# Introduction

Traditionally, Canadians have seemed uncertain about their identity, about what aspects of their "collective personality" distinguish them from the inhabitants of other countries.

The very size of the country — its vastly different regions, the disparities of economic wealth from one province to another, the diversity of ethnic origins of the population, the more distinct character of Quebec, the cultural and economic impact of the United States on everyday Canadian life, the effects of having many separate educational systems, particularly with respect to the teaching of Canadian subjects — all seem to combine to frustrate the emergence of a more sharply defined collective mind and soul. Can common denominators be singled out and emphasized, besides economic interest, that would help solve the present unity crisis? Do some already exist? Can diversity itself be a unifying factor? More fundamental still, is a clear-cut "national identity" necessary to Canadian unity?

How do Canadians view themselves and their country today? What are their attitudes to each other? Indeed, how well do they know each other? If not well enough, how is that knowledge, in their view, to be acquired?

In its search for answers to these nebulous questions, the Task Force asked Canadians to express their views generally on the matter of Canadian identity — to indicate to what extent various aspects of their social life contribute to a crystallization of the will to live together. Chapter 8 deals with "Identities and cultures," chapter 9 with "Education." "The media" and "Symbols" are tackled respectively in chapters 10 and 11.





# **Background**

Confronted with any major problem — and the Canadian unity problem is no exception — the standard popular recommendation is that "attitudes must change."

#### **Attitudes**

An attitude is a "mental position with regard to a fact or state," "a mode of regarding," "an ensemble of judgements which lead to a particular behaviour." Attitudes are formed under a variety of influences: heredity, environment, education, information media, experiences, travel. . . They are changed by the same factors that contributed to their formation but only when other influences and/or reflection intervene. For example, many people travel but not all who do so become more knowledgeable and tolerant in the process.

Individuals have attitudes and so have groups of individuals. As attitudes vary greatly from individual to individual, so do they from group to group. But out of this diversity of attitudes, a sameness, a generic character, a collective mind emerges in a wide group of persons. A collective personality is thus created which marks the group, the country it constitutes and its institutions. In this way, a "national" identity is born.

### Canadian identities or identity?

Canadian individual and collective attitudes are quite as varied as those of other populations and of other countries. Only possibly more so! But is there a typical Canadian way of "regarding," a collective Canadian identity? Is there a typical Canadian? What distinguishes Canada from other countries of the world?

Numerous surveys and studies have been dedicated to this question, both by Canadians and foreigners. After observing Canada at close range, an American journalist was prompted to write: "Your very nationality consists of an identity crisis with which you have a national love affair." In his view, the Canadian identity consists of the very habit of searching for one!

Many writers have had bewilderingly conflicting views of Canada, reflecting, perhaps, the elusive nature of a definitive Canadian personality. On the one hand, we hear "a land of virile seasons, inhabited by populations moral and religious, sober and industrious, virtuous and thrifty, capable and instructed"; "much more than a chain of wheat fields, and gold mines, and pulp-wood forests ... it is the expression of certain ideas." On the other hand, we hear that Canada is "a bore"; "a second rate country"; "a by-product of the United States"; "moving towards new doubts"; "obsessed... with survival"; without the "will to resist its own disintegration."

In 1937, French political scientist, André Siegfried, described "the new Canada" as "the peculiar complexity of a country geographically American, politically British, largely French by its origin, and international because of its economic interests." Paradoxically, many Canadians turn his words around and define themselves and their country in terms of what they are not: not American, not British, not French, but ... something distinct, something particularly Canadian. Many participants at the hearings attempted to interpret what that "something" was.

#### A Canadian culture or cultures?

A closely related debate pertains to culture. Is there one or are there many cultures in Canada? In what condition is it, or are they?

First, what is a culture? In day-to-day usage, culture is often considered to be the intellectual and artistic aspect of life in a community or society. There are many signs that cultural life in Canada, in this sense, is flourishing: there is a growing number of artists in all disciplines and some have gained international reputations; attendance at cultural events is relatively high, as is enrolment in a plethora of courses offered by various learning institutions. Governments — central and provincial — provide substantial support for a host of cultural activities and institutions: art galleries, museums, theatre, dance, the fine arts, film-making, libraries and the publishing







industry. But is this contributing to the creation of a Canadian identity and is it bringing the different parts of Canada together? Does it contribute to unity? Should it?

Outside influences — especially from the United States — are very strong. Canadians are constantly exposed to American television programs, films, books and magazines. Two-thirds of the books bought in Canada are sold by foreign companies, only one of four periodicals originates in Canada and three-quarters of all English-language fiction read emanates from foreign authors. And, despite the relatively vibrant state of the Quebec cultural scene, it, too, is exposed to external influences, especially by way of the electronic media. Clearly, Canada cannot insulate itself from the cultures of the outside world, but is too much exposure preventing the development of a better-defined identity? Should it be curtailed, and, if so, how?

Culture has a broader meaning, however, closer to the concept of identity. It adds up to a collective way of thinking, feeling, and doing, a collective way of being. It draws individuals together, supports thought, judgment and action, gives a community its character and personality, differentiates it from other communities and encourages its members to seek common objectives.

Is there a Canadian culture in this sense? The Massey Commission on the Arts (1951) thought there was when it reported: "There are many cultures and cultural communities in Canada. Canada became a national entity because of certain habits of mind and convictions which its people shared and would not surrender..." The Commission on Bilingualism and Biculturalism (1963-70), speaking from the same premise ("It is not difficult to accept the proposition that Canada has many cultures") observed that it led to "conflicting concepts... of uniculturalism, biculturalism and multiculturalism." Can these concepts be reconciled?

### Questions

What are the attitudes, the concerns and the ambitions of Canadians with respect to identity and its relation to national unity? Are these attitudes changing? If so, in what direction?

What is the state of culture in Canada in both the narrow and the broad sense of the term? What does each community and group within Canadian society know of the culture of the others? Should government do more to help a process of cross-fertilization? How does culture contribute to a sense of Canadian identity and unity?

Is there a single Canadian identity? If so, is it strong enough to survive the present unity crisis? Would a clearer national identity mean a stronger Canadian unity, or is this at best a doubtful equation? Are Canadians better off with many identities?

41 am Canadian, for better or for worse.

(in Halifax)

44If we are going to get bigoted, let's get bigoted about being Canadian. 99
(in Winnipeg)

**44**To find our own national identity we have to look a lot deeper than we have, because right now all we have so far is apathy, and when apathy is the master, we are all slaves. **99** 

(in Vancouver)

**66**The future of Canada is purely dependent upon the English Canadians' wish to take personal responsibility for keeping this country together. I think that the buck has been passed too often to politicians. **99** 

(in Toronto)

"The fact of the matter is that people known as Canadians identify with their local or regional cultures ... more than they do with one national umbrella culture. All wishful thinking aside, there is no singular Canadian identity; there is no singular Canadian culture with which to identify."

(Political Science students, University of New Brunswick, in Moncton)

46... I object to being called anything but Canadian and I object to any Canadian who calls himself anything but Canadian. 99

(in Vancouver)

44 am a Canadian. You may call me a pro-Canadian racist or a pro-Canadian bigot. I don't mind. If we think more of integration instead of segregation and separation, we can develop a distinctive race and culture all our own. 33

(from Monsox, Alberta)

"Frankly I do enjoy calling myself a Canadian, but if it becomes necessary, if our name itself is taken from us — Canadian, Canadien, is our name you know — then I shall call myself a Quebecer; I am a québécois, if you will."

(in Montreal)

"We have this vast country to overcome, the spaces and the people to bring together."

(in Vancouver)

"Canada has gotten itself into the position where the average man (that nebulous body that does not appear to exist) has no identification with the country and feels that his input is not worthwhile. This, in part, is due to the fact that government has been moving much faster than has public opinion in many respects."

(Greater Charlottetown Area Chamber of Commerce, in Charlottetown)

# **Opinions**

"Our short history," said a citizen in Vancouver, "has been a valuable learning experience of great achievement and many growing pains." "Are we going to falter now that we are so close to the great and prosperous country" envisioned by the Fathers of Confederation? Canadians have shown a willingness to compromise, many said, for the continuance of the country. "Canadian society has grown, it is ready for superior feats," commented a New Brunswick citizens' group. Noted an Edmonton resident: "We are at an important crossroads in our history."

From the thousands of comments the Task Force heard or received since its creation, it was obvious that people placed great importance on the choices to be made at this "crossroads." They readily stated their grievances, their worries, their prejudices and their demands, as every section of this report indicates. "That is what you asked us to do, isn't it?" they would say. In the process, they also examined themselves and what it means to be a Canadian 110 years after Confederation.

We are still searching for a definition of our country, for the "elusive Canadian identity," as more than one participant called it. Are we a "country of regions," a "country of minorities," a "multicultural state"? There were many opinions expressed on the nature of the Canadian entity, but they all had one thing in common: diversity . . . diversity of geography, of origin, culture and language, of interests and of problems.

Some aimed at a personal definition, describing themselves in terms of their country of origin (for instance, Canadians, but of Scottish, German, Chinese and Ukrainian heritage, and so on); in terms of language (French, English); by province of residence (Newfoundlander, Quebecer or Québécois, Ontarian, Albertan); by reference to a particular region: northerner, westerner, maritimer. A few only defined themselves in terms of political philosophy — liberal, conservative, social democrat, marxist-leninist.

Quebecers generally saw themselves and "English Canada" in dualistic terms (see chapter 1). They saw the country as having two founding peoples, citing as evidence the "agreement" that had been reached during the negotiations that led to the BNA Act. French-speaking participants in the other provinces, some English-speaking Canadians, and representatives of some ethnic groups agreed with the Quebec concept of duality, stating that "the French" were not a minority but "a founding people."

There were many in English-speaking Canada who denounced English-French duality as a "myth" that has got out of hand, referring specifically to the recommendations of the Royal Commission on Bilingualism and Biculturalism and the implementation of institutional bilingualism in the federal public service. Even some of those who acknowledged the historical validity of this duality argued that it has lost its significance because of the expanded ethnic and cultural dimensions of Canadian society (and this argument is detailed in other chapters of this report).

Some English speakers praised Quebecers for their "strong sense of identity." "You can't help feeling a little envious," said one, referring to the Quebec bonds of "nation, language and culture." Along with the praise for Quebec came a great deal of resentment, however. For example, a Fredericton high school student wanted to know why the Scottish tradition in the maritimes had to be "sacrificed" while the "French" tradition in Canada was being encouraged.

There were those who disliked any adjunct to the word Canadian, saying that all regional and cultural differences should be of secondary importance. "We must put behind us our ancestry and ethnic background [so as] to become Canadian," said a New Brunswick francophone. "There are," observed another participant, "too many English and French and not enough Canadians."

### What we are not

Even if Canadians could not agree on who they are, there were strong views as to who they are not. "We are not a melting pot," was said many times over. Westerners emphasized that they are not

"We've done some magnificent things abroad, not just in the two World Wars, but at other times. It seems strange to me that I should have come home from overseas just about in time to discover Canadians looking for Canada in Canada."

(in Calgary)

The heritage of one region is inextricably linked to that of another. Separatism cannot erase a history of shared events.

(Students of Saint John High School, in Moncton)

66... there is little comprehension of problems that may exist between communities separated by two or three thousand miles. Maritimers, for instance, while they may sympathize to an extent, cannot fully comprehend the problems faced by the people in the prairie provinces, just as the difficulties encountered by maritime fishermen or pulp mill workers may be little understood by a Windsor autoworker 1500 miles away. 57

(City of Windsor, in Toronto)

66The alienation of our country is part language, part economics, but mostly geography — the west versus the east, the maritimes versus Ontario, and British Columbia versus anybody it can find. 97

(in Whitehorse)

44Out here we could not have [survived] and we will not survive without great cooperation between people. The population of our province and our communities is small compared to the other areas of Canada and the world. Our different cultures could not survive and grow without participation from all. 27

(Saskatchewan Association of Rural Municipalities, in Regina)

66The Canadian federation has grown to include ten provinces, the northern territories and half a continent of multi-racial, multi-cultural people. And still the ghost of Upper and Lower Canada haunts us. 39

(in Winnipeg)

fil believe I am now more Canadian than anything else, although I would find it difficult to define what it means spiritually to be a Canadian. Perhaps because my Canadian roots do not go back very far. As long as I continue to reside in English Canada with the personal freedom and protection afforded by the British Crown and the system of common law, I am content.

(in Vancouver)

66The prairies, cut off from the Ontario agricultural frontier by a thousand miles of Shield country, developed a genuine intermingling of various and numerous ethnic strains, each holding to its ethnic springs, all joyously and vigorously Canadian. This multiculturalism is much better understood and appreciated than is the original basis of Confederation in the west. 99

(in Regina)

64The most prevalent problem is the lack of a strong sense of Canadianism. In all of the provinces there is an attachment to regional history rather than to the history of Canada as a whole.

(in Whitehorse)

the colonies of central Canada any longer; maritimers that they are not "spongers" seeking handouts from the rest of Canada; Quebecers that they are not "second class" citizens, but a "nation" with its own culture and institutions; native peoples that they are not "inferior," but the first peoples in North America and the "true" founders; the ethno-cultural groups other than Anglo-Saxon and French, that they are not just immigrants but major contributors to Canada's development, as "builders," just as important as "founders." In many parts of the country, Canadians of all backgrounds and ages emphasized that they are not American, despite the "massive" and "steady" infusions of American culture into Canada.

Despite our differences — many said because of them — we have managed to achieve "unity in diversity." Canadians do not need a "kind of stereotyped oneness," said a Nova Scotia high school student. A clergyman in Charlottetown said Canadians do not need one national identity "because we have many identities." For some it is the very "lack of trappings" and "overt nationalism" that makes Canada both unique and precious. If only this diversity were accepted and respected, and seen as an asset instead of as a liability, many felt we would "make it."

The difficulty of "discovering ourselves" has posed many problems. Our linguistic, cultural and geographic dividing lines are formidable barriers. "Sadly, the east is separated from the west, the north from the south by much more than mere miles," said one brief. Given our differences, it was nothing short of "remarkable" that we had survived this long as a country. One participant suggested that it was not understanding that had kept us together: "We have survived despite ourselves."

Be that as it may, there were many comments and suggestions concerning how we can continue to live together, as the following pages of this chapter detail. Observed the Métis Association of Alberta: "We have a house to build from stones of many sizes, shapes and colours, but it is up to all of us to find a way to sort them out and cement them together into one house where we can all live."

#### Canadian culture

"Canada is not a melting pot and the Canadian people not a cultural alloy," wrote a Dartmouth resident to the Task Force. "What we are is an association of distinctly different families, the roots of which extend to every continent on the face of this earth."

Canada is culturally unique, said many participants at the Task Force hearings, but we don't take enough "pride" in the fact, chided a Fredericton business group. "Although Canada has entered her second century, our cultural attributes are still in the process of development," said a group of Ukrainian-Canadians in Regina.

Canadian culture is taking shape within the framework of the francophone-anglophone communities, but there is "no doubt" that the ethno-cultural communities have enriched this process, said many speakers across Canada. Typical remarks: Canada is a "diversity of many unique cultures and ethnic groups"; "a mosaic of cultures"; "our multicultural aspects are our unique strength."

Because it is a "cultural mosaic," Canada should allow its minorities to "develop" and "maintain" their cultures, said high school students in Regina. A La Salle, Quebec, resident agreed when he said: "Let Canadians show themselves to be big enough to welcome the mosaic of cultures, instead of trying to suppress anything that doesn't quite fit."

There were a few, however, who disagreed with the idea of a mosaic. Typical was a Sicilian group who claimed in Toronto that governments "have seen fit to surrender to the demands for programs such as bilingualism, multiculturalism, heritage and many others." The group asserted that it is "quite apparent that some have no desire to become Canadians but prefer to live in their past."

The arts can be a "binding influence," some said, bringing together Canadians of diverse backgrounds and experiences to share artistic events that speak through "colour, poetry, melody and movement" and about things "beyond political nationalism . . ." said a group promoting the arts in Prince Edward Island. The arts give us "another door to open" and are the "principal means

66... Canada is a nation of regions, one of which monopolizes most of the capital, manufacturing, employment and political power, while others suffer the opposite effect. 33

(Students' Course Union and Faculty of the Department of Political Science, University of PEI, in Charlottetown)

**66**We preach unity, understanding and mutual respect, yet we practice the opposite. The crisis now facing Canada is no sudden or chance occurrence ... unless a radical change of heart takes place in English Canada, no solution will be found.

(in St. John's)

"One of the greatest strengths of this country is the fact that we have so many differences and have thus far been able to get along. Our opportunity to give something to other parts of the world, who are torn apart by smaller disputes than this one, is a golden one. And I think we'd be crazy to let it go by. I am one brother who would be very sad if Quebec felt she had to leave home and I would feel partly to blame. 99

(in Toronto)

**44**As we think of our country as a diversity within a special kind of unity, it is to grapple with the uniqueness of Canada — a uniqueness we continue to discover and are in the process of re-defining.

(Charlottetown Christian Council, in Charlottetown)

64Unity comes from knowing each other better, from respecting each other's traditions or philosophies, from breaking down barriers which polarize us. \*\*\*

(in Vancouver)

64A country needs a 'spirit' that holds it together by giving its citizens a sense of sharing something unique. The people may have various personal traditions, cultures and religions, but they must all feel that they are a vital part of Canadian society."

(in Regina)

64To me, being a Canadian means the right to travel from sea to sea, knowing that I am protected by a single just government, knowing that I will find friendly people no matter where I go in Canada, and knowing that I share the common bond of citizenship with over twenty million others. To you falls the responsibility of asking each Canadian to recognize, respect and understand that we are stronger now united than we can ever be divided.

(in Halifax)

some songs and tell some jokes and share some laughs and, by example, show other Canadians that whether we are French or English, Russian or Japanese, Italian or Greek Canadians, we, as human beings, are able to share meaningful experiences, have a good time, meet and part as friends. 'Merci beaucoup pour votre attention, bonne chance et vive le Canada.' '99

(Surrey Beaver's Rugby Club, in Vancouver)

of cultural identity," said others. Noted the Canadian Council of the Arts: They are the means for the "articulation of the individual and collective imagination," and can contribute to "mutual respect, widened tolerance and maturity of understanding." While art and culture can sometimes strengthen national unity, "it is not their specific function," noted the Canada Council. If such a function were imposed upon them, it would be "detrimental" to both culture and national unity.

Many in English-speaking Canada spoke of the "uniqueness" of the Québécois culture: "worth preserving"; "it is French Canada that keeps us from tumbling into the American 'melting pot' "; "dynamic culture"; "a distinctive heritage in the rest of Canada has a long way to go to catch up." Noted a teachers' group in Nova Scotia: "Quebec is not the French culture that exists in France. It is the Québécois culture, which is different from any other culture on this or any other continent."

In contrast, some felt that English Canada lacks culture. Said a citizen in Toronto: "We English-speaking Canadians must come to grips with the world culture. We must recognize ourselves for what we are, an almost cultureless society." Most, however, did see English-speaking Canada possessing a cultural identity, or, as many said, "cultural identities."

### A plot?

Regional cultural differences are very strong in Canada, many told the Task Force. Particularly in eastern and western Canada, there were calls for "equality of cultural opportunity" and a "recognition of regional cultural differences." "We must not speak to each other from the central base down, but from the regions up."

Is there a centralist Canada "plot" to destroy the cultural vitality of the regions? "In our darker and more alienated moments, it seems almost as if there is," said a Regina resident.

The influence of American culture on Canadian life was cause for some concern at the Task Force hearings. Some felt that the United States influence is so strong that the youth are less sure than their parents and grandparents of their identity. "Children are growing up without knowing their own country; instead they are learning American cultural values from television and have "no idea about their proud culture" said a Vancouver resident. The Council of Canadian Filmmakers said that "we live in a country that imports its culture wholesale." In the process, the group contended, "we have destroyed most of the elements that build a nation."

The Canadian Conference of the Arts charged that governments have failed to "compensate and counter present levels of American cultural penetration, to provide adequate support for Canadian artistic expression, and to facilitate Canadian access to Canadian cultural systems." Other charges against "governments" were that they do not create a positive climate between English-speaking and French-speaking Canadians, nor a climate for communications among the regions.

66No amount of amending the constitution or the introduction of new laws will help to promote unity unless, at the same time, there is a sincere desire on the part of everyone in this country to establish a Canadian identity which, in turn, will lead to Canadian unity. 97

(in Winnipeg)

am absolutely convinced that if there were a stronger national spirit across Canada, there would be less need for Quebec nationalism and there would be fewer western separatists. I am equally convinced that no such national pride and spirit will ever be generated in a country that is increasingly becoming the world's foremost example of a branch plant colony.

(in Edmonton)

"We are Canadians first. Cultural and provincial origins are of secondary importance."

(in Regina)

64You will be pondering the problem of ensuring the survival of 'le fait français' in a unified Canada. . . . Please also ensure that such mechanisms [various institutions] help rather than hinder the survival of cultures and languages that were flourishing here long before either Champlain or Frobisher set foot on what was to become Canada. ??

(in Yellowknife)

66Because of the overwhelming dominance by the English language media over culture and communication in North America, special measures are required for the support and protection of the French language and culture. 37

(in Montreal)

66Our knowledge of our history and our cultural heritage is simply pathetic. Without this knowledge we will never understand what it means to be Canadian. 39

(in St. John's)

Garadians, it is necessary to add a hyphen which indicates the language of cultural identity; that is to say, in identifying oneself culturally with the unqualified label 'Canadian', one in fact avoids rather than claims identification.

(from Yellowknife)

64Rather than debating the existence of a Canadian culture, we should have taught one another and our children about the rich variety of artistic elements that express our identity, regardless of which province we come from. 37

(in Moncton)

64English-speaking Canada is undergoing a profound cultural change characterized by an expansion of activity and creativity unparalleled in history; cultural blossoming has flourished despite major obstacles in its path... cultural movements display strong regional or local sensitivity and have occurred spontaneously in all parts of Canada; English-speaking Canadians do know who they are.

(in Montreal)

# **Proposals**

"The basic issue is one of the heart," said a Torontonian. "We do need each other," said a Nova Scotia high school student. "This is the time for generosity," added a westerner. And so it went. A significant number of persons who appeared before the Task Force spoke in emotional and often eloquent terms about their feelings for their country and countrymen. Many times over, they stressed that, more than anything else, Canadians must change their attitudes if this country is to survive.

"We stand together on the edge of a new frontier — the frontier of the 1980s and 1990s," said a participant. It is a "frontier of unknown opportunities and perils — a frontier of unfulfilled hopes and threats." "We pray we can put it all together."

Said another, "We have this country to overcome, the spaces and the people to bring together." Only through respecting each other's opinions and breaking down the barriers will we succeed. Noted a Sudbury resident: "there are solutions to Canada's problems and it is up to us to find them; a good start is ourselves." Observed another, "Our nation-saving devices are already at hand: justice, tolerance, good will and a concentration on what unites rather than on what divides us."

If knowledge about each other is causing many problems, then Canadians must make efforts to get to know one another better, many participants said. This and "working together should be our prime goal," was a typical proposal. Many suggestions were put before the Task Force, and high on the list was that Canadians should travel more within their country. Many complained that the cost was "too high" and some said the government should help by lowering air fares, by giving an income tax deduction for yearly interprovincial family trips and by encouraging cooperation among all interested parties.

The strengthening of community ties between Canadians was a popular proposal in all parts of the country. It is at the community level first that national unity should flourish, through cultural means such as student exchanges, ethnic festivals and the twinning of cities. A few speakers said that local church organizations should also take a more active part in national unity by emphasizing the "complementary nature" of different cultures and linguistic groups.

Strengthening the relationship between Quebec and English-speaking Canada was on the minds of many who appeared before the Task Force. Proposed were exchanges of students, professors, workers in the same company or the same craft, professionals and performers and artists. Many times over, English speakers proposed that "firm and positive" steps be taken, that an attitude of "appreciation and support" be adopted in the anglophone communities towards Quebec's first language and culture. Said a participant in Charlottetown, "In Expo '67, English-speaking Canadians experienced something of the creative vitality and joie-de-vivre of French Canada. Can we not have more of that all the time?"

Not all were so sympathetic to French Canada's cultural aspirations. French Canadians should forget about "this stupid culture trip," wrote a citizen from British Columbia, adding that it is time that we all started being Canadians "with our own Canadian culture." Others referred to government waste in French immersion programs in Ottawa as "pandering" to Quebec. Funds for French immersion should have been poured into "cultural immersion" so all Canadians could get to know Canada better, observed a participant.

That the government should work "more closely" with Canada's ethnic groups and provide "more financial aid" for multicultural activities, was suggested by various ethnic groups across the country. Several of these groups proposed that a new constitution be written that will enable Canada to proclaim herself the "pluralistic cultural entity that, in fact, she is."

# **Background**

### Constitutional jurisdiction

Formal education quite obviously plays an important role in the development of a Canadian identity. Virtually all young Canadians spend at least ten of their formative years in the classroom, learning the basic skills to equip themselves for their adult lives.

Section 93 of the British North America Act states that education is a provincial responsibility. Provinces and territories develop and administer their own education policies, institutions and programs, each of which differs to a greater or lesser extent from one province to another. School administration is controlled by local school boards, the powers and geographical areas of which are delineated by provincial and territorial legislation.

Provision was made in the BNA Act for a central government role in protecting confessional school rights, but it has almost never been used. Today, the central government's role in education is essentially financial, except for the direct responsibilities it has in the cases of schools for Indian and Inuit children, for armed forces personnel abroad and for inmates of federal penitentiaries. It also makes substantial payments to the provinces for post-secondary education. Since 1970, the central government has also been helping the provinces to finance language teaching to the minority official language population of each province. Other federal contributions include those paid under the Adult Occupational Training Act, the Canada Student Loans Act, the He'alth Resources Fund Act, and in the form of scholarships and research grants to universities.

### A Canadian education

Canada does not have any overall, clear-cut and declared national policy or objective for education, a fact deplored by the Organization for Economic Cooperation and Development (OECD) in 1976. In its report of that year, the OECD stated that "decisions now have to be taken concerning the destination of the Canadian school system within an ordered view of the future of Canada as a nation," and suggested that the Council of Ministers of Education provides a proper forum for discussion in this area. The council already acts as a coordinating mechanism for the establishment of common goals and priorities, among the provinces, in education.

The question of the degree of "Canadian content" in courses at all levels of instruction is central to the issue of identity formation. It appears from various studies on the subject, such as the 1975 Report of the Association of Universities and Colleges of Canada's Commission on Canadian Studies (known as the Symons Report), that the teaching of Canadian history, geography, literature, the arts and culture, and government "varies in content, time spent, accuracy and objectivity from province to province."

But what do the students themselves want? The Symons Report states: "Our country is an enigma to many Canadians, and there is a growing wish to explore this enigma, especially among the young. This country appears to exist in spite of language, geography and economics, and thoughtful young people are curious to know how such a phenomenon came about and what the chances are of its survival — in fact, whether its survival is even worth the effort that may be required."

#### The teaching of the two official languages

Opportunities in language education are improving, with all the provinces and the two territories now teaching French as a first or second language at both the elementary and secondary levels. In Quebec, English schools are available for children of English-speaking residents who meet specific government criteria as outlined in the Charter of the French Language, and the teaching of English as a second language is compulsory from grade 5 to the end of high school.

At a meeting in Montreal in February 1978, provincial premiers agreed that "each child of the French-speaking or English-speaking minority is entitled to an education in his or her language in





the primary or secondary schools in each province, wherever numbers warrant." Some provinces have expressed the hope that language rights would be entrenched in the constitution.

## Questions

What do Canadians think of their educational system? Do they find it adequate? How good or bad is the content of courses on Canadian subjects? How much, and what, do students learn about their own country and their fellow citizens? Are they learning to speak the second official language? What changes to the curricula should be made?

self you asked a number of people on the street, a majority of them would not be able to tell you off-hand the names of the ten provinces, the two territories and their respective capital cities. This is due to the fact that the emphasis is not put on studying Canada until the later grades in Canada's school system. Too much time is spent in the lower grades studying other countries, especially the United States. \*\*\*

(Students of Sir John Franklin High School, in Yellowknife)

44Young people should study more of our history, literature and political system than they do now. If they did, English-speaking citizens might not so often make the mistake of considering French-speaking Canadians on the same basis as immigrants.\*\*

(from Cranbrook, B.C.)

66The whole basis for our argument is to produce students with a Canadian identity and pride in being a Canadian. Too often today the student is brought up learning only his or her local attitudes and traditions. 99

(Students of Fredericton High School, in Moncton)

66We have a school system that separates children on linguistic and religious lines from their first day in kindergarten. The resulting lack of interaction brings about fear, mistrust, prejudice and stereotyped images at the adult level, exacerbated by our tendency to live in geographical isolation from each other. Our governments, institutions and even our media help accentuate our divisions and have done little to show or exploit what we have in common. 39

(Participation Quebec, in Montreal)

66The difference in concepts of Canadianism inside and outside Quebec is a comparison of the different ways of teaching Canadian history and the different textbooks used. The difference involves much more than ... language; it means a difference in content and perspective. 99

(from Canfield, Ontario)

have spoken to a great many groups over the past few years and I have asked them to list examples of cooperation between the French and the English in this country. I have invariably met with mystified silence. I then asked them for examples of conflict and the list never seems to end. One of the reasons for this is that a significant proportion of Canadian history is taught as the history of conflict.

(in Vancouver)

"Indeed, to be frank, we have been telling lies about one another in the schools. It is simply not possible to do this for several generations and then expect citizens to understand themselves, one another and Canada."

(in Calgary)

regionalized. The people living in eastern Canada learn a lot about Ontario, Quebec, and the maritimes, but little of the west, in geography [courses]. They get a very 'French' view on the little Canadian history they do receive. The people living in western Canada are educated in just the opposite way with a broad look at the prairies and B.C. and a very 'English' look at the minute Canadian history they receive. It is also apparent that neither eastern nor western Canada learns about the north.

(in Whitehorse)

## **Opinions**

#### Ironic

A major concern expressed at the hearings was that Canada's youth "lacks" a sufficient knowledge and understanding of their country's historical, social, political and economic facts. Citizens suggested that the Canadian "lack of pride" in their country harks back to the educational system. The "failure" of Canadian education to provide a solid grounding in Canadian studies to its youth is "undeniable," many said. According to the Canada Studies Foundation, the evidence "clearly" indicates that the schools do not help students to meet the need to communicate effectively with others across the "personal, class, regional, linguistic and cultural" barriers of this country. "The Canadian education establishment, personified in government and teacher union bureaucracies, has abdicated its leadership responsibilities," charged the Atlantic Institute of Education. An Edmonton woman said she found it "ironic" that the usefulness of Canadian studies programs are still "so hotly debated among our academics." Would any other country in the world "consider knowledge of itself debatable?" she wondered.

### Feeling cheated

Students felt that they had been "cheated" out of a real "Canadian studies" education, specifically in the areas of history, geography and French-Canadian culture. They considered these to be key areas for an understanding of the problems concerning Canadian unity. Better student-exchange programs would help national unity by enabling students to see for themselves other communities in Canada, a number claimed, and would also increase inter-regional and inter-personal understanding and appreciation.

The educational system is much too "regionalized," said many students and parents. It leads to thinking of "province first, country second." It also fosters the "our" and "their" syndrome, observed a Whitehorse resident. Canadians thinking about the west talk about "their oil," "their wheat," "their potash." Canadian studies have tended to over-emphasize regional and provincial concerns and issues some said. Other speakers at the Task Force hearings believed that teachers tend to be too narrow in their approach but, then, they are not entirely at fault because they too have had "few opportunities" to work with people from other regions and cultures. The school boards and the provincial education departments were criticized for being "insensitive" to national needs, concentrating instead on "regional culture and history." Local studies can be culturally enriching and broadening, but in themselves are "unlikely" to encourage the kind of "pan-Canadianism" that is needed in this country, many speakers observed. Some feared that too much regional or provincial concentration can have a very negative effect by reinforcing regional and ethnocentric "prejudices."

There were also many specific expressions of concern about the lack of understanding between the two major linguistic groups in the country. A Montreal citizen said it is "unbelievable and abhorrent" that from one end of the country to the other, only half of Canada's literature is understood or appreciated. Who in Quebec, for example, outside of a "few specialists," had a precise knowledge of English Canada? The same held true for English-speaking Canadians with regard to Quebec. An English-speaking Canadian, with an "average amount of cultural upbringing," knows Sartre or Camus, but is "completely unaware of Gabrielle Roy, Hubert Aquin and André Langevin," said a Montreal speaker. From a group of Calgary students back from a trip to Quebec: "We knew that Quebecers spoke French but we did not realize that in any other way they were different from us."

