on reciprocity, which means that it is well organized to host foreign artists during international festivals and events taking place in Québec.

Third, new information technology, such as digitalization, is radically changing ways of creating, producing, distributing and accessing cultural products. This is affecting established practice in many areas, threatening intellectual property, raising concerns about the protection of artistic works, and diversely impacting major producers.

Fourth, accessing international markets has gotten more difficult. New border-crossing controls often impede the activity of artists and artistic groups who plan to perform outside Québec. Obtaining visas and other permits requires more effort, and fiscal constraints continue to grow. Certain institutional rigidities and the preferential treatment afforded local artists create additional barriers that cultural excellence and innovation alone cannot always easily overcome.

New Leverage

This situation makes it imperative for Québec to make choices, exert consistent effort, and use new leverage to its best advantage. The development of markets abroad also requires new, more diversified skills and knowledge, especially in the areas of management and marketing. More efforts must be devoted to the acquisition of this expertise, while preparing the coming generation to provide leadership in this area.

For Québec's artistic companies and cultural enterprises, this means:

- Targeting initiatives and markets more efficiently, in terms of whether they are established or emerging;
- Perfecting specific market development tools and expertise;
- Developing a better understanding of foreign markets and audiences;
- Conceiving collaborative, well-planned, and ongoing steps for cultural initiatives outside Québec.

Arts and cultural industries must participate more fully in new international networks. To do so, they will have to rely on their individual strengths, but also seek to establish partnerships in Québec that will make it possible for them to participate in these transnational networks.

The originality of Québec's model also generates increasing interest internationally and will benefit from being even further enhanced. In fact, Québec has a number of strengths to draw from: a public system for supporting the fine arts, performing arts, literature and cultural industries, legislation on the status of artists, a policy to protect and affirm the French language, support for emerging artistic endeavours, and the experience acquired in management of the cultural sector. These tools must, from now on, be better integrated into Québec's international cultural outreach, and contribute to its influence abroad.

Promoting Québec's Cultural Interests

While it is aware that further trade liberalization plays a role in prosperity and development, Québec advocates a form of globalization that is respectful of cultures and diversity in artistic expression. Cultural goods and services have a double nature: they are vectors of identity and values that are also objects of commerce. Recognizing this duality, the Government of Québec strives to maintain its capacity to support cultural industries and artists.

Along with the federal government, with the backing of the cultural sector in many countries and thanks to the concerted efforts of La Francophonie, Québec encouraged the negotiation of the international *Convention on the Protection and Promotion of the Diversity of Cultural Expressions* under the auspices of UNESCO. It is Québec's responsibility to continue this commitment by promoting the Convention's ratification and implementation by as many countries as possible.

More and more areas of cultural activity are becoming the focus of international instruments. Some multilateral forums have already begun drafting global standards for digital publishing and information technologies. Other organizations are interested in knowledge sharing and the development of projects related to cultural policy, as well as intangible heritage, and intellectual property.

Technological advances are likely to continue to change national and international cultural dynamics, adding still more complexity to the processes of creation, production, and distribution, as well as to the role of government regulation. New communication technologies will undoubtedly create the need for increased diversity in French-language content. This will require Québec's renewed involvement in joint projects with other members of the Francophone cultural community, because these changes affect Québec's distinct nature. This is why the Québec government intends to participate in international forums whose deliberations could affect cultural policies.

The Influence of Québec

A substantial part of what is written about Québec in the foreign press concerns its artists and creators, highlighting the excellence and innovative character of its cultural performances. These activities thus directly shape Québec's image and reputation abroad, and are among the major expressions of its identity.

It is to Québec's advantage to transpose that image of cultural excellence and innovation to other areas where it wishes to enhance its presence internationally. Developing a strong image abroad, reflecting its characteristics and strong points, contributes directly to the attainment of its international goals, whether economic, scientific or political. To that end, Québec intends to focus on the features that have contributed to its cultural influence, and use them to support its actions and its trade worldwide. Specifically, its efforts will focus primarily on four sectors:

- Attracting foreign direct investment;
- Positioning Montréal as one of the major cities of the world;

- Promoting tourism;
- Making Québec's education opportunities better known.

