

How a Trump win would affect Canada



DAVID OLIVE
OPINION

It's January 2025, and Donald Trump has just taken his second oath of office as U.S. president.

What does it mean for Canada if the polls showing Trump as the favourite to win the presidency this November are accurate? Mostly it means heightened trade tensions with our biggest trading partner.

As late as 2018, two years into his presidency, Trump was accusing Canada of "ripping us off" and was determined to impose a steep tariff on Canadian autos that he said "would be the ruination of the country."

Trump is still anti-free trade and anti-immigration. His sordid formulation on immigration is that "it's poisoning the blood of our country." Yet some of those Trump 2.0 attributes could play into Canada's hands.

A second Trump presidency would be even more protectionist than the first. Average U.S. tariffs doubled in the first Trump administration to about three per cent. Trump 2.0 vows to impose a 10 per cent tariff on all imports. Trump insiders say he would then try to negotiate tariff reductions in exchange for concessions from targeted countries. But U.S. tariffs would still be higher than today. And they would, the Wall Street Journal wrote last month, "represent a whole new level of disarray in international business."

That being the case, Canada would stand a better chance of securing trade deals with India and the U.K. Canadian trade talks with those two major economies have not gone well. Under Trump 2.0, they would take on more urgency. And Canada's status as a most-favoured nation for aspiring newcomers would be strengthened with an overtly nativist president in the White House.

It's worth comparing the impact on Canada of the first Trump era and that of current U.S. President Joe Biden.

Biden's administration has engaged in trade disputes with Canada. Last month, for instance, Biden's Commerce Department said it will hike tariffs on Canadian softwood lumber to 13.86 per cent from 8.05 per cent. And Biden's Inflation Reduction Act, with its almost \$500 billion in government handouts to spur clean-energy development, has prompted Canadian governments to offer more than \$50 billion in corporate welfare to build an electric vehicle supply chain.

The goal has been to prevent foreign investment capital from being diverted to the U.S. But that \$50 billion could have been committed instead to affordable housing, health care, Indigenous reconciliation and paying down debt. Trump did not influence Canadian fiscal policy on remotely that scale.

The first Trump era might not have been great for Canada's slow-growth economy, but it wasn't bad either. Yes, Trump raised tariffs on Canadian steel and aluminum, though his threatened auto tariffs didn't materialize. And Canada felt obliged to retaliate, with steeper tariffs on imported U.S. steel and aluminum and on hundreds of U.S. consumer goods, including Wisconsin dairy products, Kentucky whisky, Pennsylvania chocolate and Florida orange juice. That raised prices for Canadian consumers.

But during the Trump administration's three pre-pandemic years, Canadian GDP grew by 5.5 per cent to \$2.34 trillion, according to the World Bank. Canadian per capita income rose to \$60,747, a 1.8 per cent increase. And under Trump, Canada, the U.S. and Mexico renegotiated a North American Free Trade Agreement (NAFTA) that Trump had sworn he would rip up.

That said, Canada's greatest risk from Trump's return is once again trade.

NAFTA's replacement, the Canada-U.S.-Mexico Agreement (CUSMA), comes up for a "joint review" by its three partners in July 2026.

In Washington, Canada stands out as the jurisdiction with which the U.S. has its fifth-largest deficit in trade of goods, at about \$110 billion in 2022, according to the U.S. Bureau of Economic Analysis' latest data.

America runs trade surpluses in services with most countries, including Canada. But Trump is mistakenly obsessed with goods. The core of his political base is blue-collar workers in goods-producing sectors, especially manufacturing.

Canada is of sufficient importance to the U.S. economy that Ottawa can hit pressure points on Capitol Hill and among state governments to prevent many Trump economic harms.

In 2022, the U.S. relied on Canada for a staggering \$590-billion worth of imported goods. Among those U.S. imports are the Canadian hydroelectric power and oil exports that help ensure America's energy self-sufficiency and its national security. And America's exports to Canada represent about 17 per cent of total U.S. trade with the world, compared to China's 7.5 per cent.

Fact is, Trump's trade wars, the signature policy of his first administration, utterly failed to improve America's trade position. The total \$990.1 billion U.S. trade deficit in goods in 2016 that Trump inherited ballooned to \$1.21 trillion by 2020, an increase of almost 23 per cent on Trump's watch.

So, there's hope Trump might shake off his errant protectionism, though it might take a Biblical epiphany for him to do it.

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THOMAS FROESE PHOTO

Thomas Froese in Berlin with his aunt, Eva Marie Güse. Commenting on how we're shaped by early life experiences, Froese writes, "Sooner or later we, hopefully, do get more comfortable in the skin of our own stories, accepting how they're painted onto the canvas of our lives with the use of both light and shadow."

It takes courage to get through this life



THOMAS FROESE
OPINION

BERLIN I know an African, a long-time family friend from Uganda, named Q. He was born in a house with a dirt floor in a closet normally used for storing things like suitcases.

He told me this while we drove to Entebbe's airport. "Mother didn't want to get other parts of the house dirty," he said.

I'm still thinking about it in Berlin. Because while he was born in a suitcase closet, Q — his full name is Quaresh — has seen considerable success with business and family life.

"I think I've been lucky. Also, I feel I've been loved. People have embraced me," he told me.

I was born, like you I'm guessing, in a hospital. In Berlin's Charité Hospital. I've just visited it for the first time.