#### Painless and natural fact

Some speakers expressed a wide "national interest." Acquisition of both official languages by the next generation would not solve the unity crisis, but "at least" it is one very important way of broadening the Canadian cultural horizon, said some. Others thought that it would lead to greater national unity by making Canada's future adults aware of the linguistic realities of Canada. Canadians could have the "very best" of both worlds if they chose to acquire the knowledge of

definition as a part of Canada. For me, the students that I have talked to at the grade ten and eleven levels know very little of the rest of Canada and are very self-centred, if you wish. But, at the same time, we in English Canada in our studies know very little about Quebec."

(in Winnipeg)

64Half the people in this city seem convinced that bilingualism means that their kids are going to have to learn French in order to make a living. That's some kind of a joke in a country where the word 'bilingual' is currently defined as a French Canadian who has to make a living. 39

(in Vancouver)

64We wonder at the mental block that afflicts so many French and English Canadians in this country today, with regard to education. They do not feel the need to learn another language. Why should children feel shame when they speak their mother tongue? In Europe, knowing a foreign language makes one proud. This [attitude] is what we need in Canada.

(in Montreal)

44If I had the desire to learn a second language for business reasons, it would be Italian, secondly, German. Why should I learn to speak French?"

(in Toronto)

celt should be a bilingual country starting with the children from kindergarten. Every child in Canada should be taught English and French and not wait until they are in grade eight or ten; then it is too late, as I know from personal experience. We need a summer school where French children can come to live with English children in the holidays and the reverse for English children, so they can learn one another's culture and respect each other. 39

(from Richmond, B.C.)

44We must accept the fact that English is the working language of Canada and the USA. Any other conclusion seems wholly impractical. \*\*\*

(from Stirling, Ontario)

64Both the English and French-speaking communities of Canada should learn to realize the meaning of a truly bilingual and multicultural country. Emphasis should be placed especially in the schools. This does not imply that students should be forced to learn the French or English language, but instead, to learn to appreciate and respect each and every cultural background that gives this country its unique position in the world. 37

(in Toronto)

"Eventually everyone in Canada [will] speak the same language. The human race is heading towards total unity and we can't get away from that fact. We Canadians can take the lead and show the rest of the world how it is done."

(from Sydney, N.S.)

both languages, some argued. "Bilingual education" is the "only way" to turn bilingualism from the "painful political struggle" it is today into a "painless and natural fact." Many would grow to appreciate that it is a "privilege" to live in a country with two official languages.

There were criticisms about the type, quality and availability of French instruction in the schools, as the following examples illustrate. High school students in Calgary claimed that their French program was "very repetitive" and had "little, if anything, to do with French-Canadian society." A Manitoban proudly stated that his daughter had mastered French "beautifully" but, he deplored, "it is not the French spoken in Quebec, it is the French spoken in France." "I am at a loss to understand the reason for learning French if it doesn't equip our young people to be bilingual in their own country." There were accusations that French is being taught by "teachers who do not know French," and that classroom time devoted to French teaching is "too short." Looking back on his high school French classes, a citizen at the Regina meeting recalled that they were a "joke." "We rarely understood what we were mouthing, so it became a chore." Many deplored the fact that English was often taught in Quebec by French-speaking teachers and vice versa in English Canada. Poor teaching of French does much to "engender ill-will towards Quebec," was a statement made by a few, because the painful learning process can create a permanent negative association with that province.

### Why learn French?

Some participants thought it important to carry a bilingual education beyond high school and into the universities. A few believed that no Canadian university should be allowed to confer degrees unless a student could show a "working knowledge" of both official languages. Some also thought that proficiency in both French and English should be a prerequisite to university entrance. There were a few critics of the way French is taught at the university level in English Canada. Some said not enough emphasis was placed on its importance to Canadian society as a whole. Observed a Newfoundlander: university French departments have an attitude of "linguistic snobbery" with "their faces turned toward France and their behinds toward Quebec."

Other arguments were made: Canadian children must be given every opportunity to grow into responsible adults and future leaders; being bilingual is one of the prerequisites of a successful career; job opportunities will be enhanced, both in the public and private sectors, at home and abroad. The earlier a second language is learned, the better, said some, because the "younger we are" the fewer the chances of "carrying the burden" of prejudices imposed by the environment. Many students also felt that it was very important to have "the choice of going" to either a French or English-speaking school.

Counter arguments usually rested on considerations of cost ("bilingualism is expensive") and practicality ("English is the language of the western world"... "of Canada"... "of North America"... "of the world"... "Why learn French?"). Bilingualism, some said, is "divisive"; therefore, why encourage divisiveness in the school system? Some English participants felt that Quebec is becoming a unilingual province while the rest of Canada is being "forced" into bilingualism, as this letter from Rumsey (Alberta) indicates: "Recently, we have been informed French will be taught in the schools in grade one in our English-speaking provinces. Does the same apply to grade one [children] in Quebec? Will they learn English? I very much doubt it."

Most students and their parents preferred to leave education in provincial hands with the central government providing financial assistance, especially in the area of second-language instruction. The main reasons: physical proximity ensures better administration, according to some, and provincial control encourages "regional perspective and culture, according to others."

#### A federal responsibility

But some English-speaking students and parents said that education should be a federal responsibility, that all programs should be "standardized" and uniform. They felt that this would help those who move from one province to another (eliminating "controversy over what grade you need for a certain job"). Further advantages were claimed for federal control: education would be

Gail languages the government would not only have the support of the Italian community but of all Canadians of European origin. We are making this recommendation to prove to our Quebec compatriots that we believe in our right to protect Canada and also because we firmly believe that knowing another language increases understanding, develops tolerance and sometimes furthers one's success in life. 39

(in Montreal)

64The study of languages is good for the mind. French is good for you even if you happen to be living in Peking. If you have the additional good fortune to live in Canada — with ready access to French newspapers and books, radio and television, and where 30 per cent of the country's citizens speak the language as their first tongue — so much the better. It makes such good sense. One wonders why some think it is a controversial proposition. 39

(Canadian Parents for French, in Ottawa)

"Canada will have reached the age of maturity when the two official languages take their rightful place and Canadians should not lose time in acquainting themselves with the advantage of another language, an advantage not extended in the past."

(from Moncton)

"The second language – be it English or French – should be taught as a compulsory subject (but not the language of instruction) starting with the lowest elementary grades."

(Regina Chamber of Commerce, in Regina)

It seems to me that one way to preserve the unity of Canada is to have all the schools teach both English and French from kindergarten through grade thirteen.

(from Windsor, Ontario)

canada it is equally imperative that people of English origin should learn French, just as the latter should learn the English language.

(from Bathurst, New Brunswick)

would like to see the French language used extensively in grade one, when learning languages is easiest. I would like to see a majority of children bilingual. This would avoid increasing our domestic differences and provide a new educational benefit. I have a hunch, as well, that children growing up able to speak French will be more tolerant and appreciative of Canada's cultural differences. 37

(in Winnipeg)

64 English-speaking children, certainly, come up through the schools without learning anything about the historic achievements of French culture and civilization. Moreover, they do not learn how much of their own English-speaking culture and civilization has been borrowed from the French. The two cultures have, in fact, been borrowing back and forth from one other for centuries. 99

(in Halifax)

"The very idea of our highest-earned degree being given to Canadians who do not know our two languages continues to disturb me."

(from Ottawa)

better financed, Canadian textbook marketing would be uniform, and a central government could make Canadian studies compulsory instead of optional as they now are in some provinces.

A group of students in Ottawa proposed making federal financial assistance to post-secondary education, including tuition fees, student loan programs and federal-provincial funding, more uniform across the country to avoid situations where "students from the poorest provinces pay the highest cost."

### Native peoples

Some native groups told the Task Force that they had been denied the right to speak their own languages in school. Indian children who spoke their own languages were sometimes punished for doing so. As a result of adopting English throughout the educational system, the Manitoba Indian Brotherhood said that the Indian languages have been "wiped out" in the younger generations.

Other groups charged that Indian studies have been ignored in the schools, leaving Canadians with little or no knowledge of native peoples' history, and culture. As a result, many people have a narrow, bigoted view of this country's "first citizens." (For a more detailed look at native peoples, see chapter 3.)

66A further point which creates tensions working against Canadian unity, in a society where the mobility of people is constantly increasing, is that there is no common basic educational curriculum in Canada. We urge the Task Force, in its recommendations, to ask the Council of Education Ministers to recognize that the establishment of some common minimum educational standards across Canada, for the various grade levels, be a matter of priority. 37

(Catholic School Trustees Association of British Columbia, in Vancouver)

\*Education is a matter of national concern and it is necessary that the involvement in education of the various departments of the federal government be coordinated. Also, there are areas where more federal involvement is necessary and desirable — language instruction and education financing are two of them.\*\*

(The Manitoba Teachers' Society, in Winnipeg)

66Although the provinces should be responsible for education generally, the federal government should be responsible for language rights and historical accuracy across the nation. 99

(from Ste. Anne, Manitoba)

GOnce we have a truly bilingual country, communication will be possible. To achieve this, French education must begin in the first grade. This is another factor in support of a nationalized education system.

(Students of Sir John Franklin High School, in Yellowknife)

"Federal responsibility should be demonstrated by bringing French language teaching into the school system. This teaching should begin with pre-schoolers and continue through grade twelve. This must become a federal responsibility if it is to have any success at all. Familiarity with the language, we hold, is a prerequisite for empathy with the francophones and their culture."

(Alberta Union of Provincial Employees, in Calgary)

**64We** feel that the federal government does not have, and should not have, jurisdiction in the educational offerings of the schools of the country. This includes the teaching of languages. **99** 

(St. Nicholas Roumanian Orthodox Youth, in Regina)

**6**This problem [bilingualism] could have been resolved ... if education had been controlled from Ottawa and not provincially. To have our country thinking together, to be speaking two languages (French and English), to be good citizens and proud Canadians — with a high standard of teaching directives emanating from a national board of education ... this could conceivably accomplish what each province now is not accomplishing.

(from Victoria)

It is then clear that bilingualism is not a safeguard to the French language. What we do need is a French educational system established by the federal government so as to ensure the efficiency of the provincial governments. This would demonstrate a positive move for the survival of the young francophones.

(L'Association jeunesse fransaskoise, in Regina)

# **Proposals**

"If ignorance about ourselves is the problem, then education, leading to understanding, is the solution," said a St. John's resident. Others agreed that the schools are the place to start and they proposed many solutions to the educational system's "inadequacies." Chief among them were: more emphasis on second language training, Canadian studies, more inter-governmental cooperation, more federal funding of various projects and less parochialism in the classrooms of the nation.

The Canada Studies Foundation recommended "national understanding" as an overall goal for Canadian education, but emphasized that what is mainly needed is not more Canadian studies, but "better" Canadian studies.

### To coordinate and respond

There were proposals from several educational groups that an autonomous "agency" be established to determine "over-all goals and objectives" in education. Some described this "agency" as a "central clearing house" to collect and disseminate information and materials pertinent to all levels of the education system.

The type and quality of teaching materials available in the schools were questioned by many speakers at the hearings throughout the country. Many saw plenty of room for improvement: more "Canadian" and "higher quality" textbooks on Canada-related subjects were high on the list, along with increased and improved teaching of Canadian history and geography. What "has to be recognized," observed a university spokesman in Toronto, is that "despite the efforts of the past two decades" there is still "inadequate" encouragement and support for the preparation and publication of "good Canadian textbooks and materials" from the elementary to the university level.

There were some calls for the creation of a department of education to "coordinate and expand" activities in education. The majority, however, were content to leave educational matters largely in the hands of the provinces, but saw that greater federal-provincial cooperation would be an asset in certain educational matters, such as curriculum development, education research and the methodology of teaching French or English as a second language. Because Canada has two officially recognized languages, a Halifax resident advocated that their "use and instruction" should be seen as a national rather than a provincial responsibility.

More emphasis should be placed in getting French as a second language into the English school system and English into the French system. This proposal was heard hundreds of times throughout the Task Force tour of fifteen cities.

The central government was urged to act immediately by redirecting funds now spent on civil service language training to the provinces for bolstering second language training in the schools. The Alliance for Bilingualism in Ottawa urged the central government also to continue to "assert" the importance of both official languages and encourage all provinces to make second language instruction a part of the standard curriculum.

A speaker in Toronto urged the creation of educational curricula to give families a "choice"; one would be education in the majority language of the province and the other would be geared to the development of "bilingual fluency." Only in this way, he said, will bilingualism be seen as an opportunity rather than the "unsaleable" program it is now.

### Widen the scope

Some high school students in the west, who maintained that the French program has "little" to do with Canadian society, suggested that the teaching of French be revised to reflect "largely" or "totally" French Canadian language and culture.

Constitutional change in educational matters was suggested by the Association française des

"The Canadian tradition of local management, rigid provincial autonomy and mixed attitudes towards national needs has contributed to a lack of a national policy, goals and coordination in educational affairs."

(B.C. Teachers Federation, in Vancouver)

64National unity could be further promoted by increased funding towards educational travel within Canada, by developing a program of year-long regional student exchanges, and by the continued promotion of the arts and culture in Canada. 99

(Students of Saint John High School, in Moncton)

"Money spent on English-French exchange programs isn't going to maintain unity."

(Association of Franco-Ontarian Youth, in Toronto)

6To become more aware of the different cultures, more exchange programs should be used. This would increase students' inclination to get to other areas of Canada and learn the economic, social and cultural differences of the provinces. 99

(Central Collegiate Students, in Regina)

would urge the federal government to act immediately in encouraging and financing student exchange programs on a large and thoroughly committed scale. This should be done with a view to creating an awareness of what diversity does exist in Canada so that my generation, both French and English, will be adequately prepared to take on the task of keeping Canada together, not because we will have been instilled with a sense of duty and blind allegiance, but because we will have experienced the vitality of unity. 99

(in Halifax)

64The interprovincial student exchange programs which presently are not academically credited, should be credited and integrated into the provincial systems. Every student should, at some time during their school years, study in a different part of Canada. This opinion is based on experience with the Forum and on the Hospitality Canada Program of the Secretary of State. We are greatly in favour of student exchange programs, and of the Forum for Young Canadians in particular. \*\*\*

(Forum Association of New Brunswick, in Moncton)

66The Canadian School Trustees' Association also believes that an understanding and appreciation of the cultures represented by both official languages is an essential prerequisite to the success of a teaching and learning process and supports increased emphasis on programs to enable the youth of the country to learn more about one another through frequent and regular exchange of students and teachers.

(Canadian School Trustees' Association, in Ottawa)

64More opportunities must be created for families and children to exchange visits. Open House Canada-Hospitalité provides an excellent opportunity, but more people need to know of its existence. We would like to see more reasonable air, rail and bus fares, so that Canadians of all ages could learn about each other. Involve everyone! Pre-schoolers, adolescents, parents, grandparents, especially those who are studying the other official language. 99

(Canadian Parents for French, B.C. chapter, in Vancouver)

conseils scolaires of Ontario. The group proposed entrenchment of the principle requiring the English-speaking provinces to provide a French education in the school closest to the francophone community being served.

Some suggested greater use of television, radio, films and publications in the classroom in order to expose students to programs and information that would "stimulate" their interests, "widen their scope" and give them "a sense of identity" with the rest of Canada. There was a proposal from some Toronto educators that the National Film Board "recognize a responsibility" to produce educational materials for students, in addition to its mandate to produce films for the general public. The films would be designed to help students see and feel the "character" and diversity of Canada and Canadians.

There were calls for greater interprovincial cooperation in the area of teacher mobility and "acceptable accreditation" that would apply all over Canada. Also recommended were exchanges between provinces to help teachers see beyond the confines of a particular region. Teachers should be required to take a Canadian studies program during their training period, a few said. Symposia should be designed to keep teachers abreast of Canadian studies and of upto-date materials.

Indian and Inuit representatives who said that their languages are being "wiped out," urged that there be changes in the educational system to take into account the fact that there are in this country "cultural groups" other than the English and the French.

Some ethnic groups in western Canada proposed that federal assistance be made available for the teaching of their languages where demand based on population makes it feasible. The Black Educators Association in Halifax, among others, proposed that "demeaning" and "derogatory" references to minorities be removed from school textbooks and replaced by a greater emphasis on the contributions of minority cultures to Canada.





# **Background**

Canadians make extensive use of the media as a source of information and recreation. According to a study on Canadians' leisure activities, conducted in 1975 by the Department of the Secretary of State, over 80 per cent of the population spends as much as four hours per day "receiving messages" through the print or telecommunications media.

Media coverage has grown rapidly in the last fifty years, so that Canadians can now select their information from the following sources: 60 private and 60 CBC and affiliated TV stations; a total of 228 daily newspapers; over 500 community, ethnic and weekly newspapers; 411 private French and English AM and FM radio stations; and 55 CBC English and French AM and FM radio stations.

# Public responsibility of the media

The media in Canada, in all forms, enjoy extensive editorial freedom. However, the rapid growth of radio and television, and the government's realization that the enormous power of these media could significantly affect the national purpose, have led to the establishment of government guidelines on the quality and quantity of broadcasting.

The 1968 Broadcasting Act calls upon all broadcasters to provide a service that helps "safeguard, enrich and strengthen the cultural, political, social and economic fabric of Canada..." and that uses "predominantly Canadian creative and other sources." The Canadian Broadcasting Corporation, a public corporation providing television and radio services in both official languages, has an even more specific mandate: "to contribute to the development of national unity and provide for a continuing expression of Canadian identity."

The media's role in informing the public is one that has always been hotly debated. Do, should, or can the media report "objectively" on events and opinions? Should information be "a mirror of reality," or should it try to influence the views of the consumer? What, indeed, is "reality?" The journalist's job is not an easy one; he often must become an "instant expert" on complicated issues, then report the information as accurately and objectively as he can, often under the pressure of a deadline.

### Canadian content

Canadian media face intense foreign competition, especially from the United States. For example, the proliferation of cable systems has now made it possible for most Canadian homes to receive the full broadcast schedules of the major American networks. Traditionally, Canadians have demanded access to American programming, and Canadian broadcasters, in order to preserve and improve their audience ratings, continue to offer a wide range of United States-produced programs, but stations are obliged by government regulations to allocate a major percentage of their broadcasting time to Canadian productions.

#### Jurisdiction over telecommunications

Another media-related topic of debate in contemporary Canada is that of jurisdiction, especially over cable and other forms of electronic communications. Central government control of these matters, exercised through the Canadian Radio-Television Telecommunications Commission and the Canadian Transportation Commission, is contested by a number of provinces, particularly — but not solely — by Quebec. The provinces' quest for greater autonomy in this field is based on cultural and financial considerations and is one of the items on the current agenda of federal-provincial discussions.

### Questions

What does the Canadian public think of the media as contributors to Canadian identity and unity? What is the response of the media people themselves? Do they accept a responsibility to reflect and to enrich the Canadian identity and to contribute to national unity?

self it was not for the very few real public service enquiry programs, the media's influence could be classed as almost wholly negative as far as educating and informing the public on really serious and important affairs.

(from Wininpeg)

south and wonder why our lines of identity do not run east and west. We allow our subconscious American culture to dominate ourselves and our channels and wonder why our indigenous culture is self-conscious and often immature.

(Council of Canadian Filmmakers, in Ottawa)

66The fostering of a better understanding of Canada should be the primary responsibility of the federal government. A major tool in carrying out that task is obviously the Canadian Broadcasting Corporation, which has conspicuously failed to discharge this area of its mandate. 99

(Corporation of the City of London, in Toronto)

GOur media often express a limited outlook. We are therefore not aware of the real issues in different areas of the country.

(Impact Quebec, in Montreal)

66First, as an example of a Canadian success, I wanted to mention Radio-Canada and the CBC. For here we have an organization that perfectly represents our cultural duality, a double-headed organization. I think that all Canadians can identify very easily with the CBC or Radio-Canada. I believe that it is a success, from the point of view of Canada. 39

(in Quebec City)

"The media are American influenced and 'central Canada' oriented. This is particularly true of television and, to a lesser extent, of newspapers."

(in Moncton)

strong proponent of any specific point of view. Since the issue under discussion is primarily the future of Quebec, it would be reckless and counter-productive for the message carrier to concentrate solely on one message even if this message were crystal clear, which, of course, it isn't. 39

(Canadian Association of Broadcasters, in Ottawa)

to express themselves freely. Not only must they be at liberty to transmit all opinions, but they must also be able to express their own. By the same token, all citizens and all the organizations which represent them and speak for them must be recognized as having the right to their different philosophies and partisan views. 99

(La Presse, in Ottawa)

<sup>64</sup>Perhaps our organization, as an association, has not done enough in dealing with the issue of unity. We may not have been as aware as we should have been of how much this issue depended on the involvement of the smaller newspapers. . . . The issue of national unity has been tied so closely to bilingualism that it becomes a hotter issue, a delicate issue, one that is much harder to handle and to comment on without sometimes being carried away. <sup>99</sup>

(Canadian Community Newspapers' Association, in Ottawa)

10. The media

# **Opinions**

#### What the media tell us

For the country's media there were scant words of praise at the Task Force hearings. The media in general, and the CBC in particular, were criticized in all parts of the country for emphasizing the "dramatic and the trivial," for "making mountains out of molehills," for "sensationalizing," for "divisive, destructive, warped viewpoints" and "disclosure for disclosure's sake." It is small wonder, said some speakers, that Canadians see each other in terms of "clichés and stereotypes." The media paints these images. Commented a Charlottetown citizen: "We must be willing to listen to Canadians both English and French" to find out what they are really trying to say and "not what the media tell us."

The media have a duty to promote unity, said many, but have failed to do so. A correspondent from Neepawa, Manitoba, said that television interviewers and politicians are guilty of the same thing: "they speak before thinking." The power of the press is "immense," said some, and should be used to "keep Canada united" and to "boost" unity. Many felt that the media must show a commitment to unity and report on it in a fairer and more extensive and responsible manner. Asked a student from l'Université de Montréal: How can we ensure unity when at least twice a week football and baseball games between "two American teams" take all the Canadian airtime?

While there was much criticism of the media's performance in general at the Task Force hearings, the CBC received the brunt of it. To call it a national network, said a women's group in Newfoundland, is a "farce." It was said to be "failing miserably" in its national unity mandate, and "conspicuously failing" in its responsibility to foster "better understanding" between communities.

### Responsibility of the media

Many spokesmen for the media denied that they have a "duty" to promote unity. It is not the media's job to "support anything" in its newscasts, said a Newfoundland broadcaster. It is a "scary" idea to "load national survival on the backs of broadcasters," said a representative of the Association of Broadcasters. The media's job is to present "objective, accurate reports." The "paramount responsibility" of a news organization is to "report the news," said the editor of a Toronto paper. And to report the news means to give citizens, as impartially as possible, the information they require if they are to "make intelligently" the most crucial decision that "has ever faced the Canadian people."

Most media spokesmen said that their job is to act "as a mirror," reflecting back what they find in society. Society may not like what it sees, but "shooting the messenger is the easy way out." "After the funeral," the problem of the message is still there. An administrator of a Montreal paper said: "Let's not forget that, at the end of the road, it is the public and the public alone, which will decide if Canada will continue to exist or not." The media can only offer their "channels of communications," and that they do.

The board of directors of the CBC stated in its brief that the CBC's current affairs programming "must reflect and interpret Canada" as a nation, the "tensions" in our society, and the "arguments" for changes in the political and constitutional arrangements designed to reduce these tensions. It is not for the CBC, however, to "suppress any particular point of view," even if it is an argument "against nationhood." In its newscasts, the CBC's aim is to report the news of the day with "accuracy, fairness, objectivity and balance."

Some participants said they realized that "objectivity" in the purest sense of the word does not exist. Journalists, observed one of them, are "no more objective" than the average citizen, "and no less so." They are ordinary human beings subject to frailties, frustations and prejudices. They are entitled to make mistakes and the public is entitled to judge them. Often they know only a particular region or province of the country and "few" are bilingual. It was generally agreed that "fairness," rather than objectivity, was a better way to define the responsibility of the media.

64For a news organization this is the paramount responsibility — to inform its readers. But as a corporate citizen with unusual facilities for gathering and assessing information, it also has another duty; this is to offer what leadership it can by expressing editorially its own view of the issues. 99

(The Toronto Star, in Ottawa)

"Because of the constraints put on him by his work, no journalist can pretend to be perfectly objective. Journalists and the media must, however, be absolutely honest .... Honesty must be the primary characteristic of public affairs broadcasts, of news and commentaries."

(Télémedia Communications Ltée, in Ottawa)

66When the survival of a nation is at stake at the time of a major constitutional crisis, it is only normal that the role of the media be questioned, since this is often the only permanent source of information available to the average citizen. Here, without any doubt, lies the fundamental responsibility of the journalist. 99

(Canadian Radio-Television and Telecommunications Commission, in Ottawa)

"The role of the CBC in its current affairs programming is to inform Canadians about the issues they confront, so as to assist them in deciding upon their future, for the decision will be theirs. The exercise of this responsibility calls both for identifying and exploring the issues confronting Canadians, fairly and thoroughly, comprehensively and accurately, and for reflecting differing views about these issues, fully and fairly, and in a balanced manner."

(Canadian Broadcasting Corporation, in Ottawa)

responsibility to present objective, accurate reports of what's happening. 93

(in St. John's)

We must try to understand each other and emphasize our common interests rather than those things which divide us. We must be willing to listen to what Canadians, both French and English, are really trying to express in their hearts, not what the media is trying to tell us. \*\*

(Canadian Home and School and Parent-Teachers' Federation, in Charlottetown)

44I think this is a good time to mention that part of the problem comes from the media. We never receive accurate coverage of what's happening in Quebec.39

(in Winnipeg)

64My dear English-speaking countrymen, you are actually kept ignorant of what goes on in Quebec by the news media. A good example of this is that on November 15 you were so ignorant of what was going on in Quebec that you were awestruck and almost in a state of collapse after the victory of the Parti Québécois. You never thought that this was possible because you don't know what goes on in Quebec. 39

(in Montreal)

10. The media

#### Two different worlds

There was much criticism of the media's reporting of recent events in Quebec. No wonder that there is a flow of letters-to-the-editor verging on "racist hysteria," commented a Charlottetown resident on the media's handling of Quebec news. Said a Montreal francophone: the news media keep anglophone Canadians "ignorant" of what is really going on in Quebec.

Some francophones in Montreal and Quebec City accused the anglophone media in Quebec of being "racist" and "anti-Québécois" and of running a campaign against language legislation. Others said the Montreal media epitomize the "two solitudes." Coverage of events often appears, they said, to be from "two different countries." A good example was the election of the Parti Québécois, which left anglophones "awestruck and almost in a state of collapse."

Canadians were cautioned by some speakers to be wary of the effect that the flow of American attitudes and lifestyles through the media is having upon them. "Some of those" who controlled the content of Canadian broadcasting had adopted American styles to the point where they no longer recognized the "dangers" to the Canadian way of life. Broadcasting has always been carried out in an atmosphere of "intense competition" with the United States. The "proliferation" of cable systems had succeeded in supporting that "seemingly inviolate" Canadian freedom to receive as many American signals as possible. The Canadian Association of Broadcasters asked: "Is this too much freedom?"

### Improving services

If the coverage was "more accurate" between the two linguistic groups, the result would be "better understanding," some said. A Halifax professor reported that he and his colleagues were reading French press reports from Montreal and supplying the local anglophone media with information so that "misunderstandings" could be avoided.

There were charges from western and eastern Canada that the media, especially the CBC, support a "central Canada" outlook in their coverage. Said a Newfoundlander: the only things that are "supposed" to keep this "long string of communities together" are the central government and the CBC. Perhaps it is an "absurd" idea, he said, "to expect Ottawa to listen." But that other "umbilical cord," the media, "doesn't do much better." There were complaints that almost all English-language broadcasting originates in Toronto, while nearly all French broadcasting comes out of Montreal. "This is not Canadian broadcasting," said one participant, "this is Ontario and Quebec broadcasting."

Some ethnic groups criticized the CBC for not broadcasting in anything other than the two official languages. Stressed was the fact that broadcasting is "essential" to the cultural development of communities in multicultural Canada. A spokesman for the black community in Halifax said that the media, and the CBC in particular, leave the impression that the only "ethnic" communities in Canada are the "French and the Indians." At least the American cable TV stations provide the chance of seeing a black person, "albeit if only in a stereotyped 'Shaft' image."

"There is a dangerous, anti-democratic nature to much of the federal response to Quebec. We have come dangerously close to a situation where the CBC, a public corporation, must actively propagate the official Liberal [party] line on national unity and government policies, or be labelled subversive. What little objectivity the media presently have is being continuously eroded under the dangerous theory that the media must become salesmen for a unified Canada — as defined by the Trudeau cabinet."

(Saskatchewan Federation of Labour, in Regina)

"The media should help to make the culture of the francophone minorities better known and should not just put every unfavourable bit of news in the headlines."

(Centre Culturel Colombien, in Vancouver)

66An island in an anglophone sea, francophones are constantly bombarded by Anglo-American newspapers and television. Madison Avenue brainwashing engulfs them twenty-four hours a day. 99

(Essex County French Secondary School Action Committee, in Toronto)

**44**Let's challenge the CBC, the National Film Board and our writers to produce factual material. **99** 

(from Vancouver)

66French Canadian communities must develop their communication services. In order to do this, it is necessary that the services of the CBC in French radio and television be adequate both in programming and in broadcast areas so that French Canadian communities can be served in the smaller provinces as well as in the larger ones. 37

(La Société des Acadiens de l'Île du Prince-Edouard, in Charlottetown)

**64**We would like to give the CBC the defence budget and give the military establishment the CBC budget. We believe this would better reflect the true role these institutions play in defending Canada. The military would defend the north with its patrol planes and the CBC would defend the 49th parallel with high quality programming, national heroes, superstars, myths, symbols and a vision of our common purpose. **99** 

(Council of Canadian Filmmakers, in Ottawa)

64National radio and television networks should be doing more to aid in the understanding of Canadians about the circumstances, views and aspirations of other Canadians. The CBC has been seriously cutting and regionalizing programming which would assist in engendering increased understanding amongst Canadians. 39

(Manitoba Farm Bureau, in Winnipeg)

64The Canadian Broadcasting Corporation must receive further funding and emphasis to provide better communication among Canadians from coast to coast. We in New Brunswick are inadequately served by our own CBC.\*\*

(Students of Fredericton High School, in Moncton)

10. The media

# **Proposals**

Many times over, participants at hearings called for more information in the media on Canada's history, culture and current affairs, treated responsibly, from a "more informative approach" to Canadian issues, as students put it at the Regina session. Others asked the media to strive for more "accurate" and "unbiased" news reports.

From English-speaking Canada came many requests for greater coverage of French-Canadian (particularly Quebec) events. Proposals were for "less biased" news from Quebec and a greater exchange of information between English-speaking and French-speaking Canada. A few suggested that producers of news and public affairs programs in both the French and English CBC networks should meet frequently, and even exchange personnel from time to time.

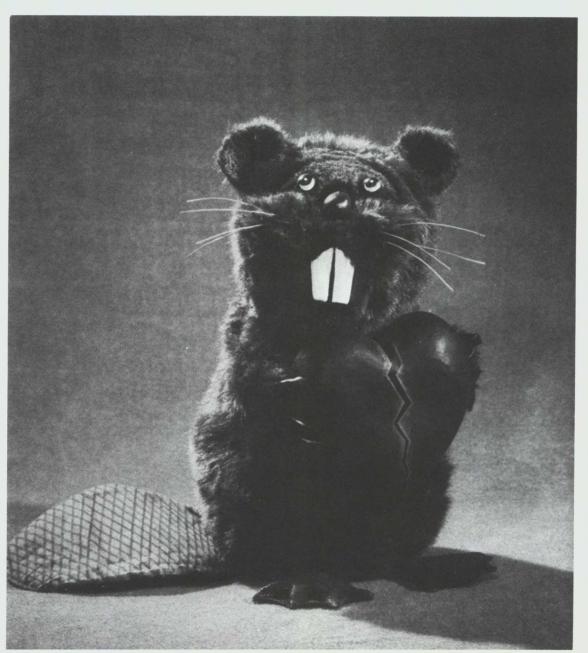
Canada's multicultural character should be stressed through the media, both "private and the CBC," representatives of various ethnic groups told the Task Force. A proposal common to many was that the media should assume more responsibility for developing programs reflecting the country's "multi-cultural realities."