To secure Québec's credibility and the stability of international perceptions about it, one must go beyond image; a second effort is required to ensure that opinion leaders outside Québec, as well as the experts they consult, have a balanced understanding of various aspects of Québec society. To that end, the role of Québec's representatives abroad is a decisive one. Equally important is the increasing number of Québec studies programs that allow people abroad to learn about Québec. By supporting the development of Québec studies programs, the Government of Québec succeeds in stimulating interest among growing numbers of university researchers in the United States, Europe and other parts of the world. The International Association of Quebec Studies (IAQS) brings together 2200 researchers from 65 countries, representing 46 fields of interest. The two regions showing most interest are North America and Europe, although strong gains have taken place in Latin America and Asia as well. In the United States, the work of 15 centres for Canadian studies that have a particular focus on Québec, is also worth mentioning. In all, 300 researchers are members of the American Council for Quebec Studies.

Developing an international image and shaping an accurate perception of Québec outside its borders will also require specialized internet applications. As a result, the international portion of the Québec government's internet portal will be improved, with online services increased in the areas of education and immigration. This evolution takes into careful consideration the whole new reality of online services, and work will therefore be done to adapt existing ways of doing things and to develop new tools for customer service. Similarly, these new programs must enable Quebecers to be better informed on governmental activities and to take part in debates that will help define Québec's stand on international issues.

PRIORITIES AND KEY INITIATIVES

OBJECTIVE

PROMOTING THE IDENTITY AND CULTURE OF QUÉBEC

PRIORITY

Support the worldwide promotion and recognition of the French language

KEY INITIATIVES:

- Participate in the work of the International Organization for Standardization (ISO) regarding the use of French in information technologies.
- Participate in working groups established at the World Summit on the Information Society and in the Internet Governance Forum, with the aim of monitoring questions related to linguistic diversity.
- Foster international recognition of Québec's linguistic expertise. Support the worldwide development of French language instruction.

PRIORITY

Develop planning and organizational expertise to better market Quebec's cultural products and events abroad

KEY INITIATIVES:

- Develop statistical indicators for the purpose of tracking trends in Québec's international cultural presence.
- In consultation with artistic and cultural communities, implement strategies for planning the deployment of Québec's cultural activities based on the world's most promising cultural poles.
- Establish a system of international operators and representatives, particularly in the performing arts, aimed at creating a higher profile for artistic and cultural communities at leading international fairs and festivals.
- Provide financial assistance to artists and cultural industries for the development of international marketing expertise and financial planning, to increase international circulation of artists and their productions, especially in the United States.
- Increase support for the translation of Québec works, particularly in English and Spanish.
- Implementation of a concerted and reciprocal approach to hosting international artists and institutions.



Contributing to the Cause of International Solidarity

Chapter 7

Contributing to the Cause of International Solidarity

he resources and adaptability of developed economies generally allow them to take advantage of the new challenges and opportunities that globalization offers. Many nations, however, are unable to participate in the growth of the global economy. Such is the case with many "have-not" countries, particularly the least advanced. A significant number of these countries are located on the African continent.

Playing a role on the international scene entails duties and obligations toward partners sharing the same international space.

Experts agree that, as a rule, these countries do not possess the financial resources to adapt to the rapid rise in the price of oil and precious metals or the drop in prices of the agricultural goods they export. Nor can they deal with exchange rate fluctuations and rising interest rates,

which have devastating effects on their debt. In addition, they are ill-equipped to effectively combat the relentless spread of AIDS and other endemic diseases or to deal with such natural disasters as droughts and floods.

The high level of poverty of some countries has given rise to a number of recent international action plans, such as the Programme of Action for the Least Developed Countries, the Millennium Declaration, the Monterrey Consensus, the New Partnership for Africa's Development (NEPAD), the G8 initiatives, and the Doha Development Agenda.

In 2000, the "have" countries recognized for the first time that international solidarity in fighting poverty was of the utmost urgency and that, in this regard, the Millennium Development Goals adopted by the U.N. could be useful in guiding the initiatives of the international community.