Gosh, you'd think I'd have gotten around to this before now.

But I'm in Berlin to especially see Tante (Aunt) Eva, my mother's sister, who you may recall from this space. She's lived in the same third-floor flat on Friedrichsruhen Strasse for six decades.

Ninety-two and living by herself, she goes up and down the 60 stairs

to her place daily. Or she buses to a bakery to find just the right cakes, taking that trip recently, to host me with a spirit of affection.

And where were you born, dear reader?

Where did you learn to walk? And talk? What childhood games did you play? And what were your schools like? How about your friends?

These things shape us, often profoundly. Places we lived. Sports we played. Books we read. The God we were introduced to.

My story involves German parents who'd emigrated and met in Canada. They married and started a family that soon fell apart. One thing they agreed on was my name. Pregnant with me and taking my toddler sister, my mother returned to her family in Berlin. Here she birthed me and, as agreed, named me Thomas.

Three years later, Dad Froese appeared in Berlin, unannounced, with legal backing to bring us two kids back to Canada.

I was in Bavaria, cared for some hours away. One Toronto newspaper's front page — "One man's fight for his two children" — shared the intrigue, reporting how my father's custody win included one danger or another, eventually leading to a military police escort (remember this is Cold War West Berlin) to ensure our safe return to Canada.

Two years later, my mother, who'd

stayed in Berlin, went into eternity. It was suicide.

Three years after that, when I was eight, my mother's mother and Tante Eva visited my father and us two kids in our Canadian home.

It was an unimaginable and remarkable healing gesture.

Tante Eva has since kept touch for 50 years, lovingly sending, Berlin-to-Canada, Christmas and birthday care packages, even to my own children while they've grown up.

I share all this not just to share my story.

We all have one of those, a story. But sooner or later we, hopefully, do get more comfortable in the skin of our own stories, accepting how they're painted onto the canvas of our lives with the use of both light and shadow, both light and shadow needed like in a valuable work of art.

Courage is needed, too. My father showed courage.

So did my family in Berlin, left coping. It seems to me it takes certain courage just for any of us, really, to get through this life. Let's not expect much different.

But the thing about my own story is that while Berlin's Charité Hospital is now a massive, multi-campus medical centre with some 10,000 physicians, nurses and researchers, I actually feel more akin to my African friend, Q, born on a dirt floor in a space normally used for suitcases.

Like Q, I feel that I've been rather lucky in life.

Like Q, I've also felt very much loved and embraced.

We all know this doesn't always happen. I'm just saying, life can surprise you in this way too.

THOMAS FROESE WRITES ABOUT NEWS, TRAVEL AND LIFE. HE'S AT THOMASFROESE.COM.

THE FUTURE WE CHOOSE

We need a lot more climate heroes

GRANT LINNEY

The dictionary defines hero as a person noted for feats of courage, outstanding achievements and nobility of purpose. This rules most of us out.

I prefer my personal definition: a person of noble purpose who is grounded (in climate science), humble, persistent, willing to sacrifice and able to utilize others' strengths. This is more reachable for the average person.

A climate hero uses these attributes to act on and speak up about climate change. It impacts both his personal and public life. He is an activist in the best sense of this term.

On the personal side, a climate hero walks her talk as best as her circumstances permit.

According to Project Drawdown (a group of highly regarded climate scientists who have thoroughly researched our options; see drawdown.org), the top two personal steps are:

Reduce your food waste It is estimated that as much as a third of all food produced goes to waste — that's from the farm to the supermarket to one's own refrigerator.

Only put on your plate what you can eat and consume leftovers in a timely manner.

Eat a lot less meat This is better for you as well as for our natural environment. Among other things, eating meat means cutting down trees to create pastures for grazing. Trees are in the front lines of fighting climate change.

Project Drawdown's top 10 list of personal steps also includes the following: For the homeowner and landlord, one can consider better insulation, heat pumps (including water heaters), solar energy, LED lighting and better insulated windows. Check out the Canada Greener Homes grant for financial assistance for these positive steps. Where feasible, we can also consider public transit and carpooling.

There are two other important proactive steps I will add to our list of individual actions.

First, "Be more. Need less." Avoid the orgy of overconsumption and waste.

Second, spend more time outdoors. Ground yourself in natural beauty. This reminds you of what we are fighting for ... and why.

On the public side, a climate hero commits to three key steps:

1. Talk your walk. Tell others about the personal steps you are taking to fight climate change. You need to speak of your challenges and successes so others are inspired to follow.

2. Talk openly about climate change. It is by far the most existential issue humankind has ever faced and our tendency to not talk about this gigantic elephant in the room is fatal. We can't rely on someone else. We can't afford to say, "I'm too busy with other things."

3. Lobby your elected officials at the municipal, provincial and federal levels. Commit to loudly and repeatedly demanding change, election time or not.

I am 74 years old. I could easily shrug off my responsibilities by saying, "Oh, well, it's not going to impact me." As a career outdoor and environmental educator, I regard this attitude as a profound cop-out. It is selfish. It ignores our children and grandchildren. It ignores what is already happening — the massive forest fires in Canada last summer and, more recently, Chile; the massive flooding in California. These events are only going to get more frequent, more widespread and more intense; this is already occurring.

We need a lot more every day and "everyday" climate heroes. Otherwise, we continue on our path to what the UN secretary-general characterizes as "collective suicide."

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