With strong regional protests that the media's coverage is too concentrated in central Canada, came proposals that the CBC should decentralize so as to deal more effectively with regional concerns. Noted a brief from a university telecommunications research group in Vancouver: "The argument, in broad terms, ought to be between national objectives on one hand, and regional or local priorities on the other." There were a few calls for greater "provincial or regional" representation on federal regulatory agencies concerned with communications.

Acadians in New Brunswick felt that the CBC should be given further funding so that greater emphasis could be placed on issues little understood by the Canadian population as a whole. Mentioned were the "tensions" of the Acadian society, the "arguments for political and constitutional changes and arrangements designed to reduce these tensions."

A women's group in Newfoundland recommended the establishment of a "national newspaper," owned and operated by the "people of Canada" and "independent of government." Canadian life in all the provinces and territories would be depicted, and advertising of "national products" would assist in the financing of the project.





# **Background**

A symbol, the dictionary says, is a thing regarded by general consent as naturally typifying or representing something through association in fact or in thought. Canadian symbols could therefore be said to be the representation, in some encapsulated form, of a concept, or concepts, with which the people of the country can identify, and which in turn represents them.

Canada, in common with most other countries, has some internationally recognized symbols, such as a flag and an anthem, or at least the music of an anthem. Others are linked to the country's political framework: Parliament, the monarchy and the monarch's representative in Canada, the governor general. The first of July, flowers, animals and birds, red-coated mounties, hockey players and other athletes, national holidays...all are symbols of this country.

Various efforts have been made in recent years, sometimes with difficulty, to develop these symbols. Prime examples are the debate which eventually led to the adoption of our flag, and present-day efforts to canadianize the monarchy. There was the appointment of the first Canadian to serve as governor general in 1952, and the subsequent custom of having as incumbents of this position, alternately, English and French-speaking Canadians.

Other efforts have been made to create or preserve physical manifestations of Canada and its heritage, a task undertaken by both federal and provincial authorities. Examples include the development of the National Capital Region, national and provincial parks, and historic sites.

### Questions

Are these symbols accepted by the majority of Canadians as representing their identity and that of their country? What do they say about them? Are they considered useful in terms of developing Canadian unity?

"Certainly there are those who perceive the Crown as a factor in disunity. I believe this perception to be wrong and that the Crown is being criticized because it is an instrument of unity. Because it is designed to support democracy and federalism, it is a target for those who get impatient with democracy and federalism and seek short cuts to power."

(in Calgary)

64We feel that a country should be at liberty to develop its own prejudices without having any imposed on it. That's why we advocate a complete and final break with the English Crown. That may be the only way to instill a bit of national feeling in our English-speaking compatriots.

(L'Association générale des etudiants du Centre Universitaire St-Louis Maillet d'Edmundston, in Moncton)

44Downgrading the monarchy and discrediting our mounties has caused even more disunity. 27

(in Calgary)

44Peoples' views on the monarchy are likely to hurt Canada because there is division; we need a Canadian-born Queen. 39

(in Montreal)

64In order to complete our identity, we must have our own sovereign head of state. We have to detach ourselves from the apron strings of the British monarchy. 39

(in Toronto)

fall have great sympathy for the francophones wanting to speak their own language and wanting to keep their own culture because I also want my own language and culture. My English culture includes the monarchy, and I resent it very much when anyone tries to abolish my culture or a part of it.

(in Vancouver)

We do need the U.S. In so many ways, they must be considered as our big brothers, but we sure do not need the English monarchy, which is a symbol of colonialism.

(from Toronto)

64Any attempt to abolish or canadianize the monarchy will be met with deeply-felt opposition by many English Canadians. Yet, if we are to survive as a nation, I am convinced that we must openly disagree with such views and create a constitution which is entirely Canadian in form. 39

(in Vancouver)

64How long will the Queen continue to be represented on our stamps or foreign symbols on our flags? Canada has reached adulthood now for more than fifty years. We must do away with emblems originating in foreign countries.

(in Montreal)

"
We have downplayed our traditional institutions to the point of undermining their great potential and true role as sources of national identity, stability and unity. In devaluing our institutions and traditions, we risk demeaning ourselves and our country."

(in Regina)

# **Opinions**

"What is Canada? Happiness, good schools, homes, flowers, maple leaves, opportunities." To a Charlottetown man, these are the things that symbolize his country. Despite different traditions, cultures, religions and languages, this country's citizens must "feel" Canadian "above all else." "We need symbols," said a Montrealer. Others gave various reasons for the importance of symbols: for "unity," for "national identity," to show "stability," "loyalty" and to acquire a sense of "belonging."

Canadians, some said, have "downplayed" the importance of symbols, and have not recognized their "great potential" for uniting the country and providing the population with an identity "uniquely Canadian." Said a Regina citizen: the school system is the "logical place" to "reawaken" the dream of a united Canada.

Although few spoke specifically about symbols, those who did mentioned the monarchy and the flag as the most important Canadian symbols. Others also included the anthem, Royal Canadian Mounted Police, sports, the Ookpik, Quebec's Carnival, totem poles from the Pacific coast, and the coats of arms of the country and the provinces. Others named museums, art galleries, holidays, church and family as symbolic of the important things in their lives.

## Extremely divisive

The monarchy received high praise ("the monarchy alone unites us"; "our greatest asset"; "key to unity") from such groups as the Monarchist League of Canada and the Royal Society of Saint George. Needed, they said, are longer and more frequent contacts between the Queen and Canadians; a "more positive" stance by the central government in favour of the monarchy; more use of royal signs; and better teaching in the schools on the role of the monarchy in Canada. It is not a "British Crown"; it is a "Canadian Crown," one citizen reminded the Task Force.

A few expressed fears about "highly publicized" suggestions that a new constitution would abolish or diminish the role of the monarchy in Canada. Should this happen, some warned, it will be "extremely divisive" to Canadian unity. A citizen in Charlottetown said he had "great sympathy" with francophones for wanting to keep their own culture "because I also want my own language and culture." He said part of his English culture is the monarchy "and I resent it very much when anyone tries to abolish my culture or part of it." Some deplored the removal of the Queen's image from Canadian money and stamps; the removal of "royal" from the armed forces; the replacement of "Dominion Day" with "Canada Day" and the use of the "Official Opposition" instead of "Her Majesty's Loyal Opposition."

But there were a few at the Task Force hearings who disagreed with the idea of the monarchy as a uniting force in Canada. It is the opposite, they argued, especially for French Canadians who feel "frustrated" by the presence of the Queen as titular head of Canada. English-Canada's "love" of "all things British" has stilted the country's pursuit of its own "identity," said a Torontonian. "The role of the monarchy will have to be abolished or changed in a new constitution," argued a Vancouver citizen, "if this country is to survive as a nation." What is needed is a "Canadian-born" Queen, said another. Instead of talking about Quebec's separation from the rest of Canada, we should be discussing Canada's separation from Britain so that the country could be "sovereign" and "independent," said a Montrealer.

If the English-speaking peoples had set out deliberately to ensure that the present crisis would happen, they could not have done a "more thorough job," noted a western unity group. Since the Treaty of Paris in 1763, the English-speaking community had been oriented in the direction of the "Crown," the British parliamentary system and English culture and traditions. The French-speaking populations had "no such orientation" towards France, whose reigning monarch "abandoned them without reservation" in 1763.

The Canadian flag, despite the acrimony surrounding its birth, is now readily accepted by most Canadians as a national symbol, judging by comments made at the Task Force hearings. But

66 Canada is a post-nationalism nation. That's why we don't have parades on July 1st. On July 1st we, each one of us, go off and do our own individual thing — even if it is just to splash on the beach with 5,000 other free Canadians. This country is a place where all kinds of very different people are free to be themselves. ??

(Diocesan Church Society, in Charlottetown)

66Perhaps one of the greatest moments of unity was the final game of the 1972 Canada-Soviet Union hockey series. Pride and concern for what many average Canadians considered an important symbol of their heritage was at stake.

(in Moncton)

66We are proud to be Canadians, though not necessarily in a Dominion Day flag-waving kind of way. . . . The Canada we are proud to be citizens of includes all ten provinces and two territories.\*\*

(from Whitehorse)

there were a few complaints that there are now "too many flags in Canada." There is no need for the Union Jack, the flags of the provinces and the territories, one participant suggested.

A Regina resident alleged that the maple leaf is not even flown at state funerals in Quebec. Instead, the fleur-de-lys is used. The speaker thought this "hard to understand" because the maple leaf was adopted to "accommodate Quebec for the benefit of national unity." An English Quebecer had this comment to make: "Frankly, I feel like the fleur-de-lys is being shoved down my throat."

### The perfect number

The floral emblems of the provinces comprise the "most beautiful bouquet in this world," said one participant. This person's emotional pleas were for Canada "as we all know it," with its vast expanse of "rural beauty," "its warm and wonderful" legacy of human resources, native to our founding peoples. "Very many in Quebec and throughout this land, I among them, will indeed weep if a separation occurs to reduce the provinces from their present perfect number of ten."

An Ottawa woman said she felt "very strongly" about the singing of the national anthem, but felt "frequently shocked and saddened" that audiences seem so reluctant to sing the words of "O Canada" at public performances.

"We know we have problems as a nation," said a Regina citizen, "but we demonstrated on our 100th birthday that we could learn so much from each other in all parts of Canada" and everybody worked at being a Canadian. We have "slackened off" in the past decade, so we should look back and learn lessons from what we said and did then.

44It was demonstrated in 1967, our 100th birthday, that we could learn so much from each other in all parts of Canada and everybody worked at being a Canadian. We have slackened off in the past decade and we should look back and learn some lessons from the things that we said and did then.

(Saskatchewan Urban Municipalities Association, in Regina)

"Canada needs symbols. In fact she has them in Ookpik the owl, in Bonhomme Carnaval, in the Indian totem poles of the Pacific — all these are symbols which spell Canada to those who see them. More splendid than any of these are the coats-of-arms of the provinces and the coat-of-arms of Canada itself. They belong to us all but do we know them well enough? Do we see them sufficiently often? Have you seen a group of Canadians travelling? Have you counted the maple leaf pins, the tiny flags in the lapels?"

(in Montreal)

Gerhaps the time has come to draft a simple affirmation of loyalty to Canada which could be echoed by school children from Newfoundland to British Columbia as they start each day's work. A country that exists without emotion is poor indeed. Canadians need symbols of their unity which they can respect and for which they may have affection.

(Regina Board of Education, in Regina)

"I pledge allegiance to the flag of Canada, to the great country for which it stands, to the Commonwealth of which we are a part, and that I will at all times faithfully observe the laws of Canada and fulfill my duties as a true Canadian citizen.' These words are spoken by all new Canadian immigrants, but I wonder how many Canadians know this pledge and what it means. I venture to say that in Canada today it would be very few."

(in Regina)

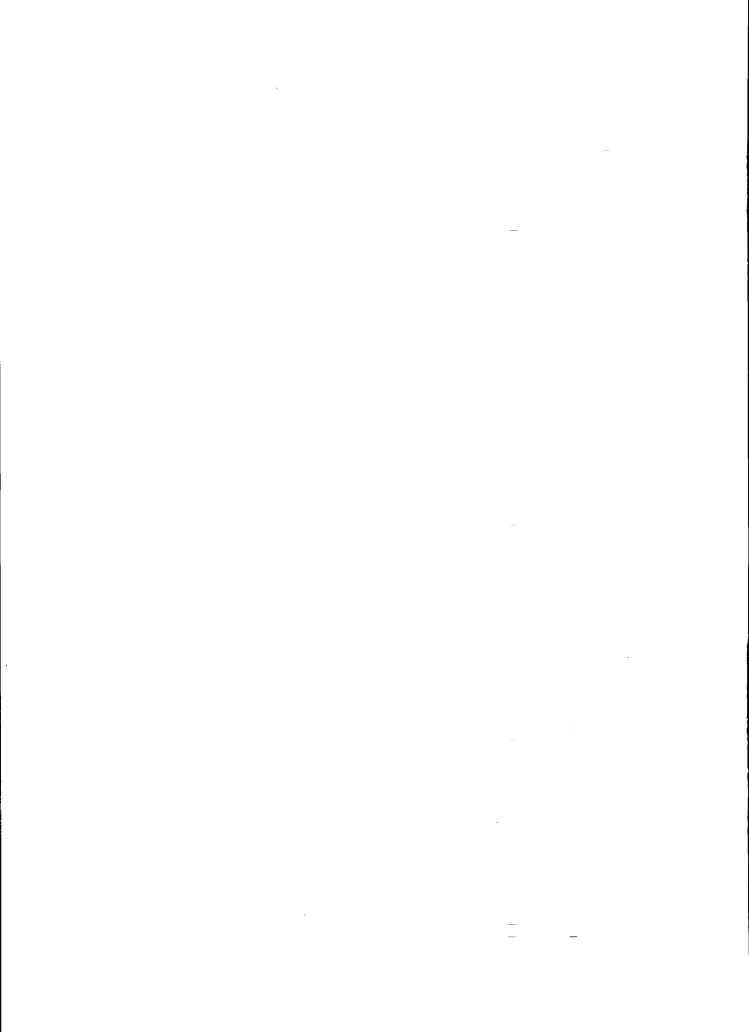
## **Proposals**

To help forge a stronger national identity, the Task Force was urged to make recommendations on how Canadians of different backgrounds can more fully participate in the rich traditions and heritages of Canada, while maintaining the uniqueness of their linguistic, ethnic or regional backgrounds. Canadians were told to address themselves to the greater question of "nationhood" — one country stretching from sea to sea — with all of its peoples sharing a "common allegiance" to the development of a greater Canada.

Those who spoke on the role of the monarchy in Canada often urged Canadians to view the monarchy as a unifying factor in the Canadian diversity. Proposed were more frequent contacts between the monarchy and Canadians, more use of royal symbols and better education in the school system on the role of the monarchy in Canada. A few participants, however, proposed the opposite. A group of French-speaking Moncton high school students suggested that Canada adopt an "independent psychology," especially in respect to Great Britain. Noted a spokesman for the Mouvement réformiste social in Montreal: "From our point of view, so long as we have this British type of constitutional monarchy, there can be no proper meeting ground between Quebecers and other Canadians."

"O Canada, our blessed and cherished land! This union vast, which men of vision planned!" These are the opening words of a new national anthem proposed by a Calgary resident. Commissioners were told that the currently-sung English version, written in 1908, and the French version, written in 1880, although "totally different in subject matter," both reflect the "imperialism and regimentation" of that period.

"Canada lacks unifying symbols and concepts and even its own official national anthem," said students from the Fredericton high school. "Our so-called national anthem has no official status," they said, and they recommended that a competition be held to find a "distinctive Canadian anthem." When a choice has been made, it should be given official status.



# Introduction

The reader is already aware of many of the opinions expressed and the proposals made by participants at the Task Force hearings, directly or indirectly pertinent to Quebec. In Part I, "The Communities," members of the two major linguistic groups of Canada, the English and the French, said how they felt about the concept of the "two founding peoples" and the Official Languages Act. The English-speaking community of Quebec described its relationship, past, present and future, with the majority French community of the province and vice versa. Part II, on "The Search for Identity," contained some views from Quebec on education, culture, the media and symbols.

"Economic Life," the subject of Part IV, will discuss Quebec as an economic region with problems of unemployment, "soft" industries and regional disparities. In Part V, "Politics and the Constitution," Quebecers, among others, will speak on such topics as the Canadian constitution, the distribution of powers between the central and the provincial governments, the central political institutions, the protection of fundamental rights, patriation of the constitution and the amendment formula.

There remain, nevertheless, a number of concerns from and about Quebec which warrant treatment in this report.

Chapter 12, A disaffected province, presents opinions and suggestions on the "specificity" of Quebec, the reasons behind the discontent of so much of its population, its aspirations, the different political options open to Quebecers and the means available to make the choice — the principle of self-determination and the use of the referendum.

Economics is also a central preoccupation here. What is the state of the Quebec economy? What is the position of French-speaking Quebecers in the provincial business structure? Has Quebec gained or lost, in recent years particularly, from Confederation, in terms of the effects of central government economic policies, programs and expenditures, in terms of its trade with other provinces?

Chapter 13, The sovereignty-association option, deals specifically with the possibility of secession by Quebec. Is "sovereignty-association" feasible? Inevitable? What will happen if it is endorsed by the referendum? What would the central government do? What would "the rest of Canada" do? What would be the consequences of secession, in economic, political and social terms? Would the other provinces stay together? Would they fall one by one into the American orbit?





# **Background**

"What does Quebec want?" was a favourite question of English-speaking Canadians throughout the 1960s. Though less often posed in the seventies, it is still in the minds of many.

Quebecers themselves do not always have a ready answer to that question; when they do, it is expressed with many variations. That is not surprising, as the aspirations of any collectivity can seldom be reduced to a general, uniform, simple, definitive set of propositions.

One thing is sure, the "Quebec question" is not new. Conquered in 1759-60, "les Canadiens" (as they called themselves then) and their descendants never accepted the status of a defeated community. They were supported in that position, from the start, by segments of the British and the English-Canadian establishment. Hence the many "accommodations" — called "concessions" by those who resented them — from the Quebec Act (1774) to the Official Languages Act (1969). Confederation (1867) itself was an act of political realism on the part of a majority of the leaders of the two societies and of the four colonies, soon to become seven. The two societies, they argued, could only survive the economic, military and political circumstances of the time by joining together; that could only be done under a federal system, one that would ensure the respect of both unity and diversity. The BNA Act gave back to Quebecers their own political unit, their own "state," and made it possible for them to share in a bigger "state" with the other society and the other political units.

On the desirability of that federal union, French-speaking Quebecers have been divided — then, since and now — into two groups: those who think that the "Canadian experiment" was a mistake from the beginning because the English-speaking Canadians would never really accept the spirit of "partnership"; and those who think that the federation has worked reasonably well though it must be improved to take into account the aspirations of French Quebecers to control their own destiny more fully.

This division has hardly changed for more than a century: on the one hand, the Papineau vision of a form of French state in North America; on the other, the Lafontaine-Cartier vision of a "new political nationality," bringing together two communities and many policial entities, united for certain purposes, remaining distinct for others.

#### The quiet revolution

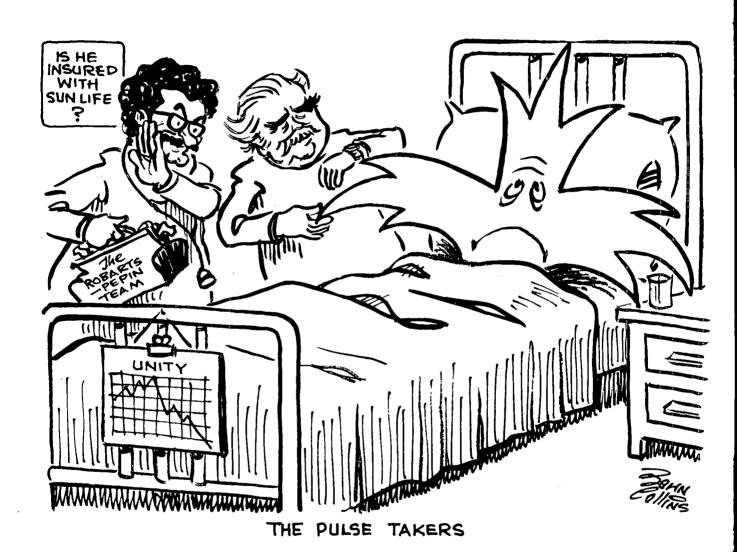
The question as to which political regime is best suited to Quebec was raised again, most dramatically, in the early sixties. French-speaking Quebecers proceeded then to a reform of nearly everything, from their educational system to the role of the church, from their concept of the state to the position of the French-speaking majority in the economy of their province.

Since then, many political "options" have been and are being debated. Each has its supporters, from the maintenance of the status quo to full independence, by way of a diversity of compromise positions which have received such names as "particular," "special" or "distinct status," "associated states," "cultural sovereignty," "renewed federalism," "souveraineté-association" ... or "third option."

Also in the sixties, secessionist groups developed, contributing, in 1968, to the formation of the Parti Québécois, under the leadership of Mr. René Lévesque, who had been, a few years earlier, one of the prime movers of the quiet revolution. After a decade in opposition, this party was elected in 1976. It had made two promises: that it would provide good government and that it would offer to all Quebecers, by way of a referendum, the opportunity to choose their political framework for the future.

#### Questions

What are the causes of Quebec's disaffection? Are they mainly psychological, cultural, economic or political? Why do French-speaking Quebecers find themselves as a group in an inferior position in the economy? Is the situation being corrected?



Has Quebec benefitted from Confederation? To what extent is it now benefitting? Does Quebec need a more decentralized Canadian federation? What economic powers does it need? Would further decentralization be reconcilable with the overall interests of Canada?

Why was the Parti Québécois elected? What do Quebecers, both French and English-speaking, think of the different options open to them?

GFrom the conquest to the War Measures Act, and including the Louis Riel incident, our history cries for independence. When will you understand how completely absurd your Task Force is?

(in Montreal)

"This Task Force, the government and the mass media have construed separatism as a first time phenomenon, something precipitated by the péquiste government in Quebec. This is historical nonsense. Ever since the 1759 conquest, the Québécois have always posed the question of equality or independence. Quebec has always been aware of being a partner in an unequal union."

(Quebec Education and Defence Committee, in Vancouver)

"
With the advent of freer thinking, the [lessening] of the importance of religion, . . . the increased opportunities for education, . . . and the world wide [resurgence] of minority groups, the stage in Quebec was set for the rapid burgeoning of an already developed nationalistic spirit. This attitude developed not only from a determination for self-expression, but from a cultural attitude that has existed since the time of the early settlers in Quebec."

(in Winnipeg)

GOur sense of history should not be so numbed that we think our problems began in Quebec a little more than a year ago. Recent events are mere symptoms of deeper, nation-wide problems that stretch back over several decades. The point now is that we can no longer sweep our frustrations under a blanket of indifference or ignorance.

(Premier Davis, in Toronto)

"The west has its grievances but national unity is correctly characterized as a Quebec problem, a problem particularly concerning Quebec. We may toy with the idea of separation out here but it is in Quebec that it is being seriously considered."

(in Edmonton)

Get The danger to Canada does not come from nationalism in Quebec, but from the lack of nationalism in Ottawa, among other places. The question before you is not 'What is wrong with Quebec?' It is rather, 'What is wrong with the rest of us?' The issue is whether English-Canada can separate from the United States before Quebec separation resembles a desperate manning of the lifeboats as the English Canadian sinks quietly, even willingly, into the American ocean."

(The Council of Canadian Filmmakers, in Toronto)

In the richest city in Canada, which has gained the most from Confederation, we treat the French language as an alien language. The people who came from Quebec into our city last year — 1.7 million of them — were given no services, travel brochures, telephone books, nothing. How can these people feel that they are part of this country?

(in Toronto)

**66**The English-speaking people seem to have forgotten what the French-speaking world has given us — art, literature, a beautiful cuisine, wine, fashions — just to name a few. I can understand why Quebec is just a little upset with the rest of Canada; we don't recognize what they give us!

(from Sidney, B.C.)

# **Opinions**

Invited to comment on "what are the causes" and on "what could or should be done to respond to the grievances of Quebecers," speakers expressed a great diversity of views. We have regrouped them under the following themes:

### The weight of history

There was an acute awareness at the hearings across Canada of the fact that "the Quebec question" was not new, "not a first-time phenomenon precipitated by the Péquiste government." "The past has caused the conflicts," said a French-speaking Montrealer. Memory was longer for some than for others. The problem has been with us "since the early settlers," since "the battle of the Plains of Abraham," since "Louis Riel," "for several decades," since the "quiet revolution."

But what is the essence of Quebec's "alienation"? A Newfoundlander described it as "a question of regionalism," no different from "the problems" of the west, the Atlantic provinces or the north. A few participants agreed, but most saw a difference. In Vancouver, a professor defined the difference: "The dimension of Quebec alienation is much more significant both in depth and, of course, in urgency." Former Premier Alex Campbell of Prince Edward Island agreed: "Clearly the issue is Quebec." A political scientist observed in Victoria that no other group in Canada feels as strongly as French-speaking Quebecers do about "their existence and lifestyle [being] threatened in their homeland, Quebec." And "it is in Quebec only that a secessionist government intends to effect its own solution," a Winnipeger remarked.

Many speakers tried to explain further why the "refrains of complaint" heard in Quebec are "deeper" than those heard in other parts of Canada. "All aspects of our future are in jeopardy," said a French-speaking Montrealer. His views paralleled those of a citizen in Regina: "In Quebec the grievances are basically cultural and linguistic, with economic overtones." Most speakers emphasized the cultural and linguistic roots of Quebec's alienation. But some, in Quebec and elsewhere, accentuated the "overtones." "To acquire the capacity to participate in the management of modern enterprises, controlled by and at the service of the Quebec collectivity," that is what French-speaking Quebecers want, said le Conseil de la Coopération économique. "Jobs," added the Centrale des syndicats démocratiques, more prosaically. To others, politics was the main cause of the disaffectation of many Quebecers for federal Canada. "I have no more confidence in federalism," said one, among many.

#### Cultural grievances

Efforts were made by participants to define the cultural dimension of the "Quebec problem." Most of them underlined the "uniqueness" of the Québécois and, more generally, the French-Canadian culture. That uniqueness was described by francophone Quebecers in terms of "language," "collectivity," "nationhood," "our own territory," "a need for freedom," etc. For most it was a "feeling" crystalized in a sense of "national community." "Four centuries of history have made Quebec into a nation," said a typical French-speaking Montrealer.

Some French-speaking Quebecers resented the condemnation of their nationalism. "Is it such a crime to be nationalist? How is it that our nationalism is stigmatized as a monstrous ideology? How is it that nationalism is shameful in Quebec but 'a virtue for Canadian anglophones?' " asked someone in Quebec City. Many English-speaking Canadians expressed sympathy. For example, the Newfoundland and Labrador Federation of Labour approved of nationalism on the basis that it gives a "sense of place . . . and community."

Of that "feeling," of that culture, of its accomplishment, particularly of its recent "maturing," French-speaking Quebecers declared themselves "proud," especially when compared to their traditional "complex of the conquered." Their unwillingness to tolerate "humiliations" was repeatedly stated — "Let's stop begging from English Canada!" But pride generally was accompanied by some anxiety.

"I am afraid of losing my culture"; "my culture is in peril"; "a generation is in danger of being

Guebec is not just another province. Nor are they just another national group among many in Canada. The French in Canada are a nation, not a spiritual abstraction. They are a definite community, with certain characteristics in common: language, territory, economic life and culture. It is a combination of all of these characteristics that defines a nation.

(Association of United Ukrainian Canadians, in Regina)

66I'll tell you how one turns to being a Quebecer after one has for a time thought of himself as a Canadian. At the time of the debate on the flag for Canadian unity, I went into a restaurant in Calgary, Alberta. There were some napkins on the table in front of my son. The napkins had small drawings on them. And they showed a beaver urinating on a frog. Underneath, one could read: 'This is what the Canadian flag should look like.'

(in Montreal)

64The problem of the Québécois is not that people in Toronto or in Alberta or in Regina speak English; the problem is that their bosses and the supervisors in their factories where they have to make a living don't speak French. 99

(in Regina)

"The French Canadians are denied the full opportunity of enjoying the economy of their area by unfortunate circumstances. Their language, and their priorities, which are part of their culture, tend in North American society to deny to them the positions of responsibility, fulfillment and self-determination to which they feel they are entitled — and to which they, in fact, are entitled. This is not, however, the fault of western Canadians; in fact, many Quebecers' complaints are echoed in our part of the country."

(in Calgary)

64Many Quebecers are emotionally involved in the heady intoxication of prideful belief in their cultural and linguistic particularity. Jobs and security though important, do not compete with the sweet wine of liberty, to those who are convinced of the political, cultural and other advantages of separation and independence.

(from Ste-Anne, Manitoba)

66We will never have a united Canada so long as Quebec is in Confederation. We will never have a united Canada until we have one language. . . . It is time that someone told Quebec to take us as we are or get out. 99

(from Toronto)

cell Quebec there is a tremendous new spirit abroad, in the province, and perhaps elsewhere among some French groups. It seems to me this is something that happens very rarely in a nation... and I envy the people of Quebec for having this. Regardless of what happens, regardless of what they ultimately decide, it seems to me there is this vigorous spirit which is lacking in the rest of the country.?

(in Vancouver)

41t's an open secret that the large insurance companies, Canadian as well as British or American, have literally extracted the savings of the small Quebec investors for decades. These savings helped create jobs outside Quebec or were then lent to us at high interest rates. Quebecers have long had to pay the piper.

(in Montreal)

assimilated," said French-speaking Montrealers. Why? Mainly because, in their opinion, the French-Canadian culture is "not accepted," "not respected," "not treated equally" by and in the rest of Canada. Statements to that effect were generally illustrated by examples of cultural "mistreatment" — in a Canadian embassy abroad, at a restaurant in Calgary, at Toronto airport, everywhere ("I was called a frog from coast to coast," said a war veteran) — and by references to English-Canadian expressions of resentment, such as the "French power" slogan and the behaviour of the English-speaking air traffic controllers in their 1976 strike.

Even more painful to French-speaking Quebecers taking part in the Task Force hearings was their situation in business: "I had to work in English in my own province," while "when General Motors establishes a plant in France, it expects to work in French." The departure of some firms from Quebec because French was to be the language of work was seen as an insult to their cultural rights by many speakers. "It is unwise," and "it hurts," said two of them. "It does harm to national unity," echoed a Torontonian, among others.

Many English-speaking participants expressed regrets for the French Quebecers' feeling of cultural alienation. From Charlottetown to Vancouver, the Task Force heard statements like these: "we have tried to dominate them"; "we treat the French language as an alien language"; "we don't recognize their aspirations"; "we don't make them feel at home"; "it would have been wise to welcome their modernization process." "Why didn't I know that the Quebec people were made to feel like strangers in their own country?" asked a "new Canadian" in Toronto.

Many, like the mayor of Vancouver, wanted to safeguard "the values that French Canadians bring to the fabric of our country." Some even "envied" the French Quebecers' determination to retain their language and culture, "the vigorous spirit which is lacking in the rest of the country," as one said.

Though much less often, opposition to Quebec's cultural aspirations was also strongly stated: "this heavy intoxication of their prideful belief in their cultural and linguistic heritage," this "love of the classics which equipped them very little for business," this "nationalist spirit," this new-found "radicalism," were the very causes of Quebec's problems. By exaggerating the importance of culture and language, "Quebecers tend to deny themselves the positions of responsibility and fulfilment to which they feel they are — and are — entitled," asserted a speaker in Calgary. They build "their own ghettos," concluded a Torontonian.

#### Economic grievances

"One of the main sources of bitterness in Quebec today is the inadequacy of economic opportunity." The Winnipeger who made that comment was in good company. Indeed, many Canadians, in all regions, repeated to the Commissioners that, in their view, economics was at the root of the Quebec problem and was the key to its resolution.

Provincial federations of labour picked up the theme. In Alberta: "What they [the French Quebecers] want is their fair share of the wealth they produce"; in New Brunswick: "Economic considerations accounted in large part for the election of the pro-separatist Parti Québécois"; in Saskatchewan: The Parti Québécois cannot be accused of causing "things that were happening in the economy anyway."

Many French-speaking Quebecers made the case against Confederation in economic terms. "Quebec is not permitted to plan its own economic destiny," said a Montrealer. Agriculture, transportation, energy, regional disparities were given as examples of the "negative effects" of Confederation on the Quebec economy, effects that were not "hidden by equalization payments." A few speakers observed that the benefits Quebec gains from Confederation were declining because the "Empire of the St. Lawrence" had lost its supremacy. "Why should Quebec stay in Confederation?" asked a Calgarian, after making that observation. A major labour union stated in Toronto: "It will have to be proven that Quebec's people would be better off inside a federal system."

But unemployment, lower incomes and "economic inequality" were the main points brought up

64How can we not understand, deep down, the seductiveness of the independentist adventure? How can we not understand that some may seek alternatives when more than a quarter of the population in such regions as the Gaspé Peninsula, the Lower St-Lawrence or Abitibi are unemployed and must leave their native land to earn a living??