To halt and eventually reverse the deterioration of the social and economic fabric of troubled countries, everyone agrees that it is important to mobilize the creative energies of people and strengthen governance in those countries. However, it is also generally recognized that the process of improving democracy is a slow one, which implies a strong commitment on the part of the countries involved and of their citizens. Outside

Millennium Development Goals

- Eradicate extreme poverty and hunger
- Ensure universal primary education
- Promote gender equality and empower women
- Reduce the infant mortality rate
- Improve maternal health
- Combat HIV/AIDS, malaria, and other diseases
- Ensure environmental sustainability
- Create a global partnership for development

support is therefore essential. Fighting poverty and bolstering these countries' capacity to take action are the two priorities that characterize present-day development aid. In both cases, human development is the focal point of this aid.

The Need for Solidarity

Québec's involvement in international aid began in Francophone countries, either directly or through the institutions of La Francophonie, particularly in the areas of education and professional training. Québec's membership in La Francophonie was to become a determining factor in its subsequent initiatives.

Over the years, several stakeholders have gained a wealth of practical experience in developing countries by either participating in government initiatives or undertaking projects on their own. They represent the business sector, municipal governments, and public administrations and make up an important pool of experts and individuals with a keen awareness of the problems developing countries face.

Québec's international cooperation organizations are also important partners for development aid. Thus, the government directly supports the Association québécoise des organisations de coopération internationale (AQOCI).

With the assistance of Québec's international cooperation organizations, each year the Ministère des Relations internationales contributes to dozens of cooperation projects and, through its "Québec without borders" program, supports some 400 internships for young people in developing countries.

For Québec, acting internationally to promote and defend its interests carries with it the obligation to support development objectives for less-advanced countries. It cannot remain idle while the international community acts to fight the scourge of poverty.

Faced with the inequalities plaguing the world's most disadvantaged populations, Quebecers express strong feelings of solidarity. They respond quickly to requests from organizations working to alleviate the suffering caused by crises and disasters around the world.

Schools and colleges promote openness to international realities through various activities. Young people sign up in large numbers for internships in developing countries. For many, these experiences will fashion their adult lives and, sometimes, their choice of careers. Finally, new Quebecers act in important ways to show solidarity with their countries of origin.

Targeting Initiatives and Developing Partnerships

With the exception of its participation in La Francophonie, the Government of Québec is not a major provider of development aid. Its financial contribution remains modest and it faces the challenge of adequately staking out its areas of involvement.

As one of the few federated states that apply an integrated approach to international solidarity, Québec is keenly aware of the need for action. It seeks to concentrate its efforts in areas where it can offer credible solutions, in partnership with groups having onsite experience, with the support of major international development banks.

Keeping in mind the international community's objectives and its own capacities, Québec will pursue activities that give added value to the global effort, placing top priority on areas where it possesses proven know-how. Québec will therefore focus on two areas of involvement: human resources development and governance capacity-building programs. This choice is based on the expertise Québec has acquired over the years.

By focusing its efforts in this way, Québec can make a unique and tangible contribution to the progress of developing countries.

Furthermore, the Government of Québec intends to devote its energies to helping a limited number of countries. Those belonging to La Francophonie will be among its top priorities, beginning with Haiti, a continental neighbour. To accomplish this, Québec will take advantage of the strengths of its own large Haitian community, which actively supports and bolsters government initiatives.

Québec's Commitment to Haiti

- During a mission to Haiti in June 2005, Québec's Premier offered the support of the government's departments, agencies and corporations to help restore the essential functions of the Haitian government.
- Some 75 Québec police officers contribute to the United Nations Stabilization Mission in Haiti.
- Hydro-Québec supplies technical support for the production, transportation and transmission of hydro power in certain regions.
- With the École nationale d'administration publique (ÉNAP), the Government of Québec is preparing a cooperation project aimed at supporting the modernization of the Haitian government, in collaboration with the Canadian International Development Agency (CIDA).
- Since 1997, Québec has contributed more than CAN \$11 million in humanitarian aid and in grants for development projects in Haiti.

