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Charest's inaction tells real story

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All things considered, Quebec is a harder place to govern than many.

Plopped in the North American mainstream, with the United States as its largest trading partner, the province maintains a European sensibility. This often gives rise to a certain ambiguity in its inhabitants. A CROP Inc. poll released last week bears this out: Almost 80 per cent of Quebeckers say their taxes are too high; yet half of the population feels the role of the state in society is "just right," while a further 24 per cent thinks the government is not big enough.

No recent leader understood, or embodied, this ambivalence more than Robert Bourassa during his second incarnation as premier between 1985 and 1993. Sometimes he was more right wing than left wing, sometimes more sovereigntist than federalist. But it was impossible most of the time to pin Mr. Bourassa down. One of his former ministers, Jean Cournoyer, said recently that Mr. Bourassa made sure he never passed the point of no return.

In his short time as Premier, Jean Charest appears to have already gone beyond that point. His decision to take on the province's powerful union movement early and often seems to have painted him into a corner. As Gilles Taillon, the president of business lobby group le Conseil du patronat, remarked this week: "If the government backs down now, Mr. Charest will not be able to do anything for the next four years."

This struggle between the government and labour, which resulted in yesterday's Day of Disruption organized by the province's largest unions, is seen in Quebec as evidence of Mr. Charest's conservative bent. And indeed, the Premier has often sounded like a headstrong ideologue. He vows to push through reforms to Quebec's Labour Code, easing the way for the public and private sectors to contract out services, before year-end, even though the legislation was introduced less than a month ago.

Yet yesterday's protesters were largely fighting a bogeyman. The unions fear that the Labour Code amendments are the first step in a massive downsizing of government. Their worries are overblown. The Labour Code reforms will be neither the catastrophe envisaged by the unions, nor the manna dreamed of by the private sector. Existing union contracts ensure that workers, especially those in the public sector, are well protected. Hence, the protests -- and an unprecedented union-sponsored ad campaign calling on the government to "stop the demolition" -- smack of overkill.

Indeed, the actions and inactions of the Charest government reveal an administration that is increasingly centrist in its ways. Despite the right-wing discourse, there is nothing radical about this regime.

Mr. Charest is no supply-side fundamentalist. The government has looked at the books and decided its promise to cut income taxes by $1-billion a year starting in 2004-05 may be too risky. Already it has decided to only partly index income tax tables, despite a pledge to peg them to the inflation rate, a move that amounts to an indirect tax increase.

Mr. Charest now says his government's next budget will target middle-class families with limited income tax cuts, instead of the broad-based reductions for all Quebeckers promised during the election campaign. Those families will likely give their income tax cuts back to the government in the way of higher fees or sales taxes -- for daycare, for drug insurance, for electricity and cigarettes. The remainder of taxpayers in Quebec will end up forking out more of their income to the government than they did under the Parti Québécois.

In the social sphere, there's little evidence of regression. Daycare fees are going up to $7 a day from $5 on Jan. 1. But it is a reasonable increase, given the government's financial straits, and the universality of the program remains intact. Early plans to slash Quebec's welfare rolls by 25,000 households in fiscal 2003-04 -- with a tough-love approach similar to workfare -- have been scrapped. And last week the government boosted the minimum wage in the garment industry to $8 an hour from $7.30, and forced employers to grant workers four weeks of paid vacation after three years of service. No demolition here.

Business subsidies, contrary to popular belief, are still rising. In October, the government quietly increased the total amount of provincial loan guarantees available to buyers of Bombardier Inc. jets by $600-million to almost $1.6-billion. A month later, it granted $196-million in aid to Quebec Cartier Mining Co. to ensure the survival of the Mount Wright iron ore mine and its 1,800 jobs on the remote North Shore.

Mr. Charest's Liberals promised to get rid of irritating business regulations. But Unilever Canada Ltd., which has been fighting Quebec's ban on butter-coloured margarine for six years, has run up against the same wall under this government as it did under the PQ.

On Tuesday, a Price/Costco Inc. outlet in Saint-Jérôme was forced to increase its gas prices by 3 cents a litre as a result of a1997 law, adopted by the PQ, that empowers the province's energy board to set a floor price at the pumps.

The move was made to help independent gas station operators facing aggressive price cutting by multinational chains, even though the independents were already protected under the predatory pricing provisions of the federal Competition Act.

There is no sign the new government sees anything wrong with the PQ law.

Actions -- and inactions -- speak louder than words. Mr. Charest is stick-handling his way through the complex task of governing a province that is not always sure of what it wants. Mr. Bourassa might even approve of him.

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