(NDP Quebec, in Montreal)

64The well-informed businessman can easily see that the Canadian Confederation has not allowed the French Quebecers as a majority to shape their economic future. Nor would a renewed federalism make this possible.

(Conseil des hommes d'affaires québécois, in Montreal)

It is evident that Quebec, together with the Atlantic provinces, are the regions most adversely affected by federal indifference, since an average level of unemployment in Canada implies a higher level of unemployment in Quebec and in the Atlantic provinces. \*\*?

(in Quebec City)

"Long-term economic decisions have not been very favourable to Quebec. Whether one refers to the national policy on petroleum, to the St. Lawrence Seaway, to the Canada-U.S. auto pact, the federal agriculture policy on feed grains, regional development (DREE), [it is obvious that] these policies have not helped Quebec's industrial sector. On the contrary, they are conceived of in terms of national growth and exacerbate regional disparities."

(Fédération des syndicats du secteur aluminium, in Montreal)

64In the western provinces, the federal government pays farmers not to grow crops. Compare that with this: the Ottawa government imposes a penalty on Quebec farmers when they produce more than their milk quotas. As a result, they must throw away the milk once their quotas are reached. One should add that cows do keep on giving milk anyway. 99

(from Charlesbourg, Quebec)

"The enemy of the Quebec people is the Canadian state as such, with its Quebec fragment under René Lévesque — but what about the national liberation of Quebec? The liberation of the Quebec people will be accomplished only to the extent that it will join forces with the whole of the Canadian working class without any distinction of race, religion or any other distinction one might think of, to destroy, at its foundations, the Canadian state as governed by Pierre Elliott Trudeau and René Lévesque and the lackeys of the rich."

(in Montreal)

fil lived in Quebec for a number of years during the sixties when the present separatist generation started to voice their complaints. But the central government did not listen then. They regarded them as idiots, radicals, not worthy to be dealt with. Now, in 1977, with a separatist party firmly in control of Quebec, the government is saying that it's the average Canadian who must change his attitude.

(in St. John's)

both in and outside Quebec as the economic contribution to the unrest in Quebec. "The average rate of unemployment in Canada means a higher rate of unemployment in Quebec and in the maritimes," observed a professor in Quebec City. An Edmontonian thought that "unity means unemployment and low wages for French-speaking people in Quebec. [If you speak only French]," he said, "you are at the bottom of the totem pole economically." An analysis of statistics was made at the Montreal hearings which showed that progress in "the opportunity [for French Quebecers] to participate in the leadership of big Canadian companies" was slow.

Although progress has been more significant in the French-speaking sectors of the Quebec economy, particularly in the cooperative sector, representatives of that sector told the Commissioners in Montreal that this had not been good enough. "As a consequence," said one of them, "Quebecers have gradually come to associate the objective of being master of their economy with the more global one of achieving a greater political autonomy."

### Political grievances

In English Canada as well as in Quebec, the causes of Quebec's alienation were presented also in political terms. "Ever since 1759, the Québécois has always asked himself the question of equality or independence," observed a group in Vancouver. "We are not a founding people, we are a conquered nation!" "There cannot be a divorce where there has never been a marriage," said two French-speaking Montrealers, among scores who aired their views on Quebec politics.

The political causes of the Quebec-Canada malaise, argued many participants, reside in English-speaking Canada's refusal to accept the uniqueness of Quebec, in its reluctance to concede that "Quebec will never be like English-speaking Canada," and in its non-acceptance of a "true partnership."

Many French Quebecers were set against the federal system itself. Canadian federalism "impedes the development of a coherent set of policies in Quebec." "Citizens don't understand the federal administrative monster and never know which level of government to approach," said some Montrealers. Others condemned the workings of the federal system, generally described as too centralist (see Part V). A Toronto labour group thought that "it is the role of the federal government which is questioned in Quebec and not national unity." A Vancouverite suggested that if the central government "had been more imaginative and sensitive, much of the Parti Québécois' attractiveness would have disappeared."

Other speakers identified as causes of political discontent specific events ranging from the British conquest of 1759-60 to the conduct of the central government in both the 1970 October crisis — "the army and the federal cops sent to subjugate the Québécois "— and in the "present hysterical campaign for national unity," as two Winnipegers, among others, put it.

The advent of the Parti Québécois was also cited by some speakers as a factor of disunity. Many, however, praised the Parti Québécois for its dedication to principle, its offering of "an opportunity for personal involvement in a cause greater than the individual," to quote a French-speaking Montrealer. In comparison, "What principle does Canada have?" asked an English-speaking one. Ottawa was wrong "in regarding the péquistes as idiots and radicals," a Newfoundlander in St. John's believed. Said a speaker in Vancouver: "If Ottawa had taken Quebec seriously in the 1960s, there might never have been a Parti Québécois government."

#### November 15

"Since this damned and fateful November 15th" which saw the election of the P.Q., a "[sense] of trauma has prevented a realistic appreciation of the whole thing," said a citizen in Toronto, as he was sharing with the Commissioners his vision of what lies ahead for Quebec and Canada.

Many French-speaking Quebecers used similarly strong language in explaining to the Task Force why they had voted for the Parti Québécois on November 15, 1976. In Montreal and in Quebec City, Commissioners heard statements such as: "On that day, we gave a powerful boost to our self-esteem, and we are proud of it"; "young Quebecers voted for the Parti Québécois because

64The machinery of federal-provincial relations and an administrative structure involving both duplication and overlap have given rise to heavy and increasing costs, not to mention the frustrations of the common citizen who can no longer understand the simplest thing about this administrative monster and who never knows which level of government to consult about solving his problems.

(in Quebec City)

since] World War II, all the governments elected by the people of Quebec have met with countless difficulties in trying to establish ... within the confines of the confederative agreement, a coherent set of policies enabling the Quebec government to develop the life of our people in all its spheres of activity. "

(Quebec Cooperative Council, in Montreal)

"The grave injustices and the national oppression to which the French-Canadian nation was subjected are part and parcel of the essence of the colonialist legislation that serves as a constitution for Canada."

(in Montreal)

"Separatist feelings in Quebec are heightened at this moment by a universal radical movement, one that is essentially of leftist and marxist leanings. During the 60s, especially in Quebec, it met with astounding success among intellectuals, reporters, artists and students, to some extent because of its psychological component which appealed to these people and which may summarily be described as the theme of the oppressed minority."

(in Vancouver)

"The present astonishment over the 'resurgence' of separatism in Quebec is either hypocritical or the expression of an ignorance that is just as dangerous. Now let's stop hiding our heads in the sand and let us face the problem squarely. In our opinion, that is the first step in attempting to solve a problem of any kind. Let us accept that there is a problem."

(The French-Canadian Society of Calgary, in Calgary)

"The Quebec electorate spoke, and dismay swept the land!"

(in Dartmouth, N.S.)

64In spite of the very real problems we have, in spite of the actions of the present government of Quebec, in spite of the serious questions concerning the benefits of federalism, one fact is quite clear: the large majority of the Quebec people does not want separatism. We should not act as if it did. 99

(in Montreal)

"We invite the French Canadians outside Quebec and the other Canadians not to believe that a majority of Quebecers supports separation."

(Institut politique de Trois-Rivières, in Montreal)

44Mr. Levesque is a separatist and his party wishes to establish an independent country of Quebec despite the contrary opinions of his own people and the people of Canada. Mr. Levesque's election to power was achieved mostly through a playing down of the separatist issue. 99

(in Toronto)

they wanted to do away with the 110 years of discrimination and frustration that their parents have lived through"; "Quebec has awakened, and that awakening has been spectacular."

Does this mean that the French-speaking Quebecers had voted for independence? More than a few Quebecers said no: "The great majority of Québécois remain federalist," argued a French-speaking one, a view echoed by many, particularly English-speaking, Quebecers. One of them referred to "the general situation in the province" as explaining why 41 per cent of Quebecers, "the majority of whom are not separatist," voted for the Parti Québécois.

Many non-Quebecers, notably Ontarians and westerners, agreed with that assessment of the election of the Parti Québécois. Said one Vancouverite: "Voters were ready for a change in Quebec and most of them didn't like Robert Bourassa." In Calgary, the representative of the Communist party interpreted the 1976 election as "a vote against corruption, government mismanagement and anti-labour policies."

A larger number of participants at the Task Force hearings, however, both in and outside Quebec, believed otherwise: the election of the Parti Québécois was a mandate for the Quebec government to negotiate separation, if not a clear-cut vote for independence. A speaker in St. John's referred to the Parti Québécois as "that separatist party which is firmly in control of Quebec." A French-speaking Montrealer asked the Commissioners not to be misled by the terms independence and souveraineté-association: "Quebecers who voted for the P.Q. did not ignore the constitutional position of Mr. René Lévesque," he warned.

A francophone living in Calgary expressed his annoyance with the debate on the meaning of the Parti Québécois victory. In his view, "One has to be blind not to have noticed that all the governments in Quebec, since Lesage, have made demands which have been more and more souverainistes, indépendantistes, séparatistes... or whichever euphemism you prefer."

French-speaking participants outside Quebec followed closely the events of November 1976. In Moncton, some Acadians, even among those who disagreed with the secession of Quebec, spoke of "a barely concealed joy," of "the impetus [provided] to our fight to become masters of our own fate," of an event that "has awakened English-speaking Canadians" and made them aware that "national unity is their problem, not Quebec's." For a francophone in Toronto, the election of the Parti Québécois "was a catalyst which stirred up all the problems with Confederation." Many other francophones outside Quebec told the Task Force that the event had become a symbolic keystone in their own struggle. "We're tired of begging; we want some radical changes," said one of them.

Many participants were not inclined to discuss whether or not November 15 was a separatist victory; other aspects of the party platform and rise to power seemed to them more important. For some, the "popular" or "grassroots" origins of the party was its most interesting feature. This was bound to lead to enlightened social policies, they thought. For this reason, said a Newfoundland labour group: "Many of us were not displeased" by the outcome of the election. A Torontonian asked the Commissioners why no one talks about the "social democratic aspect" of the party's platform and the progressive policies adopted in Quebec since the election. "They could show other provinces how to treat their citizens," he argued.

Few leftist groups joined in such praise. Quebec workers, they repeatedly told the Task Force, should not be fooled by the fraudulent stance on independence of the Parti Québécois, by its "petit bourgeois leadership." The days have not yet come when "the system which exploits the workers will be smashed."

For many French and English-speaking Canadians, the election of the Parti Québécois was a welcome event inasmuch as it compelled Canadians generally to think about the entire political system under which they live. "It was," said a Montrealer, "a healthy prise de conscience of problems that have existed for so long." Said another, "the politicians and the citizens were too complacent" about the Canadian political system. Too many of them had assumed that Canada was strong and united. They have at last started, some participants thought, to ask the right questions about the constitution, the division of power and the fundamental aspirations of all Canadians, Quebecers included.

**44It's** obvious they were elected on a mandate for good and responsible government. Yet the PQ wants to use its public office to promote separatism, through a referendum. **99** 

(from Armstrong, B.C.)

44At the last Quebec elections, the French Canadians voted in support of a political party which is truly theirs, a party that acknowledges their struggle and is ready to work for change. In a vigorous way, it has brought to the fore those problems that exist in the Canadian Confederation. 37

(in Toronto)

44If November 15, 1976 announced the hour of freedom for many Quebecers, for us it announced the moment of truth....

(l'Association Canadienne Française de l'Ontario, in Toronto)

46But Quebec is awake now. It was a spectacular awakening, a beautiful awakening. We have stood up and we shall not sit down again for quite a while. Our new government has extraordinarily competent people. 39

(in Montreal)

Isn't that the secret of Levesque's success? He has raised in Quebec a standard to which the young people can respond, can respond with enthusiasm and can respond with the blood coursing through their veins.

(in Vancouver)

64We see so much to commend in the legislative record of the Parti Québécois and so little to applaud from the national government that we are left somewhat confused as to how to respond to the opportunity that the Commission has provided us. It is our belief that the national government has consistently followed the path of disunity in its economic policies. 99

(Newfoundland and Labrador Federation of Labour, in St. John's)

"Traumatic as they were in many respects, the Quebec provincial elections of November 15, 1976 have further opened the door of opportunity for progress in building a better Canada. Canadians across the land were shaken out of their complacent and even negative parochialism and have developed a keener awareness of what a privilege it is to be citizens of this country. Politicians have been rising above their narrower interests and have been rallying to the greater cause of saving Canada."

(in Montreal)

66 Separation is a most remote possibility provided that we are willing to make some concessions and some initiatives are taken so that French-speaking people can live a decent life without having to learn English to get along. 99

(in Edmonton)

44Ever since Confederation, the other provinces have been making concessions to Quebec, both moneywise and otherwise, and it is time I feel the French are the ones that should be making concessions to the English-speaking majority, by becoming true Canadians and learning the language of the country in which they settled and live, namely English. 39

(from Rumsey, Alberta)

## **Proposals**

A Vancouverite proposed to his compatriots: "Let's sit down at the bargaining table and make the Canadian French an offer they cannot refuse." Across the country, participants at the Task Force hearings proposed elements and sometimes the full contents of such an offer, referred to by some as the "third option."

Some focused on linguistic rights, while others dealt with attitudes, travel and other means by which Canadians could get to know each other better across the language barriers. The constitution was the preoccupation of many, while others thought in economic terms. For some, the "offer" had already been made and it was for Quebec to "take it or leave it." For others, it was for "the French" to come up with an "offer." Finally, for many speakers, the bargaining could not start until Quebecers had had the opportunity of determining whether or not they wanted to stay in Canada.

### Psychology and attitudes

A great number of persons appearing before the Task Force contended that the solution to the "Quebec problem" or the "Canadian problem" did not lie primarily in institutional, political and economic reforms, but rather in the process of "listening to, understanding and hopefully solving... such emotional issues as language and culture." Reflecting these views, a Montrealer urged anglophones and francophones to make "a sincere effort to understand the others' viewpoint." "A country," added another Montrealer, "is a love story, made of mutual understanding and challenges met together." So "let's put an end to vocal inflation, to strategies and counter-strategies, to tactics of all sorts."

A significant number of English-speaking participants agreed. For example, a Torontonian argued that if the country is to remain united, English Canadians "must take a personal responsibility to... learn the Quebec situation, to understand the French Canadians." Stephen Lewis, former leader of the Ontario New Democratic Party, reflected this fairly popular view when he declared that the time has come "to describe sympathetically and sensitively the enormous struggle for French Canadian rights." A Torontonian added that it is necessary to help "uproot some age-old concepts of French Canadians as a conquered people"; a Calgarian suggested that English Canadians would have to make "some adjustments in their way of thinking and general attitudes"; others, for example, a resident of Charlottetown, thought that English Canadians would have to "assure" the French Canadians that they are "supportive of their struggle to survive in North America."

Some francophone Quebecers also contended that English-speaking Canadians will not only have to accept the French fact, but also have to develop, in the words of a Montrealer, "a will to favour its expansion in this anglophone mass." Only then could a partnership exist that "will respect our solitudes and our destinies, . . . where values like solidarity and mutual support will have their place."

#### Language and culture

Had he followed the Task Force across the country, that French-speaking Montrealer might have been pleased to hear statements such as: "Let's treat the Québécois language and culture with dignity"; "let's show respect for the cultural contributions Quebecers make to Canadian life"; "let's promote a 'we care about your culture' campaign." Other statements would have reminded him, however, that "official" bilingualism is far from being universally accepted, that many English-speaking Canadians are annoyed by their compatriots' insistence on remaining French and still believe that the best decision for them would be to become English-speaking. Some of these opinions and proposals have already been recorded in Part I. Here the Task Force reports those proposals on language and culture that were offered specifically as an answer to "the Quebec problem."

The central government's entire analysis of Quebec's needs is wrong, according to an Ontario labour group. "Quebecers could not care less," it said, "whether people in Vancouver had French on their cereal boxes... The important thing for them is whether they [can] keep their language

44We in the west must do more to gain an understanding of the needs of Canadians who live in Quebec, if we expect the people of that province to appreciate our needs. 39

(Ted Malone, leader of the Liberal party of Saskatchewan, in Regina)

44Whether there is a referendum or not, anglophones will vote for or against Canada according to their hearts. Anglophones, in sufficiently large numbers, must give up their prejudices.\*\*

(in Toronto)

44The rest of the country must accept us as we are; we are no longer expected to mold ourselves in their image. 97

(in Montreal)

selt is time, I think, for the political leadership in Ontario to start talking systematically to the people of this province about the realities of Quebec... Time to speak of the psychological truths which flow from linguistic and cultural isolation. Time to explain the evolution of nationalism in Quebec in a way which provides a context rather than a menace. Time to illumine the grave economic problems of many areas of Quebec, and the value of finding solutions.

(Stephen Lewis, former leader of Ontario New Democratic Party, in Toronto)

66 believe that the French people in Quebec should have the right to choose their own language and culture. There is no reason in the world why they shouldn't have it: there are four million of them in Quebec and there are only 800,000 English-speaking people. 97

(in Edmonton)

6...separatism has grown since the adoption of the federal bilingual policy and the passing of the Official Languages Act. In fact one could say that Quebec separatism has grown in spite of it. 97

(from Canfield, Ontario)

66When you are in Quebec you talk French; when you are outside Quebec you talk English. I don't know what the big problem is about keeping the country together. It seems to me the only thing that people in Quebec want to do is to talk French, and, likewise, the people in the rest of Canada to talk English, and I think the country is pretty good that way. If you're in Quebec, talk French. If you're in the rest of Canada, talk in English. 39

(in Whitehorse)

"This country must revert to its former status as laid down in the BNA Act, an English-speaking country with French allowed in the province of Quebec only."

(in Toronto)

"There are other countries, such as Switzerland, which are cultural mosaics. There are many others also. Probably, a study of the solutions they have devised, or a study of the results they have achieved, may prove useful in outlining a policy for Canada."

(Italo-Canadian Cultural Association, in Halifax)

and culture." English speakers outside Quebec often drew the conclusion that the best response to Quebec's cultural aspirations would be to allow the province to become "unilingually French" while the rest of Canada would be "English only."

Support by English speakers, for a unilingual French Quebec was at times stated in strong language: separatism is caused by "a bunch of spoiled anglos in residence" in Quebec; "800 thousand of them, who have been telling the French — 4 million of them — to 'speak white,' "forcing them to become bilingual, because "the bosses could not speak French." It would have been so much "more fair," so "less destructive of Canadian unity," to recognize "the obvious" and let "them speak French and [let] the rest of Canada speak English." Scrap bilingualism, some speakers demanded, "this height of myopic folly," so unrealistic in "a big country such as Canada," and replace that policy by "separate areas of unilingualism," as is done in Switzerland, "where it is working so well."

Many other speakers, both in and out of Quebec, disagreed with that policy of a French-only Quebec and an English-only rest of Canada. They could see neither how "wiping out" English from Quebec would be a wise response to Quebec's cultural grievances, nor, as a citizen in Winnipeg said, "how two wrongs could make a right." Their recommendation — basically that English-speaking Quebecers adjust to the Quebec "realities" — were formulated in statements such as these: "No French-speaking Quebecers should be forced to become bilingual"; "English should cease to occupy the privileged position it has in all aspects of Quebec life"; English Canadians moving to Quebec should accept the idea that "their children be taught in French" and "that, of course, the first language in Quebec should be French."

For many French-speaking Quebecers, however, this was not enough. They told the Commissioners that they wanted to feel at home not only in Quebec but everywhere in Canada. Their adherence to the objective of "coast to coast" bilingualism was expressed in the following way: every French Canadian should be entitled to speak French to his compatriots anywhere in Canada; the two official languages should be respected over the whole territory; all citizens should have the constitutionally guaranteed right (not privilege) of addressing the central government — "which is also ours" — in their own official language.

Many anglophones approved that objective, and some were even willing to go further than the use of official languages. An Ottawa resident wrote to the Task Force that measures should be taken to guarantee that "every Quebecer [be made] to feel that he is a fully equal citizen of Canada, with equal opportunity to compete with his English-speaking compatriots anywhere in Canada." Another correspondent from Toronto spoke of "a trade-off," giving equal recognition to both the Anglo-Canadian and French cultural heritages. Some participants referred to the need for more translations of works of Quebec authors and of greater cultural exchanges between Quebec and the other provinces. Others had in mind a transfer of legislative authority from Ottawa to Quebec in fields related to language and culture. The then leader of the British Columbia Liberal party favoured giving Quebec representatives in a reformed Senate, "an absolute blocking power over measures potentially destructive of francophone cultural or linguistic security."

### Economy and business

Although most speakers were willing to accept the idea that the lack of "economic opportunities" has been one of the principal factors behind Quebec's disaffection, not all of them were convinced that the rest of the country was responsible for it or should go out of its way to alleviate the resulting grievances. The unwillingness of some was motivated by arguments such as these: considering the deep-rooted nationalism of French Quebecers, the cost of "buying Quebec into staying in Confederation would be just too high" — "Canada could not afford it," wrote a resident of Regina. In Calgary, a participant told the Commissioners that a lot has already been done to help Quebec, but to no avail: "Look at the billions of dollars channelled into Quebec over the last ten years — they did not prevent the PQ victory."

Other speakers, in the Atlantic region particularly, while sympathetic to Quebec's economic problems, did not see why special economic measures should be taken by the central government since Quebec's situation is "comfortable" compared to what they themselves have to cope with.

44Don't shove the English language down the throats of the people of Quebec, but make it available for them if they wish to learn it. \*\*

(from Winnipeg)

approve of the Québécois intention to preserve their culture by taking steps to affect the language spoken in Quebec. In my view all children in Quebec should be educated so as to be fluent in French.

(from Scarborough, Ontario)

64A question I have about Sun Life is the fact that they must recruit from other provinces, and those recruits don't want their children to learn another language. If the latter is true, then I see no hope for Canada at all. Is the rest of Canada populated with Archie Bunkers that their children are not allowed to learn another language?

(in Montreal)

want all French Canadians, if they so wish, to have the right to speak French in any part of the country. "

(in Quebec City)

canadians see and accept that an effort has to be made, not necessarily to speak French or even to understand the French Canadians, but to accept, within their hearts that the French language has a significant place and role as a Canadian language.

(in Toronto)

66Why should the rest of Canada continue to support or help support a Quebec which insists on going it alone, but just doesn't seem able to support itself in Confederation without massive injections of Canadian dollars from the other provinces?\*\*

(from Ottawa)

GeFor years it was commonplace in Quebec that when a worker went to work he got his orders in English. And, too often, when a Québécois equips himself for promotion, . . . he finds not only that he must work in English but that all the top positions are held by — apparently reserved for — the 'English'; oftentimes, even when he has English he does not get the job — bilingualism does not save him. . . . To the Québécois, all of this means that their being French is not being taken seriously. The Québécois intend to be taken seriously. It is time we 'English' started taking them that way. 37

(Ontario Federation of Labour, in Toronto)

"There are progressive anglophone workers who do not take part in the anti-Quebec campaign undertaken here in Quebec by anglophone bosses and media; they appreciate majority rights and understand that French should become the sole language of work in Quebec."

(in Montreal)

We urge business to support actively the duality concept in the work place in Quebec, and join a national commitment that Canadians will have access to the official language of their choice.

(The Board of Trade of Metropolitan Toronto, in Toronto)

Quebecers will get what they want anyway, said some Newfoundlanders, as "they have this country in a frenzy, [while we] have no 'clout' when it comes to threatening independence." Some participants argued that the Quebecers created their own problems by tolerating, for so many years, government mismanagement and corruption, by relying so much on their priests and by isolating themselves from the mainstream of economics with their insistence on being French in a world in which business is conducted in English.

Many other speakers countered these arguments saying, as an Edmontonian did, that "separatism is a most remote possibility provided that some economic initiatives are taken." The initiatives most often proposed dealt with the language of work in Quebec and carried a clear message: Quebecers should be entitled to work in Quebec without having to learn English. The Board of Trade of Metropolitan Toronto said it this way: "French must take its place as the primary language of work in Quebec [so] that francophones can more fully discharge the responsibilities of top management in the economic system [and be in a better position] to overcome inequities in the work place." A Quebec City participant was sure that unilingual anglophones would not quarrel with him "on the principle that francophones should not be forced to be bilingual to make a living." His views met the approval of, among others, the leaders of the Ontario Federation of Labour, who said that to deny that right to the Québécois "means that their being French is not being taken seriously" and of an Edmontonian, who said, "We in Alberta would be extremely outraged if we found that people coming from somewhere else would not speak the majority language, and yet we had to speak their language or we could not get ahead."

Also of fundamental importance is the state of the Quebec economy. Poverty and unemployment have nothing to do with "whether one is French or English," said a Vancouverite, a view echoed in Edmonton, Toronto and Montreal. The Commissioners heard repeatedly that the Quebec economy is "very sick," "deteriorating" and "depressed." The solution, according to these speakers, lies in a "new" approach to tackle regional disparities which would encompass various sectoral measures, listed in Chapter 14, under "Regional economies."

Many French-speaking Quebecers, however, were not prepared to rely on the central government's regional development policies to solve their economic problems. Some had lost faith in the federal system ("No federal formula will help Quebec solve its economic problems"), while others argued that the economic policies pursued by Ottawa had often in the past been detrimental to Quebec. ("The net benefit to Quebec is always negative or nil.") These participants recommended a transfer of constitutional and fiscal authority — and the money now allocated to Quebec in federal regional programs, to the Quebec government — so that it could pursue economic policies more adapted to the particular needs of the province.

Some suggestions presented at the Task Force hearings went beyond strictly economic problems. Cooperative action by governments was recommended — "Let's study what governments in Quebec, Ontario, Ottawa and even Alberta could do to help." In Toronto, the Committee for a New Constitution told the Commissioners that a new form of economic cooperation between labour, government and business is required in order to halt the erosions of Canada's and Quebec's international competitive position. An anglophone Montrealer argued that the elimination of inflation, unemployment and poverty in Quebec would entail a radical restructuring of the social order in favour of "the cooperative possession of the means of production." His view was repeated by various leftist groups as well as by private citizens. Typical was the Montrealer who told the Commissioners that her objective was "the real independence of Quebec, that is, socialism, a system in which workers take over the economy and the government of their country." A Vancouverite approved: "If the people of Quebec feel that by removing themselves from the greater Canadian [profit-oriented] economy they stand a better chance of building that kind of society, my heart and good luck goes out to them and start to the profit of them and start to the profit of the profit of the profit of the profit of themselves."

Finally, many participants did not see how the economic condition in Quebec or in Canada could improve much as long as the political future of the country remained uncertain. A representative business group in Toronto argued that the "Quebec independence threat to Canadian unity is creating a negative economic perspective in this country in general and in Quebec in particular," and invited the political authorities to postpone the referendum no further so that Quebecers could finally choose among the various political options offered to them.

celt is your duty to provide Canadians with a common goal which will bring together their individual aspirations. And what common goal could this be if it does not guarantee to all the right to work, the right to a decent standard of living, the right to financial security?

(NDP Quebec, in Montreal)

"The economy of a country does not rest on youth programs. The Canadian government has always claimed that economic matters are its business. But the provinces are blamed for anything that goes wrong. All is fine when things go right. What have they done for the shoe and textile industries in Quebec?"

(from Charlesbourg, Quebec)

44To regain mastery of its economy and plan its own development, Quebec must have control of its fiscal and financial policies, communications, economic development, social affairs and foreign investments. It must be in a position to negotiate, on an equal footing, the advantages which its neighbours might seek. Federalism does not allow this. It is contrary to its very essence.

(Le conseil des hommes d'affaires québécois, in Montreal)

44What the bulk of the Quebec population seems to want is a reasonable accommodation for their culture and language to the point where it will not be considered a drawback in terms of human and economic development to be a Québécois.

(from Glenwood, Ont.)

«Certainly, stagnation and unemployment were here long before the PQ were elected, and certainly the Canadian dollar was overdue for devaluation before November of 1976, yet when the devaluation came, it was blamed on the new Quebec government. Self-serving attempts to deny responsibility for these problems by blaming Lévesque are unconvincing and can only aggravate relations between Quebec and the rest of Canada. 99

(Saskatchewan Federation of Labour, in Regina)

64One of the devices that certain among them are tempted to use to prevent independence is one of the most pernicious: exodus. It hurts not only Quebec but also that which would remain of Canada, after a possible separation; an exodus is one of the most insidious double-edged swords that exists, and consequently, one of the most dangerous.

(in Montreal)

66... years of uncertainty about Quebec will be exceedingly damaging to the Canadian economy. Mr. Lévesque is apparently willing to let Canada dangle indefinitely slowly in the winds. We feel that the timetable should be set for a definitive decision. 99

(in Vancouver)

64 belong to an ethnic group and the guarantee of my freedom is my Canadian citizenship. I am, and I remain a Canadian, a Canadian who speaks French and who is proud of it. For I have chosen Canada and Canada has chosen me. For I have sworn allegiance to my country...?

(in Montreal)

### Constitutional options

Quebecers who debated constitutional options at the Task Force hearings would likely not have objected to one of their own arguing that "it is growing steadily more apparent that bread-and-butter and the constitution are inseparably linked." The subject of constitutional reform was, in fact, raised many times at every hearing. Proposals covered a very broad range of options, from accommodation within the federal system as it now functions to complete independence for the province.

In Chicoutimi, one of the two Quebec Commissioners was asked: "What are they after, those Quebecers still willing to stay in Canada?" Quite a few participants, there and elsewhere, volunteered answers. Some did it with emotion, arguing that they were "proud of their country, Canada," of which their community had been the original "co-founders," to whom they individually had "pledged allegiance," and whose "wealth and beauties" they were not prepared "to abandon to their English-speaking compatriots." Others based their commitment to a federal Canada on economic and political considerations, stating, for example, that the "federal system provides the best framework within which to organize the economic, political, cultural and linguistic dialogue between Quebec and the other provinces," that there was a "built in" flexibility in the system allowing for the necessary adjustments, or that independence was not a "workable" option, considering the North American realities.

The Commissioners heard, however, no Quebecers arguing for the maintenance of the status quo, that is the present system, without change in the relationship between Quebec and the central government. Much more frequently and explicitly voiced were suggestions that the status quo "should be put definitely aside," that it was "clearly not an alternative to sovereignty-association" or that "major and blatantly needed" changes in the constitution were called for if Quebec were to be convinced to remain in Confederation.

Many Quebec speakers elaborated on the "needed constitutional changes." Their ideas were often similar to those put forward in the rest of the country (see Part V) by other Canadians who wanted some clarification of the respective responsibilities of each order of government, the elimination of legislative and administrative overlap, no "further federal intrusion into provincial fields" via Ottawa's spending power, or who wanted the provinces to have a greater say in the management of their own affairs and consequently a greater access to taxation revenues.

Many argued, however, that Quebec is not a province like the others but "the homeland of the French-Canadian nation." Quebecers, therefore, require for their provincial government, "the only political instrument that francophones control," constitutional responsibilities now residing in the central government. Some speakers were content to indicate only the general direction of change, stating that the end result should be to allow Quebecers "to become masters of their political, cultural and economic destiny," without having any longer "to beg for federal handouts." Some were more specific and presented a list of "new powers and responsibilities" that should be either transferred to Quebec or over which the provincial government should have legislative primacy. Most had in mind jurisdiction over culture and communications, fields which, according to an anglophone Montrealer, are more crucial for Quebec than for the other provinces because its "culture and language are at stake." Other speakers extended their "minimum demands" to social and manpower policies, to immigration and regional economic development, as well as to urban affairs. Still others added to that list "some aspects" of international trade and external affairs, "at least," as one Montrealer commented, "when the other party is a French-speaking country."

Would transferring these powers to Quebec amount to a "special," "particular," "distinct" or "privileged" status within the Canadian federation? Not really, argued a Quebec City participant, who told the Commissioners that the need to decentralize legislative authority is more urgently felt in Quebec than elsewhere and that there is nothing "wrong" about "differentiated decentralization." Many other proponents of giving more powers to the Quebec government had no hesitation about offering these new powers to "all provincial governments" who, after all, "are closer to the people." In such an approach, there would be no "special status" as all provinces could choose whether or not to exercise these new responsibilities.

64As a Québécois, the dream of my own sovereign country is tempting; but I am federalist because of our situation in North America. 99

(in Quebec City)

"The provincial government has been seeking special status for Quebec within the Canadian Confederation for over a hundred years now. Mercier, back in 1885, was already talking about being master in his own province. Consequently, we believe that our country indeed has to move towards a substantial modification of its constitutional structures."