Québec's aid will, in large part, be channelled through La Francophonie, an institution to which Québec pledges its continued support. In the case of direct aid, the government will work in partnership with Québec's international cooperation organizations, since they are highly experienced in development aid and are familiar with the target countries. This will allow Québec to ensure the quality and relevance of its involvement.

Finally, in an effort to increase the volume of its international aid initiatives, the government will seek the support of Canadian and international funding sources. It will also work to cooperate with regions and federated states

that share the same practices and with which it has already formed international partnerships.

Human Resource Training

Through its "grandes écoles," universities, and various institutes, Québec is already active in training agronomists, engineers, technicians and managers. Many Québec companies train the personnel needed to run the foreign operations and worksites where they are involved. In a number of fields such as telecommunications, medicine, business management, entrepreneurship, and microcredit, Quebecers collaborate in training programs with African partners.

For the past 25 years, the program which exempts foreign students from supplemental tuition fees, established through agreements with some 40 countries, has produced interesting results. Over 10 000 students from developing countries have benefited from this program. Québec wishes to make the program even more effective in order to better respond to the development priorities of recipient countries and to place more emphasis on the strengths of its institutions of higher learning.

Human resource training is an essential requirement for any society that endeavours to progress. It is also the best means for successfully dealing with endemic poverty. Based on the expertise it has developed over the past four decades, Québec will make human resource training one of its two priority action areas.

Governance Capacity-Building

The Government of Québec is active in this field, together with the National Assembly, the Directeur général des élections, the Protecteur du citoyen and the Auditor-General, particularly through their involvement in La Francophonie, with the objective of supporting governance and strengthening the rule of law for the benefit of populations and their governments. ÉNAP also makes significant contributions to the training of public administrators and government leaders, initiatives that the Government of Québec directly supports.

Québec provides added value by working with institutions that uphold democracy and human rights, contributing to the development and training of parliamentarians, public administrators, and locally elected officials, aiding in the establishment of national accounting procedures and helping to improve systems of justice, education, public security, health care and municipal management.

Furthermore, within the framework of the international conventions concerning the diversity of cultural expressions and biological diversity that Québec has ratified, the government intends to make relevant expertise available to developing countries, notably with respect to policy-making to encourage the development of cultural industries, to support cultural activity and to foster initiatives for the preservation of biological diversity.

Québec therefore agrees with the observation made by those involved in development aid: without progress in governance, other reforms will have a limited impact. The concept of governance includes citizen participation in the workings of government. This is achieved by strengthening institutions such as parliaments, local authorities, unions, the judicial system and the media.

A Better Match Between What Québec Has to Offer and the Needs of Developing Countries

Québec's numerous initiatives in Francophone Africa over a period of nearly 40 years and its more recent activities in Latin America have created a large pool of resources and experts in a variety of sectors. Initiatives have also involved several organizations linked to the civil service and institutions of higher learning in Québec.

Nevertheless, putting together the resources and expertise needed to bring projects to fruition remains a complex endeavour. Additionally, the possibility of making public expertise available is limited by a shortage of resources that in turn limits its capacity for action. The government therefore intends to foster a synergy between the private and public sectors in order for Québec to be more effective on such projects. To accomplish this, it will support an initiative developed by ÉNAP that is aimed at creating a centre for the international promotion of Québec's expertise to better channel experts and resources from the Québec civil service and respond more adequately to the needs of developing countries.

Also, the Ministère des Relations internationales is seeking to better match these resources with the specific needs of developing countries. Owing to their important ties with Québec, the Maghreb countries, for example, lend themselves well to partnerships focused on economic development projects—an area in which Québec's know-how is in demand.

Since the Government plans to make its international aid activities more productive in terms of results, it will need to expand and diversify its funding sources. First, it intends to use added leverage to act both directly and within initiatives of La Francophonie. This will help to foster new partnerships. Québec also intends to propose a new partnership to CIDA in order to pool Québec's resources and expertise on the one hand and CIDA's significant funding capabilities on the other. The Government of Canada already extensively calls upon on Québec's experts in a variety of fields and this, combined with the converging views of both governments with regard to international aid priorities, points to a mutually beneficial and fulfilling collaboration in the future. Québec also intends to approach international financial institutions involved in sectors where Québec is active.