(in Montreal)

44I strongly believe that [while] the status quo must definitely be cast aside, independence is not a realistic solution. We must reject it. 39

(in Montreal)

"Although it does not seem to me necessary to seek a special constitutional status for Quebec, we will have to accept the need to meet Quebec's greater desire for decentralization. In other words, we will have to grow accustomed to the idea that decentralization can vary from one province to the next."

(in Quebec City)

am sure that there are solutions. Am I to give the best one? Like you, I am searching, I am searching. I am giving some attention to one of these; I am very much interested by the possibility of special status. And yet I must say to the members of this. Task Force that unless our rulers have more respect for the new constitution than they have for the present one, it will all be to no avail.

(in Quebec City)

41 honestly believe that the main recourse is to accept our diversity within unity. Either the rest of the country recognizes that Quebec will always be different and finds ways to allow for this difference, or Quebec will no longer have any choice but to go its own way. 99

(in Montreal)

44Perhaps we ought to have been promoting, long before this, a special status for Quebec. 99

(in Charlottetown)

44We have a special feeling for the French, for they are the roots of our lovely country, and we are ready to make special concessions for them. We are willing to grant them special status.

99

(The Ukranian Canadian Committee, in Toronto)

It is important to recognize the particular position of the French Canadians. The French Canadians have, over the last 200 years, exhibited their determination to retain their language and culture. To the extent it is felt that retention of the French language and culture requires transfer of legislative authority from Ottawa to Quebec, this should be done.

(from Toronto)

44Special status for each and every province is something that has existed defacto for a long time. 99

(in Calgary)

Outside Quebec, some participants were not particularly keen to accept this offer. To them, it presented just too many pitfalls: if accepted by the provinces, the consequences of "selective opting out" could be massive decentralization and a dangerously weakened central government. "Special status for all" might be simply a stepping stone to separation, as Quebec would likely demand one power after another and might want to go much further than the other provinces on this route.

A great number of non-Quebecers made it abundantly clear to the Commissioners that "special status for Quebec" was not an acceptable option either, that it would mean nothing but trouble. If this was what Quebec was asking for in order to remain in Confederation, they would prefer to see her go. Typical were these statements made in all parts of Canada: "Equal rights for all, and special status for none"; "no more appeasement or special constitutional concessions"; "social standards should be determined at a national level"; "all provinces are equal and Quebec is not to be regarded as one entity equal to all the English provinces put together."

The opposite view also had its supporters and they were almost as numerous. A citizen in Vancouver said that "special status" would be "administratively feasible." Another one in Winnipeg argued that there would be "nothing offensive" in granting Quebec a "more distinctive position under the constitution." The Ukrainian Canadian Committee of Toronto "was willing to grant it." The former leader of the Ontario New Democratic party, Stephen Lewis, "was not intimidated by the supposed bogey of special status." His argument - all provinces are different and special arrangements to accommodate these differences will always exist - was repeated in all centres visited by the Task Force. Some participants argued that particular status would not amount to a dramatic departure from current practice as Quebec had already withdrawn from a number of shared-cost programs. Others tried to explain that particular status would not mean "a privileged status" or that Quebecers would be getting a "better deal" at the expense of residents of other provinces: Quebecers would simply be paying a larger share of their taxes to their provincial government, allowing it to assume the cost of programs now financed by the central government, programs which would eventually be phased out. In Vancouver, two political scientists saw great merits in the option proposing special status for Quebec: "It would provide a clear platform for the anti-separatist forces in Quebec and, more importantly, would constitute a response to Quebec nationalism without imposing a uniform decentralization on the Englishspeaking provinces."

Other speakers did not commit themselves, wanting to know first "what are these additional powers" that Quebec requires "in order to fulfill her aspirations?" Previous paragraphs give an indication of what some Quebec federalists have in mind. Non-federalists wanted, as one of them said: "all powers going with political autonomy...in order to grow according to our own feelings and needs... in a society in which francophone Quebecers will assume their economic destiny." To them this could only be done with political independence.

A number of Quebecers explained to the Commissioners how they foresaw the transition from a federal system — "that regime which cannot last any longer" — to an independent Quebec. A Montreal business group echoed the views of many: "The only acceptable way is the renegotiation between two equally sovereign collectivities, of a new type of association, a confederal one." For a Montrealer, these negotiations would offer to both Quebec and Canada the "opportunity to choose a fraternal partner, one with whom each is already familiar." "The time has arrived"; "we are at the crossroads"; "peoples, like individuals must, having reached maturity, be able to confront an uncertain future"; "discuss in all serenity" and "friendship"; decide "by referendum," in agreement with international law," added others. "Please convey to your people our best greetings," concluded a Montrealer.

#### Self-determination

"Since November 15, 1976," the Commissioners were told at the Winnipeg evening session, "the question of self-determination for Quebec has become a central Canadian political issue." There was ample evidence, as the Task Force moved around the country, that this was indeed the case. Experts in constitutional law, political leaders, labour representatives and ordinary citizens debated whether Quebecers have, or should be given, "the right to determine their own future."

64We believe in one Canada, including Quebec. Quebec should develop herself as part of the Canadian nation and be treated no differently than any other province. Special status is not acceptable and will mean nothing but trouble. Accommodate, maybe, but it must be a two-way process. The government of Quebec has yet to indicate even the slightest willingness to accommodate.?

(in Regina)

64Full decentralization probably is not an attainable option. Quebec would insist upon controlling its health and welfare programs, as it does now, and would continue to strive for control over international relations and to acquire the symbols of sovereignty. Nothing less than sovereignty-association can satisfy the aspirations of the Québécois nationalist. 97

(from Vancouver)

would be seech the Commission to present to the Canadian people the cultural and economic powers that the provinces now have and to tell us if the cultural aspirations of Quebec can be fulfilled with the powers it now has. MacGuigan, Lapierre and Forsey say, 'yes, they can' and that no further special status is needed. This came as a surprise to me. Now, if they are correct, then let's clearly tell the Canadian people that that is so and that no further powers are needed. If further powers are needed, then let's state what additional powers Quebec needs.

(in Toronto)

66The national government must, if it is to maintain the support of all Canadians, be willing to deal equitably with all regions, yet recognize that all provinces cannot be treated in the same way. 99

(in Calgary)

66...Quebecers would stay in Canada, but not at any price. We will continue to be Canadians so long as Canada accepts us, as long as we can be fully recognized as Canadians by the rest of the country. 99

(in Montreal)

66We want our political autonomy, as well as those powers that come with it, so that we may build a society that fits our feelings and our needs. We wish to be proud of our 'Frenchness' and thereby cease to come begging to English Canada. We want to consider ourselves as having come of age and as being able to govern ourselves. We want to really feel like masters in our own house and not like a besieged nation. 97

(in Montreal)

66The only reasonable solution is for two equally sovereign collectivities to negotiate a new confederation-type association. If this failed, total independence would be preferable to any type of federalism. 97

(Le conseil des hommes d'affaires québécois, in Montreal)

66...three hundred years of existence have not been able to engulf us in a unitary Canadian world...we have to look at reality as it truly is. We are a conquered people. We would like to free ourselves, not by force of arms but by an act of faith in ourselves.

(from Ville des Laurentides, Quebec)

Most French-speaking Quebecers were of the opinion that they should be allowed to do so. Typical was the comment from a group of French-speaking businessmen who argued that "to be dead opposed to secession or to the péquiste platform, does not authorize anyone to deny Quebecers the right to self-determination." A Montreal lawyer warned that English Canada could choose to oppose Quebec's right to secede democratically from Canada only at the risk of "grave consequences."

Many English-speaking participants agreed. The most eloquent were labour representatives. In Toronto, Commissioners were told: "English-speaking members of our union recognize that they do not own Quebec, and it is not for people outside Quebec to decide her future as a province or a country." In Saskatchewan, a spokesman for the Federation of Labour told the Task Force that even though his group would not like to see Quebec separate, it was strongly committed "to the right of the people of Quebec to determine their own future."

The support for Quebec's right to self-determination was variously motivated. For some, it was a question of Canada abiding by the Charter of the United Nations. "We supported that right in regard to the third world," said a citizen in Winnipeg, who wondered how self-determination could now be denied to the people of Quebec. A Torontonian argued that recognizing Quebec's right to secession would guarantee "that they will choose voluntarily to remain in our two-nation state." A Vancouverite told the Commissioners that the very suggestion that Quebec does not have the right to self-determination "is enough to drive anybody to think at least twice about remaining in Canada, if not actively to attempt to split away." A French-speaking Montrealer wanted the recognition of that right "once and for all," warning that so long as it is denied, "the oppression of French Canadians will continue."

Many expressions of support for Quebec's right to self-determination were accompanied, however, by qualifying statements that would constrain it "only if it is exercised democratically"; "if they so wish"; "if the constitution is amended to permit it"; "if they are willing to accept the responsibility for their decision." Conversely, some participants added weight to their expressions of support by such statements as: "It is our responsibility as Canadians to defend that right"; "let us not be part of any device or any argument that would frustrate that right"; let us recognize it "without any interference or any whipping up of chauvinist hysteria."

Participants did not always distinguish between the exercise of the right to self-determination and its eventual outcome. Many took it for granted that the final result would be an independent Quebec; for them, the right to self-determination was the right to "secede or to break up the country." The majority of those favourable to self-determination did not, however, see it that way. Speakers used such phrases as "up to independence"; "the right to self-determination including separation." But all options were open. A participant in Vancouver summed this up graphically: "To support the right to self-determination is not to support secession any more than supporting the right to divorce means that one seeks to wreck families." But in Quebec, many of those at the Task Force hearings claiming the right to self-determination, did not hide their hope that eventually, their province would become an independent country. Said one Montrealer, after pleading for self-determination: "We shall have it, our country."

Many English-speaking participants were opposed to Quebecers exercising that right without consultation with the rest of Canada. "It is an irresponsible stance to take," said an Edmontonian, referring to statements about Quebecers alone having the right to choose their own political future. Premier Davis of Ontario presented a similar view. He told the Commissioners that it is "utterly unrealistic to argue that for Quebecers the only issue is the determination of their own future, when no such fundamental decision can be taken without profoundly affecting us all." Some suggested that the decision should be submitted to a national referendum.

Another type of warning, expressed in statements heard even in Quebec, conjectured about the possible negative consequences of the exercise of such a right. To illustrate: "If French-speaking Quebec... has the right to self-determination, so do the Inuit and the English-speaking peoples of Montreal, of west Quebec and of the eastern townships"; self-determination is "an out-moded right in a world of global interdependence and limited sovereignty"; "it is fine on paper but if the outcome is separation, what future would Quebec have?"

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## **Background**

This chapter concentrates on the option proposed by the Parti Québécois. As the option is defined in terms of "sovereignty" and "association" and as a "real confederation," it is essential to know the meaning of these three terms.

### Sovereignty

The essential elements of a state are: a population, a territory, a sense of community, a government and sovereignty. Sovereignty is the authority to make decisions, in the final recourse, on the direction to give to collective actions, and the power to enforce these decisions. A government — or two orders of government in a federation — exercises this authority, in the name of the state.

The sovereignty of a state (also called independence) is defined, in legal terms, as absolute. In practice, however, it is limited, if only by the rights of its own citizens and of other states. Sovereignty manifests itself in the fiscal, monetary, commercial, social and cultural policies of a government, the laws it enacts, the treaties it enters into, the diplomats it sends and receives, etc.

In a state with a unitary form of government, sovereignty is located in a single government.

#### Federation and confederation

In a federal form of government, such as Canada has, sovereignty is divided, under a constitution, between a central and provincial (or state) governments. Each of these two orders of government is allocated responsibilities in certain areas of public activities. The division is made in such a way that within a single political system, neither order of government is legally or politically subordinate to the other. Each is elected by, enacts laws for and levies taxes directly upon, the same electorate.

In a confederation, which is an association of sovereign states, the central political institutions derive their authority, generally from a treaty assented to by the member states, and are therefore subordinate to them. The officials of these institutions are delegates appointed and instructed by the member-state governments.

#### Economic association

Many forms of economic association are possible among sovereign states.

A free trade area involves the removal of tariff barriers on goods exchanged between or among member states.

In a customs union, member states also standardize customs tariffs applied to imports from other countries.

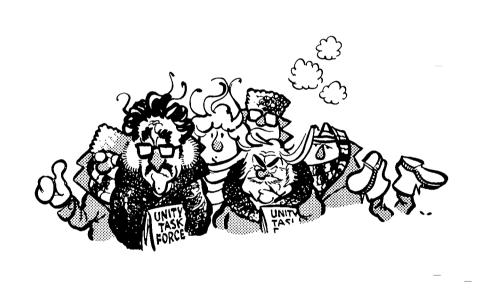
A common market adds to a customs union the removal of restrictions upon the movement of labour and capital among members.

A monetary union entails the adoption of a single currency and rate of exchange.

An economic union involves, in addition to a common market, varying degrees of harmonization of the economic policies of the member states. Examples of areas of harmonization are taxation, agriculture, transportation, social security and regional development.

In each of these forms of economic association, common agencies may be created to administer the common policies.

These definitions help us to understand Mr. Lévesque's following description of sovereignty-association: "Quebec will be sovereign when its National Assembly will be the only parliament entitled to legislate on its territory... and Quebecers will have no other taxes to pay than those



March Droj

"I vote we let them keep their blasted province . . . "

they will decide to impose upon themselves. . . . [There will be only] one centre of decision. . . . However, we want to keep intact the common economic 'space,' [with Canada] advantageous to us and to others, with freedom of circulation for goods, capital and persons. . . . No customs, no passports. . . . We also share the view that we must ensure in common the present monetary system . . . through a joint central bank . . . and take our place in the North American and North Atlantic alliances. . . . Sovereignty and association are two complementary objectives not at all contradictory. [Later on] we will describe . . . the nature of the organizations which would see to the good functioning of the whole system" (October 10, 1978).

## Questions

What do Canadians think about the possible "secession" of Quebec from the Canadian federation? Do they feel it is inevitable? Could it be effected amicably? What would be the social and cultural, economic, political and psychological consequences of sovereignty-association, on Quebec itself and on the rest of Canada?

What are the chances of working out an economic association between a politically "sovereign" Quebec and Canada? What type of association would be feasible?

"Today, Quebecers are once again at the crossroads. The ideal of a country, of a territory of their own is coming closer to being feasible."

(Société nationale populaire du Québec, in Montreal)

"The goal of the PQ government, my party in Quebec City, is not to seek a third option for the benefit of Ottawa or to help remake the Canadian constitution; it is to bring about the national sovereignty of our one and only country, Quebec, before God and before man, in economic association with whomever we please. But why not with English Canada?"

(in Montreal)

our vocabulary, for the péquiste is not a separatist. The péquiste simply states: We are a family with two beds; we want our own bed without stopping others from having theirs. And take it that we will have ours. Also that others will have their own. I can't assure you, Mr. Commissioners, that there will be no shuffling about between these two beds.

(in Quebec City)

return to your own country and that you speak to the men and women among your people and give them the sincere regards of the Quebec people and that, finally, you should impress upon them our real desire to live with them in friendship but as complete equals, as country to country.

(in Montreal)

64As for Quebec, amendments [to the constitution] cannot heal its wounds. We have been exploited for too long and we have been looked upon, because we were French Canadians, as second-rate citizens by the anglophone community. Independence is well on its way and will not be stopped; it's only a matter of time. 99

(from Lac St-Jean, Quebec)

(in Montreal)

efThere is nothing ridiculous about this matter, in spite of the sarcasm emanating from the political opponents of Quebec sovereignty. This is neither a return to tribal life nor the beginning of balkanization on planet Earth. Rather, it is simply the formal manifestation, of which the twentieth century has seen many examples, of a nationalism lived within internationalism, in the same way unity can exist in diversity.

(in Montreal)

66... Now it is our turn to ask: What do English Canadians want? The third option, what does it mean? Why, our road ahead is clear; our actions have prepared the way and I do not believe we can turn back. Besides, historically speaking, no people that has had a taste of independence chooses to go back. We would have to contradict history. 39

(from Charlesbourg, Quebec)

# **Opinions and proposals**

Most participants at the Task Force hearings had something to say about the consequences of a possible secession of Quebec. "I do not care"; "this is not my problem"; "emotionally, I cannot react"; "it will not affect us," some said. More often, however, feelings of concern, fear and betrayal, or of admiration, hope and approbation were voiced.

## The words and the reality

"Drop that word 'separatist'; a péquiste is not a separatist," pleaded a Quebec City participant, as he explained to the Commissioners his understanding of the ultimate objective of the Parti Québécois. Many Quebecers who supported the party's position also resented the label "separatist" being applied either to themselves or to their party. They preferred expressions like "souverainiste," or "associationiste."

Those who strongly opposed the Parti Québécois platform did not always accept these refinements. For many of them, a Quebecer who had either voted for Mr. Lévesque or who endorsed political independence for the province was a "separatist" or a "secessionist," i.e., someone who is trying to "break up" the present structure of the country. The association proposed by the Parti Québécois will not change that reality, according to a French-speaking Vancouverite, "as it is clearly a contradictory attempt to be part of Canada without wanting to assume any of the responsibilities."

Many groups, particularly those representing labour and business, offered their interpretation of the Quebec government's program. The province would, if the majority of its citizens so decided at the referendum, become a separate, independent, sovereign state. Bilateral negotiations would then be initiated, with "Ottawa," said some, with "English Canada," said others, for the purpose of establishing an economic association between Quebec and the rest of Canada. The association "would preserve" many of the existing interprovincial economic relationships, with at least free-trade arrangements between the two "partners." Decisions would be made on a "one to one" basis. "Is that a realistic scenario?" asked many, as they wondered if Canada and Quebec will ever be confronted with that eventuality.

### Is independence inevitable?

Some speakers, both French and English, thought that Quebec independence was inevitable. "All our history calls for independence"; every French-speaking Quebecer "is tempted by the dream of sovereignty," said two Montrealers. "Quebec will never stop continuing its forward progress to become a separate nation... the determination will never pass"; it is "an unfolding process," speakers in Vancouver believed. These views were opposed by others who thought that sovereignty was only a dream, or a "power play," unrealizable in view of the interdependence of regions and communities in Canada.

Many, again from both language groups, observed that Quebecers had never been allowed to decide for themselves if they wanted to be Canadians, "to vote for something," as an Edmontonian put it. "The Anglo-Canadian colonial state has subjugated the nation of Quebec from the beginning," claimed a speaker in St. John's. "At no point" have French Quebecers been permitted "to determine their own political future," said another in Regina.

### Social consequences

In describing their views on sovereignty-association, participants at the Task Force hearings lacked neither colour nor emotion. From péquiste members or sympathizers, Commissioners heard such statements as: "to become adult"; "not in isolation but open to the world"; "master of our destiny in a politically sovereign French-speaking state fashioned to our personality"; "where anglophone rights will be respected"; "living in good friendship and in perfect equality with Canada"; "within the framework of a negotiated economic association."

"It won't be a return to tribal life nor the beginning of the balkanization of the planet" argued a

66The French people want to be free. You English people, you had your turn, you've lost it. Forget it. \*\*

(in Toronto)

**64**Quebec will never stop continuing its forward progress to become a separate nation. There will be confrontation followed by referendum ad nauseam. Eventually, all the present-day protagonists will pass away, but the determination of the Québécois to be on his own will never pass away. **99** 

(in Vancouver)

"Monsieur Lévesque has fallen in love with an idea. The Québécois have fallen in love with an idea. And boy, it's going to be something to get them to fall in love with something else."

(in Calgary)

"The péquistes' call for independence is not more than an attempt by the Quebec state to strengthen the position of the new urban petty bourgeoisie of francophone technocrats whose aspirations first came to be realizable under Lesage's so-called quiet revolution."

(in Vancouver)

64No later than yesterday, you saw anglophones come before you and speak without prejudice, open to the French fact and using our language. At the same time, and again right here at home, we see a new empire, worthy of Bokassa the First, being built for his own self-glorification, imposing on his people the narrow vision of a society reduced to a single language. 99

(in Montreal)

64In appearance, the preservation of the language rights of the anglophone families who have lived in Quebec for generations may be continued for a time. Even so, English is doomed to become no more than a 'kitchen language' in the province."

(from Vancouver)

64 believe that every culture has a right to exist and that the French-Canadian culture must exist. But it must exist without bigotry, the kind of bigotry we saw here tonight; because if this bigotry is the foundation of a new Quebec nation then that nation won't last very long. 99

(in Montreal)

44If Quebec secedes, the rest of Canada should immediately declare itself a unilingual nation.39

(in St. John's)

64Now the division that the Quebec government intends to bring about would be most detrimental to all the Indians of Canada, and even more so to the Indians living in the Canadian territory known as Quebec. Such a division would also lead to the complete disappearance of the Indian races. Can an energetic and modern society such as ours allow itself to hold such attitudes towards the first occupants of the vast country that is Canada?

(Great Council of the Huron Nation, in Montreal)

French-speaking Montrealer, as he talked of the society he envisioned. There are numerous contemporary examples, he maintained, which illustrate that "nationalism and internationalism" are not more incompatible than "diversity and unity." Restricting his analogy to Quebec and Canada, a speaker in Quebec City expressed a similar view in a humorous manner: "Each of the two members of the Canadian family will have his own bed but there might very well be exchanges between the two beds."

Many of those opposed to sovereignty-association presented to the Commissioners, in French as well as in English, a very different picture of the new society proposed by the Parti Québécois. Taken together, their comments anticipate a bleak future: "an ethnocentric, intolerant and bigoted society," "divided within itself" along linguistic and racial lines; cut off psychologically by a "natural backlash" and economically by "trade barriers" from the rest of Canada; dominated by a "clique of petit bourgeois technocrats." It would be "offering the narrow vision of a society reduced to a single language"; living under the "false illusion of economic and cultural security"; with the working class footing the bill for the "independentist adventure"; "having to put up with empty bellies after the golden dream is shattered."

# Cultural consequences

Many English-speaking Canadians, not living in Quebec, expressed to the Task Force the fear that the secession of Quebec would bring about the spiritual and cultural destruction of Canada. Some argued that the country could survive in a material sense, "but if Quebec leaves... a part of my soul will leave with her." Others argued, as did a student at the Halifax Grammar School, that culturally, "the English would be in danger of fading into an Americanism that would leave us no identity at all." Canada without Quebec, asserted a group in Toronto, "would be crippled physically and culturally [Quebec being] an important part of our body." Many other participants developed the same idea, i.e., that Canada "needs Quebec ... its language and its culture to make her the unique nation she is."

In Quebec, many English-speaking participants did not see much future for their own culture and language after separation. Said one at the Montreal hearings, "The message more and more [English-speaking] Quebecers are receiving is that they must assimilate or leave." Said another one: "We will remain in a French Quebec and accept any reasonable policy short of separation or the removal of our fundamental freedoms."

Some French-speaking participants understood their English-speaking compatriots' concern for their own cultural welfare: "Menaced in their culture, their language and their rights, native peoples, anglophones and new Canadians will feel ill at ease in a separated Quebec." Some francophones tried to reassure them. One Montrealer spoke of a "French Quebec where anglophones born in Quebec and all new Quebecers would be integrated, but their human rights would be respected." At times, however, the mood at the Montreal evening hearings became less tolerant. A speaker told the Commissioners that the anglophone minority will have to let itself be assimilated by the francophone majority or "pack up." Some stated, that "the fate of the Quebec anglophones will always be more comfortable than that of the francophones living outside Quebec."

A representative of the Association canadienne-française de l'Ontario reflected a group consensus when he said: "If we have survived to this day, it is not only due to our determination but also to the fact that five out of six French-speaking Canadians live in Quebec." Outside Quebec a feeling of uncertainty prevailed. Most of the francophone groups feared that the secession of Quebec would eventually eliminate any chance of cultural or linguistic survival they have. Canada's commitment to the goals of bilingualism would weaken if not die, argued many francophones, confirmed in that view by a considerable number of anglophones. "Why would it not be so?" said the franco-Albertans of Calgary. "If Quebec were independent," anglo-Canadians would say: "What's the use of helping these francophones outside Quebec?" "We will then be confronted," francophone groups added, with "an unattractive choice, to be assimilated or reduced to the exhibiting of our folklore like any other ethnic group." In British Columbia, the message was not different: "Franco-Columbians will have to ponder and maybe come to the

64How can the French Canadian fail to realize that separation will not create the barriers between French and English culture which he desires, and it will definitely not isolate him from the influence of the English world? Trade relations will continue to go on in English and French. The English population of Quebec will continue to demand English newspapers, radio, and television. 37

(in Halifax)

self Quebec leaves, a part of my soul will leave with her. 39

(in Halifax)

"We cannot imagine Canada without Quebec. It would be a different Canada without the French culture... music... their cooking... customs and so on. Withdrawal of Quebec would separate the Atlantic provinces from central and western Canada.... There would be a situation like Bangladesh with East and West Pakistan. We need Quebec... we need their culture and their language to make Canada the unique nation she is."

(in St. John's)

"There can be no Canada without Quebec. It is very doubtful if English Canada would survive for long without Quebec, for why should there be two melting pots in North America?"

(in Charlottetown)

44In the event of a majority voting yes for independence in the referendum, it is obvious that francophone Quebecers will feel at home, rid of their complex of a defeated people. 97

(in Montreal)

Were Quebec to separate, the Anglo-American continental pressures, which are unilingual and which already impinge heavily from the south, could be reinforced and strengthened by unilingual neighbours of the east and west, who could gradually suffocate Quebec through a disillusioned pursuit of cultural and linguistic homogeneity. Quebec, in short, could in the end be drowned in the anglophone sea of the north continent.

(in Edmonton)

"Quebec wants to separate and I am 100 per cent for that, but let's do it now. There have been fifteen months wasted while every politician in the country has been bending over backwards to try and please Quebec. Let's not wait any longer. Let's separate now, and then the other nine provinces can get on with more important things."

(from Toronto)

66At this moment, I resent the special demands made by Quebec and the concessions that have been given to her by our federal government in their desperate attempt to keep her satisfied and in Confederation. 99

(from Brandon)

**6**To have Quebec accept the status quo and forfeit the trimmings and the trappings of national independence, Canada would have to buy Quebec's participation by economic measures which we could not afford. **99** 

(from Regina)

66The provinces and territories of Canada other than Quebec will become a stronger and more unified nation without Quebec. 99

(in Vancouver)

realization that only the Québécois still have a chance to live in French in North America." A franco-Ontarian made his decision: "Better a French Quebec than a lost Canada."

But what would be the effect of sovereignty-association on the French-speaking majority in Quebec? "If the creation of a Quebec state would assure the survival of French, I would accept it, but it is not the case." This is how a Torontonian justified, in French, his opposition to the secession of Quebec. Many other participants argued similarly that independence might prove to be a "trap" that could spell the death of a French culture, even in Quebec. The reasons most often invoked were the following: without the protection of a larger federal union, Quebec would "suffocate" under anglo-american continental pressures and might even be absorbed by the United States, in which case the status of the French language would be "the same as that of the French in Louisiana"; the departure of the English-speaking minority would make it more vital for Quebecers to learn English; an impoverished Quebec economy could only hinder greater cultural achievements; a culture never thrives anyway in a monolithic "ghetto."

In Quebec, a few participants picked up the same themes. Some were willing to predict that, with independence, francophone Quebecers would need to become more and more bilingual to "survive economically"; that "75 years after independence, Quebec would be absorbed by the U.S. with its language and culture." They were isolated cases. Most speakers, whether or not disposed to separation, anglophones or francophones, were either not worried about the future or believed that the French language and the Quebec culture would thrive after secession. Typical were these two statements, one from an anglophone ardently opposed to secession, the other from a young francophone passionately supporting "my PQ government": "The Quebec separatists, in a very real sense, offer security for the French language and culture, something which Canada should, and does not, adequately provide"; "I am an independentist by pure and simple logic, for the sake of my descendents to whom I want to bequeath the only thing I will probably be able to hand down to them, my language, my religion and my culture."

### Political consequences

If Quebec "separates," the Commissioners were told in Toronto, "the idea of Canada would perish." This was a central theme voiced by many Canadians from every region of the country. They feared that the country could not endure the trauma of separation, that it would, as one Montrealer put it, "ring the death knell for Canada."

Canada would survive, some participants thought, but "as something other than Canada," as a "nine-province nation" or as a "collection of new nations based on the various regions of the country." Without Quebec, claimed a Charlottetowner, Canada might break up into regional states, a process that would lead to a "balkanization of the northern half of North America." Some expressed the view that the other provinces would "fall like dominos" and, as a Sicilian group in Toronto believed, would be "gobbled up by our neighbours to the south."

There was widespread concern that Quebec separation would further isolate the maritime provinces. Typical was the comment of a resident of Charlottetown who declared that the various links that bind his region to the rest of Canada owe their existence to "fragile political agreements which would disintegrate" if separation took place.

Many participants thought that the pressure on the Atlantic provinces to join the United States might prove to be irresistible. Some suspected, however, that the Americans might not welcome such a development. "After all," quipped a Newfoundlander, "this is not Alberta yet." Others felt, as did the Federicton Chamber of Commerce, that "Quebec's separation could result in renewed interest among the eastern provinces in the concept of maritime union." Others believed that the maritimes could remain part of a fragmented Canada, but this alternative, as the Atlantic provinces' Chamber of Commerce indicated, "would not offer great security for the region." Some of the Acadians who appeared before the Task Force indicated that "if our brothers from Quebec decided to separate," they "would wish to remain a part of Canada." Other Acadians made it clear that they would, however, demand their own province.

Some Canadians drew to the attention of the Commissioners the international political

66Many people do not appreciate that Canada will be physically severed, and that in order to go from Ontario to the Atlantic provinces, one must pass through a foreign country. The pressure on the Atlantic provinces, as a result of such severance, to join with our American neighbours may well prove to be irresistible. 59

(Ted Malone, leader of the Liberal party of Saskatchewan, in Regina)

In Canada and in Quebec, we should stop thinking, once and for all, that history is watching us and that the fate of mankind depends on what we, Canadians and Quebecers, will do. History doesn't care a damn about Canada and Quebec. We don't have any lessons to give to other countries: though Canada crumbles, federations will still continue to exist, and if Quebec succeeds, the small nations of this planet should not take this as a guarantee of success. 99

(in Montreal)

66René Lévesque should be jailed for treason. I fought five years for the preservation of our great country and I do not intend to sit idly by and watch, while a bunch of idiots try to cut off a slice of my country.

(from Severn Bridge, Ont.)

66The federal government must state that it is prepared to take military action to ensure that Quebec remain a part of Canada. This is essential. 77

(from Scarborough)

66The use of force to hold Canada together cannot be tolerated. 99

(New Brunswick Federation of Labour, in Moncton)

66We are probably the only country in the world which won't fight a civil war in attempting to hold itself together. 99

(in Charlottetown)

64In the event of a decision to separate from Canada, we oppose any use of military force against Quebec. We have no desire to impose an outside will upon the Quebec nation. 99

(Student's Union, in Edmonton)

fear, for I am an anglophone; I have read the English language newspapers and I am afraid of the climate prevailing in English Canada. I shudder at those threats of force against Quebec; I am afraid that we might witness events such as those of October 1970. I fear economic threats like the Sun Life Company leaving the province. That, I suspect, was something like the Brinks operation. 99

(in Montreal)

66At New Year's, Trudeau once again reiterated his threat to use armed force against the Quebec people, and at the same time, a PQ organ published an article saying that there should be a Quebec army. So they plan to use the Canadian people as cannon fodder in a reactionary civil war. 35

(in Montreal)

implications of Quebec's secession. "If not the eye of the world," commented a citizen of Regina, "at least the eyes of the two giants of the world will be on Canada." A Vancouverite reflected the attitude of many when he declared that "Canada's international reputation as a world power will be greatly damaged." "What will they [the Americans] think," asked a representative of the Bank of Nova Scotia in Toronto, "of this well-ordered, well-led democracy, when it appears to be falling apart at the seams?" Other participants expressed a fear that an independent Quebec might have no interest in supporting NATO or NORAD. "Separation would mean that a foreign language state would be created minutes away by air from many U.S. cities. A look at the map shows Quebec almost as close to New York as Cuba is to Miami," reflected one speaker.