Aid to Humanitarian Disaster Victims

Aid to victims of humanitarian disasters is a specific and important aspect of international solidarity. Over the past 25 years, Québec has contributed to disaster relief through organizations such as the Red Cross, often in the form of donations. In addition, measures are occasionally implemented to relax immigration regulations in favour of individuals seriously affected by large-scale disasters. Québec intends to continue giving its support during such catastrophes to the extent that its capabilities allow.

The Government has, however, arrived at the conclusion that its most valued contribution in such cases takes the form of experts dispatched to disaster areas. They participate in efforts by governments and communities to regain control once immediate relief has been provided. This is what could be called reconstruction aid.

This assistance must first respond to the specific needs expressed by authorities in affected regions or countries. Second, it should be made possible through effective coordination among Québec's departments, agencies, and government corporations, working in close collaboration with the federal government and Québec's international cooperation organizations. Third, whenever desirable, this support will be realized by making the appropriate experts and equipment available. Québec's involvement will be geared more toward reconstruction than emergency aid.

PRIORITIES AND KEY INITIATIVES

OBJECTIVE

CONTRIBUTING TO THE CAUSE OF INTERNATIONAL SOLIDARITY

PRIORITY

Channel Québec's international aid contribution toward human resource training and governance capacity-building

KEY INITIATIVES:

- Review international tuition fee agreements to ensure a better match between the needs of countries and the programs Québec institutions offer. Increase the number of foreign postgraduate students and involve educational institutions more closely in the management of the program.
- Through the Association internationale des maires francophones, support Québec's cities and towns that help developing countries.
- Support the development of education systems in African countries.
- Make Québec's cultural expertise available, particularly with regard to public policy, statistics and development of cultural industries to help build the cultural sector in the Francophone countries of Africa.
- In collaboration with ÉNAP's Centre de valorisation internationale de l'expertise québécoise, establish a partnership with the Canadian International Development Agency (CIDA) in order to facilitate international access to the Québec government's expertise.
- Initiate a new dialogue with civil society organizations so that Québec's efforts for international development can become even more productive.
- Create a Red Cross emergency response unit in collaboration with experts from the Québec health care system to increase humanitarian emergency response capabilities.
- Mandate the emergency measures committee of the Sécurité civile to coordinate, in collaboration with the Ministère des Relations internationales, the Government of Québec's involvement during humanitarian disasters.



Chapter 8

Deploying Québec's International Activity

The Role of the Ministère des Relations internationales

he Ministère des Relations internationales is responsible for developing Québec's relations with foreign governments. It ensures Québec's participation at the proceedings of La Francophonie, and the presence of Québec representatives within Canadian delegations involved in the deliberations of international governmental organizations. It establishes, jointly with other departments and agencies, Québec's positions on international issues affecting its responsibilities, and ensures concerted efforts with the federal government to this effect.

By focusing the expertise and initiatives of its departments and agencies on specific objectives and commonly shared priorities, Québec's international initiatives will be more forceful and effective. The Ministère drafts and negotiates Québec's agreements and commitments with its international partners, and grants foreign diplomats and international organizations located on its territory the privileges and immunities that fall under its jurisdiction. The Ministère des Relations internationales also manages Québec's network of general delegations, delegations and offices abroad and

coordinates the international activities of the Government departments and agencies.

The Ministère des Relations internationales is mandated to coordinate the Action Plan accompanying the International Policy and will also be responsible for monitoring the plan's progress and reporting to Government on the results obtained and the follow-up required.

To better exercise its coordination mandate, the Ministère will increase its capacity to monitor and analyze the international economic, political and social environment. It will measure the impact of this environment on Québec's development and, in collaboration with the other departments and agencies, will advise the Government on measures to be taken in order to protect Québec's interests.