Some citizens argued that the process of secession "will invite political instability and imperil democracy" in Quebec. "The smaller the political entity," said one Torontonian, "the easier it is for some very radical groups to take over." A few participants at the hearings raised the possibility of an independent Quebec falling into the hands of the Communists. "Do you think," asked a Torontonian, "that [the followers of] Mao-Tse Tung or somebody else will not move in there and make another Cuba?" Some speakers feared even worse consequences. "The instant Quebecers... declare unilaterally that they are not a part of Canada," stated an Edmontonian, "the civil war starts;... it's going to be dirty, it's going to make Northern Ireland look like a Sunday school picnic."

Conversely, many other participants maintained that the whole of Canada would not only survive but would prosper after Quebec's secession. The majority of them tended to view Quebec as the "weak link" province, the source of Canadian disunity. Their solution to the problem of Canadian unity found expression in the comments of a citizen from Toronto: "The sooner we assist Quebec to separate, the happier we will be." Only then, added a Calgarian, can "we, the English-speaking segment, form an extremely unified and aggressive country." A Vancouverite, convinced that Quebec will opt out, said, "After she leaves, the provinces and territories of Canada, other than Quebec, will become a stronger and more unified nation." A Torontonian concurred: "It will not be the end of Canada, so I say [since Quebec independence is inevitable], let us part now as friends rather than later as enemies."

#### Economic consequences

For a majority of English-speaking participants and for more than a few Quebecers, the crucial consideration was "how better or worse off we will all be if separation occurs." Typical was this statement from a financial group in Toronto: "Anyone who ever tried to balance his income and expenses knows that somewhere the world of economics becomes the dictator." A Quebec business group argued at the Montreal hearings that the great majority of Quebecers would "favour independence" if it were not for the fear, "unsubstantiated," of negative economic consequences. From a Quebecer working in Edmonton, Commissioners heard that the discussions taking place now in Quebec are not about whether "we should vote to stay in Canada" but rather, "will we survive if we get out?"

A dozen or so speakers felt that the role of economics was being exaggerated. A participant at the Edmonton evening session summarized this view: "Not all things are to be determined by the balance sheet of dollars and cents." In Toronto, a citizen expressed a similar thought: "Economics or not, nothing is going to stop the unfolding process now taking place in Quebec." Other participants, while admitting that the economic consequences of secession would be serious, warned that the "cultural, political and spiritual loss to the country would be far more important and a far greater tragedy."

From many Quebecers at the Montreal and Quebec City sessions, the Task Force got an even stronger message: the outcome of the referendum will not be influenced by "doomish" economic projections, nor by threats of economic sanctions. Said one: "The economic arguments have little chance of being heard; more than bread is needed to accept the society in which one lives." Former Premier Alex Campbell of Prince Edward Island agreed: "It should now be clear that many Quebecers would choose to separate and are prepared to suffer the consequences as a price they must pay to preserve something cherished more than economic well-being."

64Many Canadians may not be ready to accept the idea of total independence, and may become conditioned to the idea of the use of force to prevent it. How the violent tearing up of Canada would occur does not matter much at this time, since we could not do much about it; but we can do something about the actions that would lead to violence. 99

(from Regina)

GeIn the eventuality that it be found impossible to stem the forces of separatism, [or to] convince the majority of the people of Quebec of the need for, and the advantages of Confederation, and the rest of Canada of the need for, and advantages of, a restructured nation of linguistic equality and expression, then let us separate in the peace and freedom befitting intelligent peace-loving people, so that we may live side by side in harmony, if not in purpose. 39

(from Ste-Anne, Manitoba)

"Separatists have chosen to almost completely overlook the economic contingencies of a break-up, by considering independence only from the angle of emotion and passion."

((L'Ordre militaire et hospitalier de St-Lazare de Jérusalem, in Montreal)

"After all, the Quebec problem did not start with inflation and unemployment."

(from Ottawa)

the canadian economy and Quebecers will be happy and content as Canadians. This is not what we have learned from independence groups throughout the world. Many Quebecers are emotionally involved in the heady intoxication of prideful belief in their culture and linguistic heritage. Jobs and security, though important, do not compete with the sweet wine of liberty, to those who are convinced of the political, cultural and other advantages of separation and independence.

(in Winnipeg)

We strongly believe that any form of separation of one or more provinces from the others — even under the guise of sovereignty-association — would be an economic tragedy for all of Canada. 99

(Business Council on National Issues, in Ottawa)

obtaining foreign capital because the confidence of investors will further erode and the cost of borrowing may become prohibitive. In addition, the costs of reaching the important central Canadian markets will probably escalate because Quebec, as a sovereign state, will cut the region off geographically from these markets. If Quebec, under these conditions, were to tax goods in transit, the costs may become more prohibitive. The Atlantic region would then require further equalization from central and western Canada, and we fear that the remainder of Canada, with a reduced tax base, will become increasingly intolerant of the regions' escalating demands. 39

(Fredericton Chamber of Commerce, in Fredericton)

64The essence of this nation is the east-west strands of transportation, communication and financial flows. These owe their existence not to God or nature but to fragile political agreements which are disintegrating under the pressures for Quebec independence. The inevitable result will be the isolation of the Atlantic region as these strands are ruptured or constricted by the delineation of new jurisdictional authority. The only remaining questions relate to the degree and timing of the impact on this region. 37

(in Halifax)

The Task Force heard some speakers arguing that Quebec's departure would have a limited economic impact on either Quebec or the rest of Canada. Those participants believed that with Quebec gone, Canada would be free, at last, to tackle its "real problems" which are unemployment and inflation. Other speakers claimed that the economic gains to their province or region would outweigh any possible short-term losses or costs. They had estimated that trade between their province and Quebec was "negligible" and could be replaced, even advantageously, by imports from other countries.

The "no loss" or "better off" arguments were, however, comparatively few. The majority of participants, be they English or French-speaking, believed that Quebec's secession would have disastrous consequences for the whole of Canada. Comments often heard to describe the outcome included: "unmitigated disaster," "economic tragedy," "myriad of financial problems," "economic nonsense," "brutal economic readjustments," "small likelihood of survival."

Which province or region would be the most seriously affected by secession? Most participants answered: "we will all lose"; "all sides will suffer"; "no part can survive on its own." Many reasons were offered: markets would be closed, or at least hampered, for western and eastern Canadian primary products and for Ontario and Quebec manufactured goods; foreign capital would be more difficult to obtain and the cost of borrowing might become prohibitive; the access to some natural resources would become more restricted for those provinces where they are in short supply; our ability to counter multinational and monopolistic forces would be weakened; the bargaining position of both Canada and Quebec would be reduced in international trade negotiations.

A few participants argued that the cost of splitting up the country would be borne unevenly. English-speaking participants saw Quebec and the Atlantic region as the principal losers. But some westerners and quite a few Ontarians added Ontario to that list. Commissioners heard some specific references to the importance of the Quebec markets for the prairie cattlemen and farmers.

Maritimers and Newfoundlanders repeatedly shared with the Commissioners their fear that the independence of Quebec would spell serious economic difficulties for their region. An Atlantic business group put it this way at the Moncton hearings: "If the country drifts to separation, the Atlantic provinces will wake up one morning with a very unpleasant hangover, not the least of which will be a rude jolt to the standard of living." Many others agreed that the Atlantic provinces are especially vulnerable. The reasons offered were numerous, but most often heard were: the disruption of east-west transportation and communications links and financial flows; the increased costs of reaching central Canadian markets; the loss of some Quebec markets for primary products; higher prices for consumer goods imported from Quebec after the assumed erection of tariff or non-tariff barriers by "Canada"; a threat to the development of the great resource potential of the Labrador rivers and the Fundy tides; the weakened capacity of a truncated Canada to foot the bill for reducing regional disparities through equalization payments.

"Ontario has probably the most to lose if our country splits apart," Dr. Stuart Smith, the leader of the Ontario opposition, told the Commissioners, after acknowledging that his province "clearly has done particularly well by the union of 1867." A few others at the Toronto hearings made similar remarks. An agricultural group told the Task Force that farmers in the eastern Ontario counties would be hit hard, as their city clients would lose buying power. Other groups and many private citizens referred to the vital importance of the St. Lawrence Seaway, wondering if an independent Quebec would not restrict its use for Ontario-bound ships in an attempt to seek economic advantages. Said a Toronto citizen: "It is worrying that the ports of Quebec City and Montreal may be separated from Ontario by some barriers."

Other English-Canadian participants expressed similar views. The former leader of the B.C. Liberal party told the Commissioners that "the greatest loser by far would not be Quebec but Ontario," adding that, with the rest of what used to be Canada buying on a free market, Ontario would be bankrupted. A Vancouver business group surveyed the opinions of its members and found that quite a few of them felt that the possible "loss" of the St. Lawrence Seaway would be disastrous to Ontario. But, concluded the group, the net economic gains for Ontario might more than compensate. Why? "The loss of Quebec would leave Ontario with greater clout than ever in

66We as business people are convinced the withdrawal of Quebec or any other major region from Confederation would do incalculable economic harmon all sides. 99

(Board of Trade of Metropolitan Toronto, in Toronto)

the winter ports of Quebec City and Montreal... tax policies... federal-provincial fiscal arrangements.... These and other programs now in place are national in implication, and it would require years of effort and frustration to sort out these areas in the event of Quebec's separation...?

(Ontario Federation of Agriculture, in Toronto)

"Canada's loss would be our loss [B.C.] — less so economically than other regions, perhaps, but still exceedingly painful, as we face a decade of uncertainty and the reality of a far smaller and more specialized and vulnerable economy in the world market place."

(Gordon F. Gibson, former leader of the B.C. Liberal party, in Vancouver)

Garage The maritimes and Ontario are likely to suffer economically if Quebec leaves Confederation. In Saskatchewan, on the other hand, the departure of Quebec may even result in short-term economic benefits. We sell very little to Quebec... We do not buy extensively in Quebec, except for the consumer goods which come from the Ontario-Quebec industrial area, most of them at what we regard as inflated, tariff-protected prices. Again, we might receive at least as good a deal from an independent Quebec as we have traditionally received from the great industrial producers of central Canada.

(Premier Blakeney, in Regina)

64From a western perspective, the most difficult economic adjustments would probably relate to agricultural and forest product exports to Montreal, which is a major market for western producers.\*\*

(in Calgary)

Garage of independence would be extremely difficult for Quebec even if she were helped by cooperation of the rest of Canada to make the severe economic adjustment gradually. During the first few years, perhaps half a million people would leave the province, many of them taking their jobs with them.... The other provinces would insist that the maintenance operations of the airlines and railways be moved to other cities with high unemployment. In addition, the labour intensive shoe, clothing and textile industries would suffer very high unemployment.... Most of these exports are heavily tariff-protected. The industries producing them would lose much of their market.

(from Vancouver)

46...the proponents of the independence of Quebec, in an understandable fervor, overstate the benefits that could accrue from such an eventuality and seriously underestimate the negative effects that would result not only in economic terms, but also with regard to human relations. 37

(Alcan Aluminium Limited, in Montreal)

Ottawa," with the result that the economic interests of the west would be sacrificed even more to the interests of Ontario. Premier Blakeney of Saskatchewan disagreed, and told the Task Force that in a Canada without Quebec, the west might be in a stronger position to redress some of its deeply felt economic grievances.

The proponents of the Quebec-the-main-loser thesis substantiated their predictions by presenting a number of arguments:

During and after secession, Quebec might be confronted with a hostile or indifferent world. American investors, particularly, apprehensive of the political, social and economic climate, might significantly reduce the flow of capital. Many companies would tend to leave Quebec for Ontario or other provinces in order to retain their wider Canadian markets.

Unilingual Quebec professionals would be cut off from the mainstream of research and development.

Quebec would not only cease to receive any financial assistance from Ottawa, but the burden of having to assume her share of the national debt and to purchase federal properties within her boundaries would severely mortgage her future.

The industrial structure of Quebec, weighted as it is with many "soft" sectors like textiles, clothing, footwear and furniture, would be rendered even more vulnerable. The Canadian market for these goods might be lost to foreign substitutes that inhabitants of other provinces could purchase, tariff-free, at lower prices.

Future economic negotiations with the rest of Canada would likely be on a quid pro quo or giveand-take basis, "as between foreign countries." Being weaker than Canada, Quebec might very well have to concede more than it would like.

Many participants were not convinced by these arguments and the Commissioners heard a considerable number of rebuttals. The following are representative:

Quebec could succeed as a sovereign country, considering that it is three times the size of France and has enormous untapped natural resources, hydro-electric power and a technically skilled population. Quebec's potential would not disappear with independence and even if the rest of Canada or the United States refused to deal with her, other countries would very likely be pleased to take their place. "Let us not forget that the planet is not limited to Canada and the United States," commented one participant.

Having better control over the instruments of her economic policies, such as taxes, currency and tariffs, Quebec would be in a position to pursue her own economic objectives, including the promotion of francophones to the decision-making positions in businesses operating within her boundaries.

With a quarter of a million unemployed in Quebec, with entire industries endangered, with national economic policies favouring Ontario, many said that there is little point in arguing that things could get worse.

## Economic association

"Could some formal economic links between Quebec and Canada be established to prevent the disruption of the Canadian economic union?" The spectrum of views expressed on this question was very broad. In English Canada, more often than not, the Commissioners were informed that economic association would be rejected. However, many participants, in Quebec particularly, were willing to accept the view of the Parti Québécois that the rest of Canada would find it useful and even necessary to negotiate. In all cities visited by the Task Force, there were calls for caution, for more in-depth study, before the proposal be "bluntly rejected" or "blindly accepted."

Those who opposed the Parti Québécois' idea of economic association argued their case in terms of psychology and politics as well as in terms of "cold economics." A French-speaking Montrealer

66The textile industry, in both its primary and secondary phases, is a prime example of an enterprise whose viability would be greatly reduced, if not totally jeopardized, by separation. Where would its market be? Buyers would naturally turn elsewhere because they would certainly find cheaper prices elsewhere. 37

(A group of Quebec labour officials, in Ottawa)

64Furthermore, from an economic viewpoint, the strategists in Ottawa lie every day, as do their Quebec supporters, when they try to frighten us by saying that independence would cause a serious economic crisis. Any reputable economist would dismiss their argument and show that there would be, at most, a temporary financial readjustment, that Quebec has all that is needed to become a model for the young nations born of the great autonomist movement of the 20th century.

(in Montreal)

"Quebec's resources will not disappear if Quebec becomes a country. As far as investments and the sale of our products are concerned, if Canadians and Americans were to refuse to deal with us, we would have to come to realize that Canadians and Americans are not the only people on this earth."

(La Société nationale populaire du Québec, in Montreal)

6The economic gains of political independence are related to the opportunity that the state of Quebec has in establishing policies to achieve the stabilization of the situation and to promote its long-term development so that its natural, material and human resources will be put to better use than under the present federal regime. 39

(in Quebec City)

seAt the same time we must make clear, without venom, what Quebec stands to lose by tearing Canada apart and leave no doubt that whatever choices may be offered in the referendum, the option of having your cake and eating it too does not exist. Even if 'sovereignty-association' were to attract a majority of the votes, the rest of Canada will be under no obligation to provide the 'association' part of the package, and may well be in no mood to do so. 99

(from Ottawa)

66One thing for sure, unless we are naive or wish to delude ourselves, there would likely be a backlash from the English of the other provinces and it would be an illusion to claim that negotiations between a separated Quebec and the other provinces over a new association would be easy. As a matter of fact, it would be normal for them to react negatively, since they would have tried, unsuccessfully, to keep us within Confederation. 99

(in Montreal)

(Premier Blakeney, in Regina)

6The Western provinces probably don't have much sympathy for Lévesque's plans. Furthermore, if that province were to separate, Alberta might not feel inclined to continue to sell oil below world prices nor would it support the textile and shoe industries in Quebec through protective tariffs. 79

(in Montreal)

talked of a probable "backlash." He thought that English Canadians, having been "deprived" of part of their country, would "naturally" refuse to deal with a "separate" Quebec. Someone in Winnipeg echoed this view, explaining that English Canadians would be unable to forget that Quebec had turned its back on their "willingness to compromise." In Regina, St. John's and Edmonton, people spoke of the "trauma of amputation." The péquistes are "dreaming" if they think that "stupidity" or a "guilt feeling" will bring Canada to "swallow" association; if they so decide, Quebecers "shall have it cold, their separation"; we "would not be at all happy about dealing with a fully independent neighbour."

Let us not be "short-sighted," "naive" or too "emotional" about the whole issue, pleaded many speakers. A lot tried to remain objective. "What will be the [commercial] advantages of association?" some asked. Negative answers came from many quarters: "None"; "it holds no appeal for us at all"; "it is a shell game as anglophone Canada as a whole shares no common economic interests with Quebec"; "we [would] have no reason or desire to protect and buy at higher cost Quebec's manufactured products"; "it would be less advantageous to them than to us [Quebecers]."

Many speakers, particularly in Quebec and Ontario, were willing to accept the idea that eventually some sort of economic links could be negotiated. But they argued that the benefits would not be as great as the Quebec government expects. Bargaining would be long and difficult and the Quebec economy would deteriorate as negotiations went on; Canada would probably ask Quebec to relinquish some of the protection now enjoyed by her industrial sectors and to pay her share of the commercial and military costs of "defending" the economic association. The negotiated "package" would tend to be more advantageous to the stronger economy, that is, to Canada rather than to Quebec. The association could also be difficult to implement without some sort of political integration. A Quebec corporate manager summarized the arguments by telling the Commissioners that "the association would, if accepted, either be too weak to produce satisfactory results or would require numerous limitations on sovereignty."

Other speakers, both in and out of Quebec, particularly in Ontario and in the Atlantic provinces, presented opposite arguments. They spoke either of the "mutual benefits" that would accrue to both parties of the association or of the "serious loss" that would be incurred by both Quebec and Canada if formal economic links could not be negotiated. A Haligonian, referring to the issue as "a red herring," said that economic association was inevitable and desirable. He said: "The patterns of exchange and other human relationships between people on either side of the Quebec border are too deeply entrenched to be suddenly eliminated. What is more, any system of custom and tariffs would be considered too crude and difficult to enforce." On the basis of an analysis of commercial flow between Quebec and the rest of Canada, a Montreal business group argued that anglophone financial circles, out of sheer self-interest, would eventually insist that their political leaders conclude an economic association with a separate Quebec. The group commented: "Only such an association would guarantee the protection of the billions they have already invested in Quebec."

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# Introduction

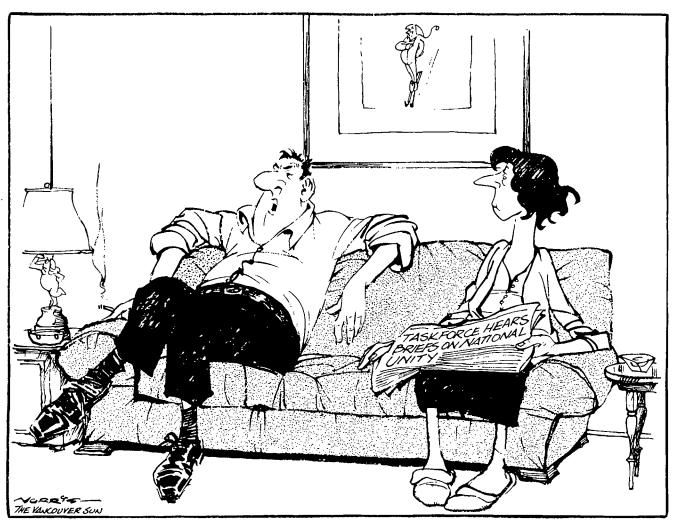
"Please, gentlemen," implored a Vancouverite as he summed up his feelings about the national unity debate, "don't insult me by telling me that my problem is Canadian unity! It isn't! I need a job." Nor was his an isolated statement. Far from it. Over and over again, at the Task Force hearings, in all parts of the country, citizens expressed their concern about the present state of the economy and their fears for the future. Many implied, at least, that if Canada were to solve its economic problems, national disunity would disappear.

Chapter 14, "Governments and the economy," deals with such persistent issues as unemployment, inflation, the business climate, foreign ownership. It echoes the extensive criticism levelled by participants at the governments' management of the economy.

Chapter 15, "Regional economies," brings together the numerous comments the Commissioners heard on the problem of regional disparities, their causes, their effects, their persistence and the means available to reduce them.

Chapter 16 is on "Resources." Our economy is, to a large extent, resource-based, and in recent years the jurisdiction over resources has been the subject of intense debate between the central government and the provinces. This chapter reports particularly on how people view this conflict, but reviews many other problems of resources management as well.

Part III of this Report, "Quebec," covered most aspects of Quebec's relations with Canada as a whole, including the economic aspect. Accordingly, Part IV concentrates on how economic questions are perceived by Canadians residing in the other provinces.



"Why should I tell Trudeau my plan, if he won't tell me his?"

# **Background**

The role of governments, in Canada and elsewhere in the world, has changed considerably over the last forty years. Prior to World War II, the public sector accounted for less than 22 per cent of the Canadian gross national product (the value of goods and services produced by Canadian labour and capital). In 1977, the equivalent figure was 41 per cent. The number of employees in the government sector, including hospitals and school boards, grew from about 250,000 to 1.8 million in the same period.

The growth of the public sector accelerated in the 1950s when political leaders responded very positively to a whole new set of popular expectations. As a result, governments in Canada nowadays have important and costly responsibilities in education and health, in leisure and cultural development, and intervene in matters as diverse as the quality of the air and the protein content of hamburgers.

### Governments and stabilization

In addition to becoming a partner of the private sector in the production of goods and services, governments have assumed in our times the responsibility of ensuring that the whole economic system works smoothly enough, that jobs are available and that incomes are not eroded by rising prices. Governments attempt to do this by using all the powers at their command, particularly the powers to tax, spend and regulate. Their traditional approach in times of high unemployment is to increase expenditures, reduce taxes and make money easier to borrow. In times of rapid cost or price increases they take the opposite stance, spending less, printing less money and taxing more heavily. When both unemployment and inflation occur at the same time, as they do now, the going gets really rough!

The following table shows that member countries of the Organization for Economic Co-operation and Development (OECD) — the "rich countries" club" — have had varying success in stabilizing their economies.

Unemployment	and inflation rat	tes in selected	industrial co	untries 1975-77
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Country	Unemployment rate* 1975-1976-1977	Inflation rate 1975-1976-1977
 Japan	1.9 2.0 2.0	11.8 9.3 8.1
United Kingdom	3.9 5.4 5.7	24.2 16.5 15.9
France	3.8 4.2 4.8	11.7 9.6 9.8
Canada	6.9 7.1 8.1°	10.8 7.5 8.0
Germany	4.8 4.7 4.6	6.0 4.5 3.9
United States	8.5 7.7 7.0	9.1 5.8 6.5
Italy	3.3 3.7 7.1	17.0 16.8 17.0

Source: OECD, Economic Outlook - December 1977/July 1978

#### Stabilization in a federal state

In federal states such as Canada, economic stability has a constitutional dimension. The central government controls the major instruments of economic policy, such as money and banking, foreign trade and tariffs, and has nearly unlimited constitutional powers to tax. The provinces exercise control, generally speaking, over resources, intraprovincial commerce, and labour relations matters, and they also have wide powers to tax. Since the mid-1950s, partly due to transfer payments from the federal purse, provincial revenues have grown markedly, from \$1.8 billion to \$40.9 billion in 1977. This increase has been matched by a corresponding growth in provincial expenditures from \$1.8 billion to \$40.6 billion. Whereas in 1955 the distribution of total

<sup>\*</sup>Based on national definitions.



government revenues stood at 60.7 per cent for federal, 22.3 per cent for provincial and 17.0 per cent for local, their percentages in 1977 were respectively 34.5, 38.7 and 17.4. The remaining 9.4 per cent is accounted for by hospitals and by the Canada and Quebec Pension Plans introduced in 1966.

Both the central and the provincial governments have, therefore, considerable leeway in countering economic instability. This division of responsibilities points also to the need for coordinating federal and provincial action. The objective is twofold: first, to avoid the pursuit of contradictory goals, and second, to ensure that central government policies take adequate account of regional differences.

# **Questions**

What is the importance of economics in the national unity crisis? Should governments attempt to play a lesser or a greater role in improving the welfare of the population? Are the taxation and spending policies of governments adequately coordinated? Are regional differences taken sufficiently into account? Are job opportunities fairly distributed across the country? Which is more urgent: to fight inflation or to fight unemployment? These are some of the questions tackled by participants at the Task Force hearings.

"The Canadian people will be quick to detect and condemn any report which may fail to examine government [economic] shortcomings as a prime factor affecting unity in our country."

(Manitoba Federation of Labour, in Winnipeg)

We believe our members will agree that at the present time the main problem concerning Canada and Quebec is not of a constitutional nature. It is a bread and butter issue — to provide work for the people. This is to be done quickly through practical programs, not theories, taking into account all the circumstances existing in all the provinces and within all the regions.

(Centrale des syndicats démocratiques, in Montreal)

66Unemployment and other economic problems may seem more drastic to us, but a separated Canada certainly wouldn't help things out at all. 39

(in Vancouver)

66We feel that all these problems — of rising inflation, of threats to our standard of living, of unemployment and underemployment and limitations of personal and institutional freedoms pose in their separate ways threats to the unity of this nation in the same way the 'Quebec problem' poses a threat to national unity. Indeed, we suspect that these may be major factors underlying the Quebec problem itself. 39

(PEI Public Service Association, in Charlottetown)

44We have heard a lot of people talking about the French language and preserving the French culture. I think that it is important, but there has been an over-emphasis on language and culture. We can only have language and culture as priorities if people have jobs, if people are able to pay their mortgages.

(in Toronto)

Gonce Quebecers feel they have nothing to lose by separating, anything might happen. Canadian unity, therefore, is closely related to the health of the Canadian economy. The advent of a nationalist government in the province of Quebec might be of very little consequence in comparison to the importance of economics in this matter. \*\*\*

(from Pointe-Fortune, Que.)

64Let us stop talking about unity or separation or changes in the constitution. Let us work together for less inflation, less unemployment, less foreign ownership. These are the important things to the average man, whether he lives in Quebec or any other province. I would like you to take that message to Ottawa. 97

(in Toronto)

**44** Canada is hopelessly overgoverned. In more simplistic days, the divisions of authority between the federal and provincial governments were reasonably well-defined. Today, virtually every provincial government duplicates to a greater or lesser degree those departments of federal authority which were established, or have been created, through Canada's development years. **99** 

(The Better Business Bureau of Canada, in Toronto)

# **Opinions**

Most economically-oriented groups and individuals appearing before the Task Force saw a direct relationship between the Canadian unity crisis and the present state of the economy. "Solve the economic problems and you will have solved the unity crisis," was one of the comments most often made. The reform of the Senate and the refinement of language policies, however important, were, in their estimation, secondary issues.

Participants had different and sometimes contradictory views about which specific economic problem had been the main contributor to the unity crisis. Indeed, every economic problem was identified as such by some among them: the inefficiency of big government; unemployment; inflation; over-regulation and government intrusion into the private sector; the lack of coordination between central and provincial governments; foreign ownership and control; inequality in the distribution of income; the lack of an industrial strategy; the low degree of citizen participation in economic decisions.

#### Government involvement

Few speakers called for a return to a laisser-faire philosophy of government. On the other hand, few wanted governments to increase their involvement in the economic life of the country.

When the question of big government was raised, it was not necessarily to claim that "small is beautiful." Generally speaking, it was to say that governments were duplicating functions, or charging too much for their services, or going about their business of governing without giving due consideration to "Mr. Taxpayer, who provides the money."

The failures of governments were said to be the greatest in achieving the economic goals of full employment, price stability, reducing foreign ownership and maintaining a healthy business climate.

# Unemployment

"First things first," speakers at the Task Force hearings often insisted. "Unemployment is the number one problem today and if we don't solve it, our days as one united country are numbered." Words such as "psychological damage," "disillusionment" and "alienation" were used to describe the effect of unemployment on the lives of individuals and their families.

When Canada offers the "hope of secure employment" people will start believing in national unity. It is impossible, some participants said, not to look "pessimistically" at the whole issue of Canadian unity "when you don't have a job." The Task Force was warned that if "frustrated young men and women," the ones most affected by unemployment, are "left in the street," they will resort to joining "radical political organizations" as the only way to vent their frustrations.

In the Atlantic provinces, speaker after speaker deplored the lack of jobs. A Halifax resident complained that Nova Scotia's unemployment rates are sometimes 50 per cent higher than the national average, while wages are often 20 to 30 per cent lower. Newfoundlanders told the Task Force they were "sick and tired of begging for handouts." Some observed that only a "few measly jobs" were being created despite the abundant fisheries, forestry and mineral resources of the island. A demonstration by the unemployed took place in St. John's, on the occasion of the hearings, to support this view.

Many speakers in Quebec saw the Parti Québécois victory as the consequence of a deteriorating employment situation and of an apparent indifference on the part of governments. Unemployment was described as the major problem in the province. "If we want things to go well for Canada, we must, first and foremost, put Canada back to work," the Task Force was told in Montreal.

Westerners' views on unemployment were similar. A few of them were also upset by the influx of unemployed easterners who "drift" into the western provinces and "steal jobs from western

66Today, Newfoundland, and other provinces like her, faces an added threat. Unemployment is skyrocketing, the per capita debt growing ever larger, and resource development is stagnating. But, to the decision-makers and opinion-mongers crowded around the Peace Tower, all that is something of a joke, far beyond the scope of anything that matters. Why worry about a few 'down east baymen' or a handful of prairie 'hayseeds' at a time when the very unity of the nation is at stake. Just delegate a couple of low level civil servants to come up with a few make-work programs to keep them happy during the winter. After all, this is no time to be constructive, we have to worry about national unity. 99

(The Newfoundland and Labrador Rural Development Council, in St. John's)

66The real problem is unemployment and the dehumanizing and degrading poverty that results from unemployment, fought only by the government's constant promises that amount in total to nothing. 37

(in Vancouver)

Garadians and sectors of the present crisis is ... the failure of successive federal governments to meet the economic, social and cultural needs of Canadians. All sectors of the country are continuing to suffer from a growing economic crisis. In the east, workers see their traditionally basic industries — mining and fishing — slowly disappearing. In the west, there is a legitimate sense of economic discrimination resulting from such matters as distorted freight rates and an ad hoc energy policy. Throughout the country, even in prosperous Ontario, unemployment increases month by month. . . . Yet no legitimate alternative is forthcoming from the federal government. \*\*

(Labour Council of Metropolitan Toronto, in Toronto)

64Job-creation programs are necessary and can be successfully done in any given Indian reserve in Manitoba. Eighty per cent of my fellow Indians are unemployed, and it is not by choice. Special consideration must be given to improve this area. 39

(Manitoba Indian Brotherhood, in Winnipeg)

66Our crisis is economic, with a million people unemployed. As far as the Task Force is concerned, I do not refer to them as Keith Spicer did — 'the travelling circus' — but if you had come out here with ideas as to how to revitalize our economy and some ideas as to how to create jobs, I would have welcomed you with all my heart. 99

(in Vancouver)

66As in other sparsely-populated, but resource-rich areas of Canada, we suffer — first and worst — the consequences of unemployment and 'government restraints.' 99

(The New Democratic Party of Newfoundland and Labrador, in St. John's)

66The east coast fishermen, the Quebec textile worker, the Ontario steelworker, the prairie farmer, the B.C. lumber worker will all begin to care about national unity and to work for national unity when Canada offers the hope of secure employment, a decent home, social security and a better life in both economic and non-economic terms.

(Vancouver Centre New Democratic Party Federal Riding Association, in Vancouver)

youth." It "causes social and economic problems," they observed. Others, on the contrary, saw those migrants as providing very much needed skills.

While it is Atlantic Canada that suffers the most, unemployment was seen as a problem in every region: "Even in prosperous Ontario, unemployment increases regularly," said a Toronto resident, referring mainly to the northern part of the province, "yet no legitimate alternative" is forthcoming.

The "biggest employers" in disadvantaged regions were said to be unemployment insurance and welfare assistance. Although judged to be necessary, the current unemployment insurance program was seen by some commentators as "often abused" by people who "work the limited time required to qualify for benefits, then refuse to take any other jobs."

Some concern was expressed about those "people pushing" to do away with the compulsory retirement age. The consequence was that "lots of job openings for young people will be closed off."

While one provincial premier, Mr. Bennett of British Columbia, and many business and labour spokesmen said that all governments must share the blame for the present high rate of unemployment, the central government was generally viewed as having a major role to play in correcting the situation. But Ottawa was seen to look at the problem from a "national perspective," where high levels of regional unemployment were obscured by the national average, a less dramatic figure. Furthermore, central government stabilization policies, designed to alleviate unemployment in the country's industrial centres, had the effect of increasing the misfortune of the disadvantaged regions, some speakers believed.

#### Inflation

After unemployment, most participants at the Task Force hearings called inflation the country's worst economic ailment. It was having an extremely bad effect on the morale and unity of the country. "A fraud," "a crime," "the most subtle mode of taxation yet devised," were expressions used to describe inflation.

Wage and price controls were said to have failed at keeping prices and incomes in line. They have failed because the "anti-inflation belt was too elastic," according to a Montreal participant. Many agreed. A Nova Scotia labour group maintained that the major causes of inflation, "housing, energy and food costs," were not affected by controls. Other participants included profits in that list. A Winnipeger was quite bitter about the "exemption" of Crown corporations and utilities. "If ever there was a thing that needed to be controlled, it is the outrageous-extravagance and bad management in those organizations." The results of it all, said a Toronto labour group, echoing many others, have been "restricted paycheques but uncontrolled inflation and the strengthening of the privileges of the rich."

Not only have controls "failed to stop inflation," said another group; worse, they have engendered "hardship, bitterness and disappointment." They were variously labelled by a great diversity of individuals and groups as totalitarian, divisive, anti-constitutional, undemocratic, inequitable, economically counter-productive and, because they fostered the "separatist ideology in Quebec" and exacerbated "feelings of regional alienation," they were repeatedly said to have been damaging to Canadian unity.

All labour representatives who attended the Task Force hearings chastized governments and business for putting the blame for inflation on "labour's aggressive wage demands." In Winnipeg, one group argued that any charge of "unpatriotism" would have been more appropriately addressed to employers who "stage a strike against the nation by discontinuing or retarding plant production and by withdrawing investment capital." The Marxist-Leninist groups agreed: their denial of the "exploited labour class's responsibility for inflation" was vehement.

Some representatives of labour and community organizations commented on the particularly difficult situation of those on fixed incomes in times of rapid price increases. A Toronto association of pensioners told the Task Force that older people are deeply concerned about inadequate

"Had the government assumed the sweeping powers it took for itself when it passed the so-called Anti-inflation Act in 1975 and used those powers [instead] to combat unemployment, to build the homes people require, to establish important social benefits that would lift up the economic conditions of those who have so much less in our country, then perhaps federalism would work. But the government assumed those powers, not for the interests of the majority of the people in this country, but actually used those powers against their interests. The results were restricted paycheques, but uncontrolled inflation; a strengthening of the pillars of privilege for the richest in the country and more unemployment for the weakest."

(United Steelworkers of America, in Toronto)

"Canadian workers were accused of causing inflation, of being inefficient producers, of aspiring to live too high off the hog. . . . Canadian workers were accused of being unpatriotic, ironically so, when prices and profits bore little brunt of the controls program, when plant capacity continued producing at a rate of only 82 per cent, when production was being cut back and investment capital was seeking more lucrative profit return from areas beyond our Canadian border."

(Manitoba Federation of Labour, in Winnipeg)

"Besides reverting to the question of the efficiency of the [controls] measure itself, in order to fight inflation, it has been rightfully reasoned that this legislation was dealing with a problem in Ontario and it ignored the problem of unemployment in Quebec. Besides, this legislation has been a deterrent for the underpaid workers to catch up with their salaries, in addition to dangerously deviating from the collective bargaining process."

(Centrale des syndicate démocratiques, in Montreal)

44. . . Nor shall we forget the measures of the Trudeau regime in attacking the working class through the notorious freeze on wages. \*\*\*

(in Vancouver)

have great difficulty following the logic that paying people wages for productive work is inflationary, but giving them welfare or unemployment insurance benefits for doing nothing, helps stop inflation. This is the basic rationale of Ottawa's present economic policies. 39

(in Winnipeg)

"Management ability is lower at the government-operated services level than in private sectors. Incentives for Canadians to work for the private sector ... should be created. Controls on profits should be replaced by incentives to manufacturers...,99

(New Brunswick Industrial Developers Association, in Moncton)

competitive cost structure, lower taxes or some measure of protection that ensures attractive returns on investment, it will be very difficult to maintain Canada as an integral economic unit.

(Canadian Manufacturers' Association, in Ottawa)

pensions, loss of savings and high taxes. "The majority are unable to live in a private home and are obliged to sell their houses and live in senior citizens' homes," said a New Brunswicker.

Many participants saw inflation as a symptom of economic distress, a reflection of the inadequacies of the free-enterprise system ("capitalism on its last leg"). Others referred to the government's lack of control over monopolistic forces. For different reasons, businessmen were also very critical of governments generally: "They have led the country to adopt an attitude of borrowing on tomorrow to pay for today," said a Regina group. Added an Edmontonian: "Governments have addicted us by the infusions of new money in the economy, by deficit financing." But putting all the blame on government mismanagement might be too easy, said a Haligonian: controls were a "utopian" exercise anyway, because inflation is a "world-wide" problem. A Quebec economist agreed: he referred to the controls program as "the utopian struggle against inflation."

## Governments and the private sector

Many business groups emphasized that Canada's prosperity is closely linked to the success of the private sector. They advocated less government intrusion in the marketplace and a "renewed faith" in the private sector's job-creating capacity. "If business is not expanding, neither is the economy," said one business group after another, "and the whole country suffers."

As one participant put it: "Canadians no longer have a clear-cut vision of their economic system or of the fundamental principles of the free-enterprise system." "It is for the government," said one group, "to return business leadership to the private sector." Many speakers decried a trend towards more bureaucratic red tape and heavier taxation. Increasing government industrial assistance programs, said one, "does not make up for legislation that inhibits free enterprise."

Another speaker argued that private enterprise had declined "because people have been made to feel dependent on government policies." Even the business community was too inclined to look to government for answers: "The system is hindered by increasing government involvement, sometimes, unfortunately, requested by the business community itself."

All critical comments, did not, however, point in the same direction and not everyone was upset about the trend toward more government intervention in the economy. Many participants did not share the businessmen's commitment to the maintenance of an "unfettered" private enterprise system. For example, many community and labour group representatives, as well as unorganized citizens, supported government laws and regulations to "maintain an orderly marketplace."

Many speakers blamed business for the economic ills of the country. A Torontonian told the Commissioners that Canada cannot count on the private sector to solve unemployment because it is business that is "laying off people." Said another: "There is an Alice in Wonderland quality in the government urging the private sector to invest more when it cannot use all the plant and equipment it now has." New industrial development was needed. A stronger "leading role by government and less reliance on private enterprise" is the answer, he suggested.

"The crimes of the system are numerous," the Task Force was told by proponents of a new economic order. Some of them were: "corporations basking in the warmth of wage controls"; "firms syphoning off profits"; "employers closing down plants and blaming labour where management was at fault"; "multi-nationals exploiting our resources and leaving empty shelves like so many wooden shacks in the Klondike"; "Canadian capital leaving the country not because it was not making profits but because it can make more by exploiting the unorganized workers of Mexico."

Many speakers denounced the "influence" that corporations exercise on government decisions. Said one: "They mount multi-million dollar lobbies and flock to Ottawa to plead their case." Other speakers observed that ordinary citizens do not have the same "easy access" to government and accused politicians of "too readily bending under business pressure."

Critics of the private sector also accused it of investing in central Canada to the detriment of less developed regions in greater need of a boost. Some said corporations leave themselves open to

Government of Canada create jobs for the tremendously high level of unemployment that exists today; there is simply not enough money available to any combination of governments to do so; but what can be done is that over a period of time, a reasonable business climate should be created so that small business in particular is not going to feel that it is persecuted to the point where it can no longer continue, or, alternately, never begin. 39

(The Greater Charlottetown Area Chamber of Commerce, in Charlottetown)

64Mass volumes of paperwork, bureaucratic red tape, and heavy taxation put a burden on the business community which makes it quite unattractive to expand and grow. If business is not expanding, neither is the economy, and the whole country suffers. The engine of democracy is free enterprise, fueled by personal initiative and freedom. 99

(Whitehorse Chamber of Commerce, in Whitehorse)

66We live in one giant company town from coast to coast. And [so] who can blame the Québécois for wanting a country that they call their own?

(in Winnipeg)

44How can we ever expect to be unified in Canada when we consistently allow foreign corporations to dictate the path we should take?

(in Vancouver)

66We may have strong nationalistic feelings about foreign investment in our country, but such investments, properly regulated, are powerful boosts to business. It has also been indicative of a healthy and stable business environment in Canada that she was viewed by investors, such as the United States, as a good area for expanding free enterprise.

(St. John's Board of Trade, in St. John's)

64Many people find it appalling to discover that Canada is probably more than 60 per cent mortgaged to other countries and to multinational companies. It has become apparent to some of us, that the democracy which is purported to exist here in Canada is nothing but an impotent facade, a colony of the multi-nationals.

(in Whitehorse)

66Our political leaders must cease to bend over backwards for the multinational companies because they are contributing to the disunity within our country in order to control us. 99

(New Democratic Party, Quebec Branch, in Montreal)

66We cannot afford to waste our time and energy arguing about past history. The present and the future cannot be held in abeyance while we argue about a vague concept of "national unity." Talk is good and we must have discussions, but at some point talk has to stop so we can get some action on inflation, unemployment, new railway equipment, pollution, land use, better health facilities and better education."

(Manitoba Pool Elevators, in Winnipeg)

"Canada desperately needs a long-term, macro-economic national industrial strategy. What we have instead is precisely the opposite: economic chaos, rampant unemployment, and certainly even worse prospects for the future."

(in Edmonton)

charges of "unpatriotism" by overlooking these regions, and are just as guilty as government for regional disparities. And "what about the great corporations that pull up stakes and move out of Quebec?" asked a Montreal participant, who added: "They are wrecking the country."

## Foreign ownership and control

The question of foreign ownership and control of large segments of the Canadian economy drew a great number of comments, some of them very passionate, in all regions, from business as well as from labour circles, from ordinary citizens as well as from "experts." One labour participant said: "There is something sadly amusing about the spectacle of premiers and prime ministers who have fallen all over themselves to sell out Canada's economy to multi-national corporations, now preaching nationalism and national unity." Said another: "We require democratic control over the disposition and amount of investment to prevent repetition of the Sudbury story. We require repatriation of control over our economy so that Canadians can become their own economic masters."

In Winnipeg, the Liberals were accused of having "given away the country piecemeal." "Who can blame the Québécois for wanting a country that they can call their own when the rest of Canada lives in one giant [foreign] company town," summed up another speaker. In Vancouver, the Commissioners were asked: "How can we expect to be a unified Canada when we consistently allow foreign corporations to dictate the path we should take?" In the Northwest Territories, the Commissioners heard strong criticism of the Foreign Investment Review Agency "still letting foreigners take over our business." In St. John's, some participants referred to foreign corporations who "come and rob the land and labour of Labrador." "The situation is dramatic," said an Edmontonian: "during the past five years, foreign ownership has grown by a greater amount than during the entire twenty-year period of the 1950s and the 1960s combined." And worse, he concluded, "over 80 per cent of that enormous increase has been financed by Canadian savings."

Though in a minority, some speakers approved of foreign investment. For one, the fact that Canada has been able to attract so much foreign capital should be a matter of "pride" for Canadians. Said a Newfoundland business group: "It is indicative of a healthy and stable business environment in Canada that she is viewed by investors such as the Americans as a good area for expanding free enterprise."

Other speakers invited Canadians to be realistic about the whole question. "We may have strong nationalistic feelings about foreign investment in our country," said an Atlantic provinces business group, "but let's not ignore that such investments when properly regulated are powerful tools to business." "We simply need our friends the Americans to assist us in developing our vast resources potential," a Toronto man stated. Others deplored the fact that foreign investment capital had slowed down recently. A Prince Edward Island business group blamed this on "wrong taxation policies." A national business group, present at the Ottawa hearings, blamed the political climate: "Investors' attitudes are depressed regarding our economic and political affairs and about our ability, as a nation, to find constructive solutions to our problems."

GTo develop a clear-cut industrial strategy will require that both the federal and provincial governments enter into an industry by industry analysis of our strengths, weaknesses and potential in the resource and manufacturing sectors. Such an analysis must be done with the full involvement of industry and labour.

(Dr. Stuart Smith, leader of the Ontario Liberal Party, in Toronto)

66Many of our problems are derived from a lack of clarity of purpose and organization that exists among the various levels of government and their relationship to the private sector. 39

(The Business Council on National Issues, in Ottawa)

economic and cultural affairs, let that be done. There have been proposals made years ago and repeated several times since, e.g., having provincial input or consultation on foreign borrowing and its coordination, having provincial consultation on money supply and banking matters. There is nothing new in these proposals. Talking about them again may be worthwhile in itself. 39

(Edward Schreyer, former leader of the New Democratic Party of Manitoba, in Winnipeg)

64The vast borrowing and spending power of the provinces cannot be disregarded in managing the economy. Manitoba believes that the changes in the world and the national economies in recent years dictate the need for an innovative federal-provincial consultative process on economic matters.

(The Honorable Warner Jorgenson, acting premier of Manitoba, in Winnipeg)

66We were a semi-industrialized country; we are becoming a semi-deindustrialized country. . . the Argentina of the north. . . . All of Canada, including Quebec, faces brutal economic readjustments unless new forms of economic cooperation are adopted to halt the erosion of the country's economic position. 99

(The Committee for a New Constitution, in Toronto)

6The Canadian Labour Congress has suggested replacing those tax cuts for the corporate sector with tax cuts for people who will spend those tax savings and help get the economy moving again. We agree. Substantial increases in old age security benefits would not only assist the aged but would increase demand as those needed dollars are spent. 39

(Alberta Federation of Labour, in Edmonton)

GRemoval of the controls program would lead to improved personal income growth, more consumer spending and a better investment climate.... The program does little or nothing about controlling the major causes of inflation — housing, energy and food costs — yet has directly brought about a worsening of unemployment and regional wage disparity. ??

(Nova Scotia Federation of Labour, in Halifax)

"The cancer of unemployment can be beaten, but not through the bandaid treatment of L.I.P. and Canada Works, and not by a government more concerned with the economic climate for business than with the mass of people in this country."

(Newfoundland Association for Full Employment, in St. John's)

# **Proposals**

Like the criticisms of the present performance of the Canadian economy, the recommendations on how to improve it touched all aspects of economic life. The areas most extensively covered were: government growth and stabilization policies, fiscal and economic cooperation between the central and provincial governments, the adoption of an industrial strategy, the regaining of control over Canadian industry and the taking into account of the regional impact of fiscal and monetary policies.

## Growth and employment

Scores of specific measures were proposed by different speakers. Some were long- or medium-term: the development of a national and of regional industrial strategies; the Canadianization of the economy; an improved federal-provincial cooperation in economic matters; an increase in the processing of natural resources at home; the expansion of our international markets; the deconcentration of central government offices, etc. Some were shorter-term: the regionalization of central government stabilization policies; tax incentives to promote investments; tax cuts to encourage purchasing; limits on immigration; a home-building program; an "imaginative" tariff system to safeguard domestic industries; a guarantee that 75 per cent of the domestic market in textiles would be reserved to Canadian producers; the opening of free ports, etc.

Does Canada possess the ability to win the "war on unemployment" all on its own? In Edmonton, the Task Force was informed of the results of a recent study involving 1,100 Canadian companies which concluded that unemployment would not decrease markedly, even with a substantial increase in productivity and competitiveness. It was pointed out elsewhere that an effective strategy against unemployment would not be achieved without close cooperation with the United States, Canada's principal economic partner.

# Federal-provincial fiscal and economic cooperation

Changes to the tax system and to federal-provincial revenue-sharing arrangements could help in solving Canada's economic difficulties, Task Force members were told. However, most speakers were suspicious of any major shift in economic responsibilities if this were to restrict the central government's freedom to act decisively in fiscal and monetary matters.

But there is room for improvement in the present distribution of government responsibilities, said many participants. For example, some experts recommended the development of federal-provincial mechanisms by which both levels of government could coordinate their interventions in the economy, i.e., foreign borrowing and the regulation of the money supply. Premier Davis of Ontario recommended the creation of a joint economic committee to allow "the legislatures and governments to act together in a systematic and concerted fashion on [Canada's] crucial economic problems." The acting premier of Manitoba, Mr. Jorgenson, told the Task Force: "Manitoba believes that the changes in the world and the national economies in recent years dictate the need for an innovative federal-provincial consultative process on economic matters." Premier Bennett of British Columbia told the Commissioners that the country needs an economic strategy, including a consistent and coordinated effort by all governments to reduce spending, and to encourage growth and confidence in the private sector.

Economic policies could be made more flexible than they are at present, argued a life insurance dealer in Toronto. He told the Task Force that, for example, even though monetary policy should remain under central government jurisdiction, its application in the different regions of Canada could be improved and do much to help alleviate unemployment and reduce regional disparities.

Many participants asked themselves how Canadians could ensure that general economic policies are not detrimental to regional economies without paralyzing the central government by the excessive decentralization of economic responsibilities. A Quebec City economist proposed the following approach: "There are two complementary ways to respond to the particular needs of each province: (1) the explicit taking into account by the central government of the regional influence of its own revenues collection and expenditures; (2) the involvement of the provincial

64Let us discard policies that hinder the dynamic free enterprise system that built the country. "

(Whitehorse Chamber of Commerce, in Whitehorse)

66Private enterprise reacts very strongly to the economic, social and political environment. It is in a position to benefit from the considerable variations of this environment, while it is preserving its role as an efficient producer of wealth and employment, provided that it is a paying proposition.99

(The Canadian Manufacturers Association, in Ottawa)

"The basic aspect, of course, is the improvement of the economy. This takes a good deal of work and we will have to rely upon government action rather than the action of the private sector because the private sector is the one that is laying off the people."

(in Toronto)

66Constitutional changes will really have no effect if economic power is able to establish growth and profit as the sole motive of a nation. We invite government interference into the market to protect the weak.

(Calgary Interfaith Community Action Committee, in Calgary)

64We Canadians, proud to be the world's highest per capita traders, have been trading our nation out of existence. We great Canadian traders have had a current account deficit with the United States for forty-eight of the past fifty years and for every single year for the past thirty-two years. What we could do is stop the cancerous growth of foreign ownership in Canada. We could compel Canadian financial institutions to make more of their loans to Canadians and to areas of the country with poorer economic conditions. What we could do is regain control of our own future. \*\*\*

(in Edmonton)

64Unless we get the country back from the multi-national giants and their lackeys in the federal government, unless we start getting competent, active government instead of window dressing, federalism will be rejected in Quebec. 37

(in Winnipeg)

governments themselves in the stabilization process, general orientations being coordinated at the level of federal-provincial conferences." A Vancouver economist agreed: "Regional industrial strategies must be supported by other instruments of public policies, such as differentiated monetary, fiscal and commercial policies."

A speaker urged the creation of a truly national budget prepared by Ottawa in consultation with the provinces, with revenues being collected by the provinces.

#### Inflation

Compared to the criticisms raised against the central government controls program, precise proposals on how to fight inflation were few in number. From labour groups, the Task Force members heard that governments should concentrate on stimulating production rather than restraining consumer demand via a control on wages. For example, as part of an overall national economic policy, a Nova Scotia labour group urged "the lifting of the wage and price controls, the generation of higher consumer spending and major housing projects."

Conversely, some speakers favoured extending the controls program. The "middle-men, especially marketing chains," were the main target of some, representing particularly the labour movement.

Those who tended to blame governments for inflation recommended spending restraints and an end to "unproductive, wasteful government programs or services." Said an Edmonton resident, after equating the number of civil servants with government inefficiencies, "We need to get these people out of useless and unnecessary government programs and back into the productive work force."

### Private sector

Most business groups who made presentations to the Task Force proposed placing more confidence in the private sector, especially in these troubled times. Canadians should be encouraged to work for the private sector rather than for government, said some. Jobs could be created in the private sector by replacing controls on profits with "incentives to manufacturers, not only to produce more than one product, but to produce more goods saleable as exports."

Governments should stop using tax monies to support Crown corporations which compete unfairly with the private sector, said a businessman in St. John's and a few others elsewhere.

#### Foreign ownership

Many specific measures were proposed to buy back Canadian industry from foreigners, among which were: tax concessions to firms that encourage their Canadian employees to become shareholders in their companies; publicity programs to encourage the buying of products from Canadian-owned companies; a more vigorous enforcement of the Foreign Investment Review Agency regulations; changes in the Bank Act to limit the access of foreign subsidiaries to Canadian savings.

# **Background**

Canada is no exception to the rule that in most countries, human and natural resources are unequally distributed geographically. Indeed, economic and social indicators reveal that the well-being of Canadians differs markedly from one region of our country to another.

## Uneven distribution of resources

The most common measures of regional disparities are the unemployment rate and the level of income per capita. When the Canadian average is taken as the base (100 per cent), the following indices of regional disparities (1977) are obtained:

Per capita income and unemployment rate as a percentage of the Canadian average for 1977

	Per capita		
Province	Personal income	Personal disposable income	Unemployment rate
	Percentage		
Newfoundland	68	70	196
Prince Edward Island	67	70	123
Nova Scotia	79	81	132
New Brunswick	75	77	165
Quebec	93	91	127
Ontario	109	110	86
Manitoba	93	97	73
Saskatchewan	92	94	56
Alberta	104	105	54
British Columbia	110	110	105
NWT, Yukon	96	96	N/A
Canada	100	100	100

Source:

National income and expenditure accounts, 1963-77, Statistics Canada, catalogue 13-201. The Labour Force (December 1977), Statistics Canada, catalogue 71-001.

These data confirm that the Atlantic provinces have the lowest levels of per capita income and the highest levels of unemployment. For example, the table shows that the unemployment rate in Newfoundland is almost double the Canadian.

These data confirm that the Atlantic provinces have the lowest levels of per capita income and the highest levels of unemployment. For example, the table shows the unemployment rate in Newfoundland to be almost double the Canadian average. Nor is this phenomenon new. Statistics going back as far as 1926 indicate that apart from the lowest ebb of the great depression, when the "dust bowl" was ruining prairie crops, no region of Canada has at any time recorded as low a per capita income as the Atlantic region.

### The concept of regional disparity

Not all notions of economic disparity are related to income levels and unemployment. Another factor of major concern in some regions is disparity in the degree of industrialization. A more diversified industrial structure, with less reliance on primary resources, is often associated with greater economic stability. On that ground, however, one could argue that Alberta is economically weak, as only 9 per cent of its labour force is employed in manufacturing, compared to 23 per cent in Quebec and 20 per cent in Canada as a whole.

Obviously it takes more than two or three factors to explain the phenomenon of regional disparity.



Besides unemployment, per capita income and the degree of industrialization, other economic and social variables come into play, such as the cost of living, the level of taxation, the productivity of labour, the rate of school enrollment, the quality of social services.

A recent study by the Economic Council of Canada (*Living Together*, 1976) shows, however, that no amount of "tinkering" with economic and social data can hide the fact that regional disparities in Canada are substantial and remarkably persistent in spite of the labour migration that has taken place over the years, and in spite of policies pursued since 1960 by both central and provincial governments to alleviate them.

Many Canadians told the Task Force that this persistence of regional disparities poses a very serious threat to national unity.

#### Questions

Are regional disparities caused mainly by differences in the endowment of natural resources? How does economic disparity affect the regional communities? Are disparities curable? Why do they persist in spite of the billions of dollars governments have spent to combat them? Have the wrong policies been used? Is there a "right" set of policies?

64Many Newfoundlanders are now wondering if we have exchanged one colonial master for another, i.e., London for Ottawa. Our general economic problem receives little consideration. Is it any wonder we wonder whether we are Canadian citizens or Canadian colonials?\*\*

(in St. John's)

66A strong sense of economic grievance, real or imagined, is so ingrained that it has become part of western orthodoxy. From the very earliest days of Confederation — the opening of the west, the building of the CPR — western Canada has suffered under a national policy that has maintained the west as an economic colony of central Canada. 99

(Alberta Branch of the Canadian Bar Association, in Calgary)

provincial pressure to create more jobs quickly has induced PEI's provincial government to engage in a sell-out into still further dependency and decline. A certain worship of outside corporations, as well as a lack of basic faith in the people, with most political decisions made in secret, remain the main features of provincial government policy.

(in Charlottetown)

consequences for this province and this region. Innovation has frequently been stifled; qualified manpower has been drawn away; profits have left the region in which they have been earned; local firms have been disadvantaged relative to larger central Canadian firms with vaster resources; capital has been scarcer; resources have been shipped out at increased prices or, if processed locally, made uncompetitive. After a century and more of this, is it any wonder that a sense of injustice should develop in western Canada?

(Honourable Warner Jorgenson, acting premier of Manitoba, in Winnipeg)

66While phasing out industries may be big news if it happens in central Canada, such happenings are a way of life here. ??

(in St. John's)

revenues in attempts to offset regional inequalities of income, the interregional transfers of income and employment through tariffs and transportation costs have been detrimental to industrial development on the prairies. Rightly or wrongly, some people in western Canada feel that Confederation as it was implemented — and as it has continued to emerge — is an institution that confers the primary economic benefits of Confederation on the provinces of Ontario and Quebec. \*\*\*

(in Regina)

44At this time, I have no intention whatsoever of commenting on our own economic situation as Acadians which, as always, is terribly depressed. You are no doubt aware that our main industry is social welfare. \*\*

(in Moncton)

am saying that Ottawa had better pull up its socks, treat all Canadians alike, and try to doctor the feelings of discontent that exist in so many areas today — because we are forgotten by Ottawa, forgotten and ignored. If things persist, a complete breakdown of Canadian unity can be foreseen. 39

(in St. John's)

## **Opinions**

From the Atlantic provinces came blunt words that "little has been accomplished" in reducing regional disparities, "despite the spending of countless millions." From the prairies arose protests about being treated as an "economic colony" of central Canada ever since Confederation. In both regions a sense of alienation, of neglect, of playing second fiddle to the "central Canada" power structures, was expressed. But the causes of alienation are obviously somewhat different: in the west, generally, it is mainly because of the economic uncertainty that is consequent on the lack of secondary industry; in the east, this same problem is compounded by serious unemployment and lower than average incomes. In common is the feeling of not being "where the action is."

#### East meets west

In the Atlantic provinces, many speakers said that the inability of governments to alleviate regional disparities poses a serious threat to national unity. A "deep wedge" is being driven between the "have" and the "have-not" provinces, and this, rather than the separation of Quebec, could be the ultimate undoing of the country, the Task Force was told repeatedly. Said a Newfoundlander: "The government in Ottawa is going to have more than Quebec to worry about if it keeps ignoring the east."

Acadians were vehement in their reference to regional disparities. "Our main industry is welfare," said one. The French-speaking areas of New Brunswick have a "monopoly on unemployment," a woman from Caraquet told the Commissioners. A resident of Cap Pelé deplored that the youth of Acadia have to emigrate to Toronto, to "the States," and "even to Moncton," where they have to work in English and lose their language and culture. Through migration, Acadia bleeds. Stop this "bleeding" or "Acadia will die!" he said.

Throughout their east coast visits, the Commissioners heard the words "unrest," "victimized" and "short-changed" to describe the feelings engendered by disparities in income and employment between themselves and Canadians of other parts of the country. The Atlantic region was described as a "money sink." A Charlottetown participant complained that equalization payments have been "our pay-off for allowing others to run the country." Said one Newfoundlander: "Many among us are now wondering if we have exchanged one colonial master for another."

Inequalities that "strain Confederation" have existed for a long time and have often been explained to Ottawa, but explanations "appear to have fallen on deaf ears," Task Force members were told in Halifax. Causes of failure were said to include: lack of federal-provincial cooperation, poor and short-sighted planning ("every three years there is a new policy"), bad choices of projects ("millions invested in capital-intensive projects that create only few jobs"), inability to exploit the real economic potential of each region. Often criticized, too, was the "band-aid" approach to regional disparities. Make-work programs, such as winter works, do not solve the basic problem of an under-developed industrial structure.

Industrial development policies were called "inadequate" in both Atlantic and western Canada. The Task Force was told repeatedly that "national" policies have put their regions in a state of dependency. "Industry concentrates in central Canada," commented a Halifax resident, "while the areas that need investment to close the disparity gap are passed over." "Let's bring jobs to people," Commissioners were told. In Regina, a speaker condemned the interregional transfers of income and employment through tariff and transportation costs as "detrimental" to the industrial development of the prairies.

Many westerners were strongly critical of the movement of goods between the west and central Canada. They contended that western commodities are sold within Canada at world prices, while westerners usually must buy Ontario and Quebec products at prices above world levels because of the tariff protection provided to central Canadian industry. And why must the price of oil be controlled in the "national interest," Commissioners were asked, but not hydro-electricity in Ontario and Quebec? Other westerners wondered why they should "pay tribute" to a government 3,000 miles away. "Put simply, the west has had a bad economic deal," said a resident of British Columbia. Maritimers and Newfoundlanders, too, had great reservations about the protected

44Regional economic disparities are also prevalent here, not on the scale that can be found in the rest of Canada, but they do exist. You will find communities in the north which are economically more advantaged and more developed than others. 99

(The Commissioner of the Northwest Territories, in Yellowknife)

calt would be tragic if regional disparity now became the issue that would bitterly divide Upper Canada from the east. It is already threatening to drive a deep wedge between the have and the have-not provinces. Can we develop a formula that may still keep us together?

(in St. John's)

66While British Columbia recognizes that there are economic gains from being part of Canada, it must be recognized in turn that the whole range of federal policy initiatives, including fiscal policy, monetary policy, exchange-rate policy, commercial policy, transportation policy, DREE policies, and a host of others, have a different and often unfavourable impact on British Columbia. In failing to recognize this fact and take account of it, national policies initiated by the federal government have often adversely affected the economy of our province, and contributed to feelings of alienation. 39

(Premier Bennett of British Columbia, in Vancouver)

66Western Canadians sell the produce of their labour on world markets; they buy what they consume, or the goods used in production, in protected markets. The cost of this — basing my judgement on studies done in British Columbia and in Alberta, and by the Economic Council of Canada — probably runs about \$500 per capita per year. 39

(Gordon Gibson, former leader of the British Columbia Liberal party, in Vancouver)

66All marketing barriers inside the country must be removed. Transportation costs must be equalized. The inequality in transportation costs is an important factor in economic disparity existing in the country. It prevents development of large areas of Canada. 99

(Sudbury Regional Multicultural Centre, in Toronto)

66We are opposed to the 'user-pay' concept within the context of our current uneven national development and the camouflaged manner in which the so-called user-pay principles are circumvented as in the case of the St. Lawrence Seaway. 99

(Nova Scotia Federation of Labour, in Halifax)

66The structure of the tariff has not protected many of the region's basic industries. Rather, high consumer costs have been incurred throughout the region by the required purchase of protected manufactured goods from the rest of Canada. The restructuring of tariff rates at the time of Confederation favoured a central industrial core rather than the mercantile shipping economy of the Atlantic provinces. 99

(Atlantic Provinces Chamber of Commerce, in Moncton)

<sup>66</sup>Transportation, which was viewed by the Fathers of Confederation as a means of developing all parts of the nation, has not done that. It hasn't helped to give Canada a better economic balance; rather, it has preserved the privileges of central Canada which began with the construction of the first canals at public expense.<sup>99</sup>

(in Edmonton)

central Canada markets. They said their fishermen and farmers had to purchase equipment from Ontario and Quebec at inflated prices, yet sell their own goods in a largely unprotected market.

## Mainly transportation

It was obvious from the western part of the Task Force tour that national transportation policies are a major source of aggravation. Many speakers stated that high freight rates are an obstacle to the development of an industrial west, and thus contribute to the industrial predominance of central Canada. "More copper and rapeseed are produced in western Canada than elsewhere," said one westerner, yet the "processing for both is done largely outside western Canada."

Many groups in the maritimes also maintained that transportation policies act as a trade barrier and are detrimental to industrial development in their region. "Goods imported from Europe can be landed in Montreal at the same prices as they can be landed in Halifax," despite the fact that Halifax is "1,000 miles nearer to Europe," said one Haligonian. In Newfoundland, the central government was blamed for having allowed the CN to abandon rail freight service.