Partners in Québec's International Activity

To implement its Action Plan, the Government will rely on a renewed and strengthened partnership with the Canadian government. It also intends to work more closely with institutions and public agencies as well as with various organizations in civil society whose international actions help reinforce Québec's presence and influence abroad. By fostering partnerships and complementarity, this policy is aimed at creating a greater synergy of efforts deployed by:

- Québec's cities, towns and regions, particularly Montréal and Québec City, as well as their agencies, which notably contribute to attracting foreign investment as well as international organizations to Québec and thus enhance its international visibility and prestige.
- Universities, cegeps and research centres, that keep Québec on the cutting edge of knowledge and offer educational programs designed to meet the demands of the international environment. Added to these are Québec Studies centres abroad that contribute to spreading knowledge about Québec, its identity, uniqueness, culture, and institutions.
- Civil society, including the business community that is instrumental for the export of Québec goods, supports foreign companies which establish a presence in Québec, and helps to defend Québec's commercial interests; unions and professional organizations that protect the interests of their members before various international forums, and contribute, through their expertise, to work done by the international community.
- Québec artists and creators, who have forged ties with their counterparts in other countries and who, through innovation and excellence, have significantly raised Québec's international profile and are the Government's first partners in defending the diversity of cultural and artistic expressions.
- Youth exchange organizations, such as the Office franco-québécois pour la jeunesse (OFQJ), l'Agence Québec-Wallonie Bruxelles pour la jeunesse (AQWBJ), and the Office Québec-Amériques pour la jeunesse (OQAJ) that have provided 125 000 young Quebecers with the opportunity to travel abroad, and have hosted an equal number of young people from other countries. The bonds formed contribute to ties between societies.

- Cultural communities in Québec that help building bridges to their countries of origin and contribute to the integration of newcomers.
- Québec's international cooperation organizations that frequently represent Québec on the ground, working with the populations of developing countries.

Priority Areas of Action

To act efficiently, Québec needs an international policy that outlines a clear view of the geographical areas where it wants to act on a priority basis, i.e. where it intends to strengthen its alliances, exert influence, and collaborate in arriving at international solutions when the issues fall within its areas of responsibility.

To identify these international priorities, it must first define itself as an international player, by taking into account its specific characteristics: its geographical location in the Northeastern part of North America, its unique cultural and linguistic identity on this continent, its strong reliance on export markets, and its status as a federated state empowered with important responsibilities.

Thus, based on these characteristics and on priority interests, Québec's International Policy marshals resources towards the following countries and institutions:

- The two strategic countries that are the United States and France;
- La Francophonie and certain international organizations;
- Other priority countries in Europe, including institutions of the European Union;
- Certain emerging markets in the Americas and Asia.

The Government's Action Plan

The Government of Québec has identified a number of actions and projects it intends to realize over the next three years in order to achieve these international objectives and priorities. The plan will involve all government departments and agencies by channelling existing resources towards agreed priorities. The Ministère des Relations internationales has consulted with its government partners to work efficiently to these ends. As a result, the Action Plan is oriented around the following elements:

- Redeploying resources abroad;
- Reorganizing services at headquarters;
- Reviewing international programs and procedures, in collaboration with other departments and agencies;
- Implementing in the short-term approximately 100 concrete measures.

Redeploying Resources Abroad

The Ministère des Relations internationales manages a network of several delegations and offices abroad. In consultation with the departments and economic and cultural agencies that have personnel within this network, a redeployment plan reflecting the International Policy priorities has been devised.

First, regarding the United States, the importance of relations with this country and Québec's active participation in various regional forums require a greater presence. The Québec Government Office in New York City will continue to be the main actor representing Québec's political, economic, and cultural interests in the U.S. The New York office has the responsibility of the Québec office in Washington, D.C., where additional resources will allow greater business activity with neighbouring states as well as with international financial institutions. The Washington office will also be mandated to monitor the work of the Organization of American States (OAS).

Greater synergy in New England and in the New York corridor will be sought, particularly in science and technology, as well as in promoting Québec's cultural industries.

Certain regions of the United States, particularly the South and West, are experiencing strong growth rates. Québec has important interests in these regions, particularly in aeronautics and information technologies. To take better advantage of business opportunities in these geographical areas, the status of the Québec Government Office in Atlanta will be upgraded and its budget, as well as that of the Los Angeles office, will be increased.

The Québec Government Office in Mexico City will maintain its active presence. Québec's interests in Mexico are defined by the need to strengthen economic integration within NAFTA, the issue of regional security, and increased cultural exchanges with Mexico.

In South America, Brazil's political weight within MERCOSUR, its influence in international organizations, and its economic importance for Québec argue in favour of gradually developing closer ties with this country. The opening of a Québec representation in Brazil will clearly underline this new dynamic.

In Europe, Québec's resources will be refocused to better serve the entire geographical area. The Québec Government Office in Paris will remain the primary hub of Québec's presence in Europe in all areas of activity, including cooperation on questions of joint concern and in matters relating to cultural, economic and scientific development. The Paris Office will also continue to be the seat of the Québec Delegation for La Francophonie and for multilateral affairs.

In London, the Québec Government Office will continue to promote Québec in the economic, cultural and political networks that have been well established over the past 40 years. The Québec General Delegation in Brussels will be in charge of relations with the institutions of the European Union. Cooperation in science and technology will be expanded within European Union programs. Exchanges with governments of European federated states and regions, particularly in matters of culture, education, governance, and federalism, will also be stepped up.

Québec's presence in Germany will be increased. Staffing in Munich and in Berlin will be increased to reflect rising interest. Resources will be increased. Strategically located at the heart of Europe and linked to neighbouring countries, these offices, once reinforced, will make it possible to better benefit from the region's economic growth, and to develop political ties and cooperation.

Given Italy's economic importance and central position in the Mediterranean basin, Québec will strengthen its presence in that country. The Italian market offers real potential for the promotion of Québec's expertise. Québec will increase the budget and elevate the status of its Rome office accordingly. Finally, Québec will maintain its office in Spain in light of that country's growing role in Europe and in view of the fact that Catalonia is a driving force in this regard.

Given Asia's prospects for growth, Québec will strengthen its presence in Tokyo. As for China, Québec will increase its staffing in Beijing and Shanghai. It will also a establish representation in India in order to position itself in that country. In addition to trade relations, the goal in these countries is to develop ties in the areas of culture, education, and immigration.

Reorganization of Services at Headquarters

The Ministère des Relations internationales will implement five important organizational changes at its headquarters.

- It will strengthen its capacity for action within international organizations by devoting more resources to that end and developing its analysis of the normative and legal effects of international conventions and commitments impacting on Québec's responsibilities.
- It will improve its capacity for economic analysis by assigning additional resources to that end and by networking with economic teams from Québec's Institut de la statistique, Ministère des Finances, and Ministère du Développement économique, de l'Innovation et de l'Exportation.
- It will set up a unit mandated to monitor on-going international security issues and to liaise with the relevant departments and agencies, primarily the Ministère de la Sécurité publique.
- The Ministère des Relations internationales will ensure a better linkage between the expertise Québec has to offer and the specific needs of developing countries. In conjunction with this effort, a unit will be responsible for developing relations with CIDA, major international funding institutions, and the École nationale d'administration publique's new centre for the promotion of Québec's expertise.
- Personnel in charge of bilateral relations will be redeployed to better reflect the priority areas targeted in the International Policy.

These changes will be made by reorganizing present tasks and functions and by reassigning resources to the new priorities. The department will also continue modernizing its management practices and upgrading its computer tools.

Revising Current Programs and Procedures

A number of Québec's departments and agencies active in international relations have also undertaken a major review of their programs and procedures.

With regard to trade, the new approach consists in focusing support on exporters who are already active on foreign markets.

A new strategy for the promotion and attraction of foreign investments will be proposed, with a view to improving Québec's notoriety among international investors and to organizing prospecting efforts around specific targets.

The mandate of economic advisers posted abroad will be modified to take into account the new realities of international trade, most notably the impact of integrative trade.

The parameters for exempting foreign students from developed countries from paying higher tuition fees will be reviewed in consultation with universities, with the aim of attracting more postgraduate students.

Agreements determining the criteria for granting these exemptions will now focus on developing a better linkage between the needs of developing countries and Québec's educational opportunities. Universities will be closely involved in the candidate selection process.

The offer of foreign internships made available to young Quebecers will be improved by merging the administrative aspects of the three youth-exchange organizations: the OFQJ, the AQWBJ, and the OQAJ. This will create new synergies, by linking together various internship programs, thereby increasing the opportunities for young people. Private financing for these programs will also be sought.

In the cultural sector, current practices abroad will be examined so that new strategies are more in line with cultural poles rather than with geographic borders. This will particularly facilitate the development of projects on a European and American basis, rather than limiting them to a single state or country. Gradually building economic indicators in order to more efficiently monitor market penetration by Québec's cultural products should improve the effectiveness of existing programs as well as new ones at improving the management capabilities and international marketing expertise of cultural industries.

With respect to immigration, a closer working relationship is planned with chambers of commerce, universities, and professional corporations to facilitate the recognition and accreditation of foreign degrees and qualifications of candidates for immigration. Security considerations will be given the highest attention at every stage of the immigration selection process, an illustration of Québec's strong commitment to its international responsibilities in that matter.

Last, a new unit will be created at the Ministère de la Sécurité publique, mandated with the integrated management of information related to security issues. It will allow for the establishment of a more direct channel of communication with Québec's international partners and more effective management of actions taken in emergency situations as a result of foreign threats.

Government Measures

Added to the above-mentioned initiatives regarding Québec's foreign network and the review of its programs and procedures, some 70 measures are being undertaken by the government's various departments and agencies, and are intended to address Québec's International Policy priorities. Applying these measures will extend over a three-year period, after which the results will be assessed and the plan updated. These measures are described in the 2006-2009 action plan outlined at the conclusion of each chapter concerning the five major policy objectives.

Conclusion

oday, few sectors of government activity can escape the necessity of taking into account the international dimensions of their area of expertise. New standards, established abroad, increasingly shape public policies, while economic activities are strongly influenced by today's globalized business environment. Also, finding solutions to present-day problems in Québec may be inspired by best practices implemented elsewhere. Thus, the joint efforts of large numbers of countries or states are frequently required to ensure the prosperity, safety and freedom of their citizens. In that respect, and in many others, the population of Québec benefits directly from the government's participation in such international alliances.

It is therefore with the intention of fully exercising its responsibilities that the Government of Québec is active in the international arena. The International Policy and accompanying Plan of Action are aimed at determining how each department and agency will be able to respond most effectively to the major international challenges facing Québec.

The role of the Ministère des Relations internationales is to make certain that all these endeavours converge toward clearly defined common goals. The International Policy focuses on a limited number of priorities and thus facilitates the allocation of efforts and resources. This Policy is an additional instrument contributing to the development of Québec.

SUMMARY OF OBJECTIVES AND PRIORITIES OF QUÉBEC'S INTERNATIONAL POLICY

STRENGTHENING QUÉBEC'S ACTION AND INFLUENCE

- Increase Québec's presence and participation in international organizations, and in negotiations and discussions dealing with Québec's interests.
- Intensify relations with the political and economic decision-makers of countries, federated states, and regions having shared interests with Québec.

FOSTERING QUÉBEC'S GROWTH AND PROSPERITY

- Strengthen and increase economic exchanges with the United States and Europe, and diversify trade by branching out to certain expanding markets.
- Make knowledge, innovation, and education core elements of Québec's international initiatives.
- Attract more qualified immigrants and facilitate their integration into economic life.

CONTRIBUTING TO THE SECURITY OF QUÉBEC AND THE NORTH AMERICAN CONTINENT

- Ensure rapid and reliable access to strategic information, and participate in the work of regional and international bodies with respect to nonmilitary security.
- Facilitate the safe and efficient cross-border flow of people and goods and enhance the security of Québec's strategic infrastructures.

PROMOTING THE IDENTITY AND CULTURE OF QUÉBEC

- Support the worldwide promotion and recognition of the French language.
- Develop planning and organizational expertise to better market Québec's cultural products and events abroad.

CONTRIBUTING TO THE CAUSE OF INTERNATIONAL SOLIDARITY

 Channel Québec's international aid contribution toward human resource training and governance capacity-building.

Relations internationales Québec & &