Almost all western groups who shared their concerns about regional disparities with the Task Force were adamantly opposed to "user-pay," a concept advanced by the central government that would, they said, make the customer of freight service bear the full cost. All thought that "user-pay" could have only one result: increased costs to western Canada. "It should not escape the notice of the pen-pushers beside the Ottawa River," said one Calgary resident, "that there is little competition in rail or road transport in the west." And if the central government could subsidize the St. Lawrence Seaway and air transportation, many asked, why could not a national policy be established that would take the regional differences of the west and the Atlantic provinces into account? Many easterners shared this view.

In Atlantic Canada, the Task Force heard that the governments of the "have not" provinces, under pressure to create jobs, have tended to "sell out" to outside corporations, and that their natural resources have been "exploited by foreign corporations." Some speakers regretted that their provincial governments had been willing to support financially unsound ventures in the illusory hope that they would create badly needed jobs.

While many wanted governments to adopt more effective strategies for regional development, a few felt, as one speaker put it, that if a region "lacks advantages, there is little point" in subsidizing its industrialization as this only prolongs the agony. Commissioners were quite frequently advised that no region could accomplish everything, nor was there the same potential for the same type of development in all regions. Specialization was of the essence.

In all parts of the country, most participants in the Task Force hearings agreed that new approaches to the problem of disparities were needed or Canadians would "lose patience." The poorer provinces feel they are being neglected, said a citizen in Halifax, while the rest of Canada is getting tired of footing the bill for federal development programs. A Vancouver participant agreed: B.C. had become a "welfare department"; "all these millions being taken away to finance the fight against regional disparities would be useful here" to diversify industry. Said a citizen in Calgary: "It is not possible to take wealth of that magnitude from Alberta and let it go to waste without impairing national productivity."

64The development of manufacturing in the west has been impeded by transport policies. Unless a 'Trans-Canada Canal' is built, it should not escape the notice of pen-pushers overlooking the Ottawa River that there is little competition to rail or road transport in the west. The huge subsidies and advantage of central Canada of the St. Lawrence Seaway should have their equivalent in western Canada and the maritimes. 99

(in Calgary)

66What we want is more equality with the larger and more influential areas of Canada. Until this is realized, the feeling of unrest and of being short-changed in Confederation will continue.

(in Moncton)

66We must have federal support. If it is denied us, we will remain poor, bitter and open to persecution by any noisy demagogue. 99

(in St. John's)

6The Atlantic provinces don't want to be dependent upon handouts, and I believe Quebec and the other regions of Canada afflicted by economic disparity feel the same way. We want more than just to be kept alive. What we want is a stronger say in the decision-making process of this country. What we want is more equality with the larger and more influential areas of Canada. Until this is realized, the feeling of unrest and of being short-changed in Confederation will continue.

(New Brunswick Telephone Co., in Moncton)

64Federalism could not exist without an equal sharing of the wealth among participants so as to readjust regional disparities. I am not saying that the federal government has to keep on spending within the provincial jurisdictions: rather, I am proposing that the federal government readjust such disparities by way of transfer of direct payments or income tax percentage points.

(in Montreal)

66Disparities cannot be overcome via the equalization payment approach but rather by the development of an economic base and climate which will permit economic growth. 99

(The Greater Charlottetown Area Chamber of Commerce, in Charlottetown)

6The only way to correct regional disparities is not by per capita handouts, but by the planned development of the natural resources and geographic advantages of each part of the country. If a part of the country lacks any advantages, there is little point in subsidizing its existence as it only prolongs the agony."

(Whitehorse Chamber of Commerce, in Whitehorse)

Gertain federal policies must be discontinued. An open example of this type of unfair treatment is in the recent decentralization of federal government offices. Our province, with the highest rate of unemployment in the country, did not receive even one of these decentralized jobs. How are we to react to such a policy? To expect anything more than jealousy, suspicion and resentment would be naïve. 99

(Progressive Conservative party of Newfoundland, in St. John's)

# **Proposals**

#### New anti-disparity public policies

"The ultimate goal must be to eliminate the need for fiscal transfer," said a group in Charlottetown. Many speakers in Atlantic Canada developed the same idea. Said one: "The time has come for Ottawa to base its fight against regional disparity on measures aimed at building and strengthening the industrial structure of the 'have-not' provinces, and to develop a climate that will permit economic growth." The Task Force was told that if government would invest on behalf of the public in private undertakings, resources could be processed to their fullest potential and complete products could be manufactured in the regions. Better federal policies should be implemented to encourage the decentralization of industry.

But it is not enough merely to encourage decentralization. "We should be seeking entirely new sectors" of business activity rather than furnishing "ever-increasing support" for non-economic ventures "whose demise may be inevitable in the long run." Instead, "let's promote the establishment of small, local industries suitable to our needs and location." For example, it was proposed that farm-machinery plants be encouraged to locate in Saskatchewan, that modern fish-processing plants be built in Newfoundland. This might require "long term taxation and other concessions."

Government policies should also aim at stimulating the expansion of plants already in operation. A Newfoundland high school student told the Task Force that a mill in Stephenville could have been kept open if the governments had acted. "Ottawa could have looked for increased international markets," he felt. On the subject of markets, farmers and fishermen in Atlantic Canada urged the Task Force to recommend improvements in the domestic and foreign marketing of their products.

It was not just greater decentralization of industry that was advocated; many participants wanted central government departments and agencies relocated to their regions. The central government should be decentralized also, the Commissioners were told, "to make it more sensitive to regional needs and aspirations."

### New private sector attitudes

A government sensitive to regional needs would not suffice, however, if the private sector remained "central-Canada bound." Two Alberta economists suggested to the Task Force that the opportunities and the character of a region will be much better understood when the boards of companies, the line managers and the professional support staffs are all permanently settled in the area in which they make their living. Considering the crucial role that financial institutions play in economic development, the Commissioners were encouraged to support a policy that would foster their development under local management and control within each region.

Secondary industry needs to be developed in conjunction with the private sector, recommended a Nova Scotia labour group. Governments alone "cannot shoulder the burden of wealth distribution," said Premier Davis of Ontario; the private sector must be prepared, he added, "without either coaxing or arm-twisting" to develop an "adequate industrial infrastructure in the maritimes, even if it means lower rates of return on investment and assets." Said a Toronto citizen: "Profit is very important in the free enterprise system, but so is the unity and survival of our beloved land."

Some speakers were dubious about the private sector's ability to rise to the challenge. What about those "Canadian companies that prefer to invest in Indonesia before they would invest in Nova Scotia?" To "reduce and eventually eliminate" regional disparities is primarily the responsibility of the government, said a Nova Scotia labour spokesman. If the government does proceed via the private sector, it must ensure that public assistance "is closely monitored so that the taxpayers receive full value for their investment." The Labour Council of Metropolitan Toronto stressed the need for the "maximum democratic participation of all Canadians" in the formulation and implementation of regional development programs and policies.

66Government cannot shoulder alone the burden of wealth redistribution; the private sector must advance into this area because it is right and ultimately in its own best interests. 99

(Premier Davis of Ontario, in Toronto)

66While Ontario and Quebec continue to dominate politics, our maritime premiers continue to search fruitlessly for an economic development policy within the region, [and therefore the problems of] Canada remain irrelevant to us. 99

(in Charlottetown)

calt is true that certain parts of Canada do not have the same potential for development as do others but, nevertheless, we believe it is vital to give emphasis to economic development of those parts of Canada that have been described as the have-not provinces.<sup>39</sup>

(The mayor of Moose Jaw, in Regina)

Every three years there is a new approach and you cannot do anything in three or four years. You barely get started. We have an investment policy and a regional development policy which are heavily capital-intensive; we will get a lot of money put into the region, but very few jobs out of it. The region, in effect, is being used as a money sink, in that money is sent out there much the same as money is put in the United States, into a military program or space program. It is sent out into an area and then comes back to the centre of the country in terms of payments for imports of materials.

(Atlantic Provinces Economic Council, in Halifax)

66We pump hundreds of millions of dollars into education only to see our most valuable resource of all, our young people, leave for jobs elsewhere. Occupations in the primary resources are not for them for we have taught them too well that to remain at home, to fish, to log or farm is synonymous with failure. We have taught them to be ashamed and that is the greatest tragedy of all. 99

(Newfoundland and Labrador Rural Development Council, in St. John's)

66To develop a clear-cut industrial strategy will require that both the federal and provincial governments enter into an industry by industry analysis of our strengths, weaknesses and potential in the resource and manufacturing sectors. Such an analysis must be done with the full involvement of industry and labour. 39

(Dr. Stuart Smith, leader of the Ontario opposition, in Toronto)

66The planning and development of all economic and social policies must be undertaken with the maximum democratic participation of all Canadians.\*9

(Labour Council of Metropolitan Foronto, in Toronto)

64Thus far, the federal government has not concerned itself with any comprehensive plan to help us develop our natural resources, or to promote the establishment of small, local industries which are suitable to our needs and our location. It would appear that it is far easier for the federal government to keep the unemployment cheques coming (and when these stop, to shell out welfare payments). We, in turn, are expected to be grateful for this great benefit of belonging to Canada. 99

(Canadian Federation of University Women, in St. John's)

## Short-term measures against regional disparities

Could anything be done immediately to mitigate the effects of regional economic disparities? Many maintained that it could. A new national transportation policy was proposed that would recognize transportation as an "instrument of regional and national development" and allow each region access to the whole market "at roughly equal costs to people and goods." The revitalization of the railway system would be an essential element of that policy, if a citizen of Charlottetown had his way. In St. John's, emphasis was placed on up-dating the Trans-Canada Highway and the ferry. In Halifax, it was proposed that "free ports" should be developed in several Canadian harbours to "encourage international trading companies to assemble, manufacture and distribute goods for specific markets without being subject to import regulations." The whole package would cost a "good deal of money, but over the long run it would be a good investment in people, a good investment in Canada, and a real contribution to national unity."

Another important element of this new transportation policy would be a revision of freight rates. Such a revision, the Commissioners were told, is required to make resource-processing profitable in the west and to ensure that freight rates no longer act as the "greatest impediment to western Canada's industrial development."

Freight rates were also seen in Atlantic Canada as a strong negative factor in economic development. "We have to price our commodities to meet the competition in central Canada markets and still provide for the transportation in that sale price," stated a businessman. In this context, talking about "user-pay" was adding insult to injury. Would subsidization of transportation be the answer? Why not? asked a PEI women's group; "a first-class letter is 14¢ anywhere in Canada." A business group in Charlottetown called for "a review of the all-too-numerous studies, reports and briefs" already done on transportation, and the implementation of those recommendations that "would have the most beneficial effect on the Atlantic region." But "no more studies, please!"

Selected changes in tariffs on foreign imports were also recommended as a means of stimulating local industry. For example, the Task Force was informed that such a move would greatly assist Atlantic Canada in expanding fish-processing. In Halifax, ship-building was said to be in need of government protection or further financial assistance, especially in view of the fact that the ship-building industry was heavily subsidized in most other countries. In Charlottetown, a group recommended that "import prices be brought in line" so that PEI's agricultural products will not be priced out of the domestic market.

During the present period of economic restraint, government money should be spent where it is most needed, that is, it should be used to bolster the poorer economies, and not so widely dispersed over so much of the country. The federal Department of Regional and Economic Expansion (DREE) ought to revise its policies to reflect this objective, some speakers suggested.

Other short-term ways of easing regional disparities were suggested to the Task Force. The thrust of these suggestions pointed to the need for the central government to apply its fiscal, monetary and other economic policies with due regard to their effect upon each region. As a group of lawyers in Halifax told the Task Force: "The constitution should clearly recognize the principle that national policies can and should often be applied with regional differences suitable to the different circumstances in the region."

Some speakers looked to constitutional reform as a way to solve regional disparities. The future of Canada lies in the extent to which the needs and aspirations of the regions "can be integrated through constitutional arrangements," the Task Force was told in Regina. The same idea was expressed in Moncton: the correction of regional disparity must be "guaranteed in the constitution." A group of lawyers in Halifax agreed: "There should be written into the constitution a clear statement of the principle of equalization, if not a formula for it." These experts warned the Task Force that it might be difficult, however, to arrive at an "equitable arrangement"; lengthy federal-provincial bargaining would be required before the principle of equalization payments can be entrenched in the constitution.

More recognition of provincial rights and powers does not mean that the people of the Atlantic

64We believe that with regions, as with individuals, success lies in the maximization of their particular strong points rather than in trying to overcome their weaknesses. We would recommend that regions be endowed with an industrial base which would be in harmony with the inherent advantages of each, rather than with enterprises which would do better elsewhere.

(Canadian Chamber of Commerce, in Ottawa)

64Appropriate industrial strategies for Canadian regions should be formulated within a complex system of economic, political and social goals. Clearly, no region will have the resources to accomplish everything it may aspire to; however, choices can only be made after governments, industry and labour agree on the development and timing of an industrial strategy. 39

(in Vancouver)

the implementation of a strongly decentralized federalism or, at least, in a pure and simple control of the instruments of economic policies.

(Centrale des syndicats démocratiques, in Montreal)

44A real problem has been the failure of economic policies to adjust to the Canadian scene.... It has become apparent that policies designed to fight either unemployment or inflation have a tendency to produce perverse results throughout the regions of Canada."

(in Vancouver)

Constitutional change cannot geographically relocate mineral resources, arable lands or fishing grounds. Canada's density of widely scattered resources inevitably means economic disparities.

(Canadian Institute of Religion and Gerontology, in Toronto)

64Regional disparities are characteristic of all developed countries.... In the United States, for the comparable period [1974], state per capita income varied from 118 per cent of the national average in Connecticut to 69 per cent in Mississippi. We do not deny that regional economic disparities...remain at thresholds of concern. However, in no sense does their existence deny this country's successful economic performance. Most certainly it is no argument for dismantling Confederation. 37

(in Edmonton)

provinces want to see a "pallid and powerless federal government," the Commissioners were told. The central government must maintain authority to provide the necessary leadership and to manage the economy to "ensure balanced regional growth." Said a Charlottetown business group: "We must maintain a strong central government. Too much autonomy to the provinces may tend to accent, rather than overcome, regional disparities."

Whatever happens to the constitutional distribution of government responsibilities, many participants told the Task Force that a better coordination of the activities of all levels of government is necessary if economic disparities are to be reduced. From Saskatchewan came the suggestion that a "process of developing an inventory of regional needs" should be set in motion. From this inventory would evolve a "more balanced regional development plan."

# Background

Natural resources play an important role in Canada's economic life. Although the primary industries — agriculture, forestry, fishing and mining, quarries and oil wells make a relatively small direct contribution to the gross domestic product (the value of goods and services produced in Canada) — 8.3 per cent in 1977 — they are the basis of much of the country's processing and manufacturing sectors.

### Regional variations

As the following table illustrates, the importance of each primary industry varies greatly from region to region.

Regional importance of selected industries as a percentage of domestic output and as per capita of 1977 gross domestic product

	B.C., Yukon						Man./						Atlar	ntic	
	Canada		& NWT		A	Alta.		Sask.		Ont.		Que.		Prov.	
Industries	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	
Agriculture	100.0	259	3.9	92	20.1	638	39.1	1197	22.9	165	10.8	104	3.2	87	
Fishing	100.0	-14	35.0	46	0.3	_	2.6	5	3.4	1	4.6	2	54.1	83	
Forestry	100.0	64	48.7	282	2.1	16	2.5	19	14.6	26	22.1	52	10.0	67	
Fuel - mining	100.0	228	9.0	187	83.7	2342	6.3	170	0.1	1	_	-	0.9	22	
Non-Fuel - Mining	100.0	115	13.0	135	0.7	10	14.1	191	38.1	122	21.5	91	12.6	152	
Hydro Energy	100.0	81	16.8	124	0.8	8	6.9	67	18.3	42	34.1	103	23.1	199	

Source: National income and expenditure accounts, 1963-77, Statistics Canada, catalogue 13-201 Survey of production, Statistics Canada catalogue 61-202

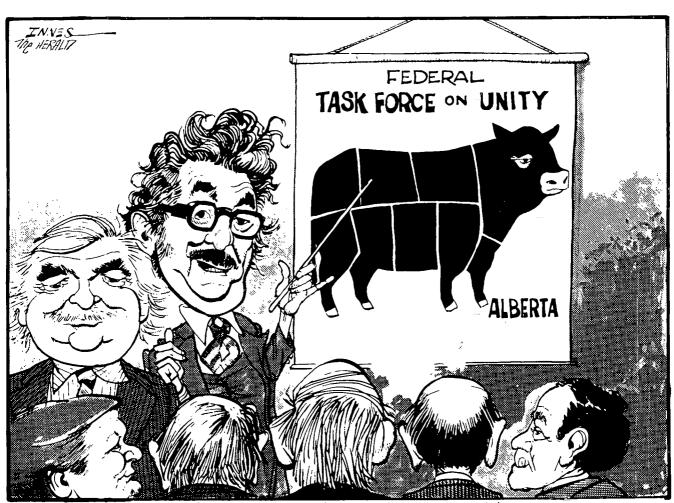
Because of the regional character of the geographical distribution of particular natural resources in Canada, the importance given at the Task Force hearings across the country to each subject and to each resource varied from one region to another.

In a time of high cost and gloomy projections about the scarcity of certain natural resources, the issues of ownership management and taxation are of considerable significance to all Canadians. However, an Albertan, whose government draws more than half of its revenues from resource taxes and royalties, can hardly see things as does an Ontarian, whose government's share of revenues from natural resources is twenty-five times smaller and whose province relies heavily on raw materials and on energy brought in from other provinces or countries.

#### Constitutional debates

Special attention was also paid by participants to those natural resources that have been at the centre of jurisdictional debates between the central and their provincial governments. Fisheries were very much on the minds of participants from the Atlantic provinces, oil on the minds of westerners.

The Canadian constitutional distribution of government powers on resources is not an easy one to implement in practice. Under the BNA Act, the provinces have primary authority to regulate the use of natural resources, and power to tax directly for provincial purposes and to collect royalties.



"Ontario this is your unit...Quebec your unit...BC...Manitoba...

The constitution does, however, constrain these provincial powers by giving the central government the authority to tax by any mode or system, to regulate inter-provincial and international trade, to declare local "works" to be of national importance, and by giving it an important role in fisheries and agriculture. Judicial interpretation has also recently added underwater resources on the Pacific coast.

The difficulties of reconciling federal and provincial responsibilities in the field of natural resources have given rise to numerous constitutional debates since 1920. The development of the OPEC cartel in the early 1970s exacerbated these conflicts. The two-price system for crude oil, the export tax on oil, the non-deductibility of royalty payments in federal taxation, the regulation of the rate of exploitation, the question of ownership of off-shore rights, to name a few, are all issues that were extensively discussed during the Task Force hearings.

### Questions

How should the jurisdiction be apportioned between central and provincial governments in the field of natural resources? How should natural resources revenues be distributed? What role can the development and processing of resources play in alleviating regional disparities? Should exports of raw resources be limited in favour of domestic processing? Should foreign investment be discouraged? Are Canadian transportation and shipping facilities adequate?

66We have an abundance of natural resources of all types and description and what may in the future be even more important, room to move, room to expand, and room just to get away from it all. 99

(Regina Chamber of Commerce, in Regina)

44It is necessary in our nation that each region has independence while having inter-related economic association with the rest of Canada. We refer especially to the necessity for provinces to have control of their natural resources.\*\*

(The mayor of Moose Jaw, in Regina)

66The policies of the federal government penalize the resource-based economies of the western provinces in order to assist the industrial and manufacturing economies of central Canada.

(in Vancouver)

fow out of Quebec and [that] to overcome the Party Quebecois 'ogre,' whether by peaceful or military means, is a solution to things. Such a presumption tends to disregard the variety of federal — provincial differences yet unsettled in each and every area of Canada. Specifically and for example, it would disregard the frustrations which at this time must be besetting the province of Saskatchewan, against whom the federal government has enjoined with potash and oil conglomerates to challenge rights which that province believes it does, or should have, in respect to resource taxation and resource development. 39

(The Manitoba Federation of Labour, in Winnipeg)

"The offshore oil and gas? My stand is that it should be Newfoundland's."

(in St. John's)

46Several provinces, especially western ones, have become concerned about their control of natural resources. During their 1976 discussions, the premiers unanimously demanded a 'strengthening of jurisdictions of provincial governments on taxation in the area of primary production from lands, mines, minerals and forests.' Several provinces have also been demanding jurisdiction over off-shore resources."

(in Vancouver)

44This is the fishing centre of Canada; it should be the fishing capital of Canada. Ottawa has never seen a codfish. 39

(in St. John's)

"4The federal government has also used its tax powers to extend its control over resources within the provinces. Its control over the pricing of oil is an example of its intrusion into the resource area, which is supposedly within the legislative jurisdiction of the provinces."

(in Vancouver)

66When Alberta's oil and gas became essential and expensive, the federal government said Canadians ought not to pay the going price. Premier Davis of Ontario said it was really his oil. God forbid that some day we should find such a resource, for the political power structure would tell us it is not really ours — it is central Canada's and they must have it cheap. 99

(in Charlottetown)

# **Opinions**

"We have an abundance of natural resources of all types and descriptions." "We are the envy of most countries in the world." Statements such as these from all across Canada show that Canadians are united, at least in their realization of the bounty nature has laid at their door. They disagree, however, as to how it should be owned, managed and controlled, and how its benefits should be shared.

### The question of jurisdiction

In all parts of Canada, the Task Force heard that regional prosperity and resource development go hand in hand. Not surprisingly, therefore, most participants concluded that the provinces need to keep their control over resources. Some westerners found it hard to understand why oil prices had to be controlled "in the national interest" but not the price of eastern-produced resources and goods. They had support from a Toronto group who called the federal pricing of oil "an example of intrusion" into a matter that is "supposedly within the jurisdiction of the provinces." Said a participant in Charlottetown: "God forbid that some day we should find such a resource [oil], for the political power structure would tell us that it is not really ours — it is central Canada's, and they must have it cheap." In Vancouver, the Task Force was told that although natural resources have always been regarded as "at the very heart" of provincial jurisdiction, the central government "appropriates a large share of the increased revenue" now obtained from western oil. It does so by levying an export tax on oil sold to the United States and by taxing royalties paid to the provincial governments. Commented one participant: "Nothing similar has been done to resource or energy exports from any other part of Canada."

To explain the "sensitivity" of his province to issues affecting provincial control over resources, the premier of Saskatchewan, in addressing the Task Force, specified the important role resources play in the economy of his province: 22 per cent of total government revenue in 1976-77, compared to less than 2 per cent in Ontario. The premier of British Columbia commented that the economy of his province is also "resource-based and export-dependent to a degree that far outweighs" the situation in Ontario and Quebec. This fact, he said, coupled with B.C.'s "slender hold" on manufacturing and resource-processing, means that national policies have "a different impact" on British Columbia and "this is seldom recognized." A group from the same province blamed the central government for having designed economic policies since Confederation "to prevent the development of B.C. manufacturing so that B.C. would remain mainly a raw-material province." Similar complaints were heard in the prairie provinces and the Atlantic provinces.

In the Atlantic provinces, speakers made impassioned comments about their resources. "When we entered Confederation," said one Newfoundlander, "we did not come empty-handed." The fisheries, the "very heart of Newfoundland history," said another, "are controlled by a host of faceless civil servants and colourless diplomats" who "trade off" fishing stocks to achieve bilateral agreements. While many participants saw the 200-mile limit as a "step in the right direction," they wondered when the central government would initiate policies "to help us benefit from these great resources." Similarly, the Task Force was told that Nova Scotians "do not relish continuously holding out their hand to Ottawa when the resources [fisheries] are at hand to provide a prosperous future."

Despite the evident dissatisfaction of many participants with the central government's involvement in the resources field, Ottawa had its supporters. A Toronto youth group, for example, said the power of individual provinces "is too great" and all natural resources should be controlled by Ottawa. A Calgary inter-faith group said that the central government "should make sure there is sharing" and that prices are fair for all Canadians.

Jurisdictional conflicts, duplication of government regulations and uncertainties over which order of government is responsible were cited as detrimental to the harmonious development of Canada's resources. Said a Torontonian: "This country of ours, which prides itself on being a resource nation, is woefully lacking when it comes to any kind of national resource policy. The reason for this is fairly obvious: natural resources are a provincial jurisdiction, but the federal government[sticks] its oar in whenever it can."

66We find it hard to understand, for example, why the price of oil produced in the west must be controlled, in the national interest, but not the price of resources which are located in central Canada. 37

(Premier Blakeney, in Regina)

66Newfoundlanders are getting fed up with being the migratory human fodder for the industrial core of North America. We are hard-working people who demand the right to work in our own province, developing and processing our abundant resources. Our fisheries, forestry and mineral resources would be the envy of most countries in the world, yet the only benefit that we derive from them is a few thousand measly jobs. There is no reason, for instance, why fish packaged in Boston should be on our supermarket shelves.

(Newfoundland Association for Full Employment, in St. John's)

64Western farmers generally see themselves at the mercy of a central government concerned primarily about an industrial and consumer-oriented eastern society. Many western farmers perceive themselves as a market for over-priced industrial goods produced in a protected eastern market and as a source of cheap food sold on an unprotected domestic and international market.99

(in Calgary)

64For decades, federal governments have shown, by their neglect and their inaction, that the development of Canadian agriculture is not a priority goal. This is shown not just in farm policy matters. It extends through the realms of trade and tariff negotiations, taxation policies, industrial and commercial policy, manpower programs and transportation policy.

(Ontario Federation of Agriculture, in Toronto)

66The fishing industry of Atlantic Canada, once a seemingly inexhaustible source of food and work for coastal area residents, today faces uncertainty and difficult times. Widely depleted fish stocks and the advanced technology of foreign fishing fleets, little concerned about the well-being of the Canadian industry, have threatened the very livelihood of our fishermen and their fellow workers in the fish-processing plants. 99

(The Nova Scotia Federation of Labour, in Halifax)

66PEI citizens are paying outrageous prices for electricity and fuel. They have to wonder if there is a national energy policy that would allow islanders to share in the bounty of this country.99

(Federation of PEI Municipalities, in Charlottetown)

66We must make in Canadian unity an overall safety-aware plan of research, development and implementation, incorporating all aspects of energy in the projected uses of nuclear, fossil, water, thermal, chemical, solar, wind and tide power available to us, and guaranteed in our constitution to remain for us first, and others second.

(in Toronto)

## The question of management

"There is no justification," the Task Force was told in Winnipeg, for the "relatively negligible" pace of energy development in all seven provinces east of Saskatchewan. There is a "fantastic concentration" of capital provided "to deplete" the country of those resources that are non-renewable but "perfectly storable," while renewable or extendable energy resources are left to "go wasted through non-use."

Hydro-electricity was a sore point with some speakers. One participant at the Montreal sessions asked why so much hydro potential is still untapped in Quebec. Our electricity costs are "out of sight," said groups in Halifax and Charlottetown. The Commissioners were also informed that an amount "exceeding" the total annual equalization payments from Ottawa to Newfoundland is flowing out of Churchill Falls in the form of "windfall profits" to Quebec. A previous Newfoundland government had forgotten to include a re-opener clause in its sales contracts with Quebec. "As a gift to Confederation, this is taking generosity too far," said a Newfoundlander.

From across Canada came complaints about agricultural policies. The premier of Saskatchewan said his province's "heavy reliance" on an export-oriented agriculture is subject to unstable market conditions. These produce "wild fluctuations" in the economy and cause the "booms and busts" which have haunted prairie people and their governments. Western farmers see themselves "at the mercy of a central government primarily concerned about an industrial and consumer-oriented eastern society." A Toronto group thought that central governments have shown by decades of neglect and inaction that the development of Canadian agriculture is "not a priority goal."

The "disastrous state of the mining industry," the "deteriorating conditions of our mines," the "improper management of our mineral resources," were expressions often used in statements dealing with mineral resources. International competition, lack of markets, shortage of capital, inadequate transportation facilities and federal-provincial conflicts over jurisdiction were given as contributing factors. In Charlottetown, a business group added that the policies governing the discovery, development and processing of the country's minerals do not make it a "rewarding endeavour" to those "few individuals" who have the "guts and temerity" to take the financial risks.

A northern Ontario resident said there was dissatisfaction in his area, "to put it mildly," with resources policies. Although "exceedingly rich" in resources, northern Ontario has been left with an "all-pervasive feeling of powerlessness." The region suffers from a "syndrome of one-industry towns."

The disadvantages of foreign ownership and control of resources were often invoked. In Nova Scotia, it was said that the profits of resource exploitation "have not fallen on the citizens"; they have gone largely to "foreign corporations" or, when spent here, have been used "to buy greater interests and prevent Canadian ownership." The present central government has "done nothing" to stop the "wholesale giveaway" of our resources, commented a Saskatchewan labour group. A Manitoba group asked if our economic difficulties did not stem from "the fact" that much of Canada's resource wealth is exploited by "multi-national conglomerates." The Task Force was warned that a divided Canada would leave Alberta "at the mercy" of oil corporations that currently "exploit our resources and people."

But not everyone saw outside influence over the economy in so bad a light. The mayor of Sudbury said that Canadians had to come up with resource-processing goals that take into account "our friend and neighbour to the south." The reason? To make resource-processing feasible, Canada needs larger markets, and the United States needs "certain items on our resource shelf." Other groups mentioned the impossibility of financing resource development solely through domestic savings, considering the huge capital outlays required and the "bleeding off" of Canadian investment money by non-productive government spending.

Gur electricity costs are 'out of sight,' as the saying goes. We share with our good neighbour New Brunswick the tremendous potential of the Bay of Fundy tides [whose] development would go a long way in solving the eastern Canada energy problem. However, as much as we need the jobs that this development would create, if no better deal was received for the people than was received by the residents of Newfoundland with respect to the development of Churchill Falls, the greatest benefit will be realized by another country."

(Canadian Seafood and Allied Workers Union, in Halifax)

GWe have a wonderful supply of resources and these should be developed sufficiently to benefit all Canadians. Depending on foreign oil, because it was cheaper, was a great mistake. When the price went up, as it was bound to do, the maritimes, in particular, suffered greatly. The maritimes could still have been mining their coal, enabling many to stay off welfare and pay less for fuel. When the pipeline was first proposed, it was a mistake not to let it go right to the maritimes, instead of cutting it off at Sarnia. . . . We should never put ourselves in the position of having to depend on other countries for the necessities of life.?

(in Calgary)

"Coal mines in Nova Scotia went under because of loss of markets while the Canadian government subsidized coal shipments from Pennsylvania to the Ontario Hydro."

(Nova Scotia Federation of Labour, in Halifax)

64Policies concerning the discovery, development and processing of the various minerals of this country, so abounding in natural resources, should be of such a nature as to make it a rewarding endeavour to those few individuals who have the guts and temerity to take the financial and personal risks involved. This is particularly true when viewed in the light of the number of failures there are versus the number of successes.

(The Greater Charlottetown Area Chamber of Commerce, in Charlottetown)

"The present federal government has done nothing to arrest the wholesale giveaway of our resources and our productive capacity. Surely, if we are going to talk as a nation, we must begin to repatriate our economy so that it will operate in the interests of the Canadian people."

(Saskatchewan Federation of Labour, in Regina)

44We are going to have to come up with resource and manufacturing goals and strategies that take into account our friend and neighbour to the south, the U.S. She needs certain items off our resource shelf, whereas we need markets for further processed resource materials and the opportunity to develop and sell high technological goods.

(The mayor of Sudbury, in Toronto)

46The 200-mile limit was a step in the right direction; however, we wonder when the government, which in its wisdom imposed this limit, will initiate policies which will help us to benefit from this great resource. So far the fishing grounds appear to be protected mainly from Newfoundland fishermen.39

(St. John's Club of the Canadian Federation of University Women, in St. John's)

# **Proposals**

## On jurisdiction

Majority opinion favoured effective provincial jurisdiction over resources, coupled with provincial direction of future development. Heard often across the country were comments such as these: "there must be provincial control over natural resources"; "stop federal intrusion into resources"; "offshore oil and gas should be Newfoundland's." A Saskatchewan mayor told us that provincial control of natural resources is such a vital matter to western Canadians that recent federal-provincial conflicts have brought many of them to question the very value of the present constitution.

While the management of resources was seen mainly as a provincial responsibility, some participants, particularly in Atlantic Canada, favoured greater federal financial commitment to resource development. Ottawa must "prime the pump" and assist in providing the machinery to harvest "the full potential of the sea," the Commissioners were told in Atlantic Canada, and "we must have federal support," because the provinces have "scanty financial resources." The 200-mile fishing zone extension was applauded here as well, but further "logical steps" must be taken: for example, funding for freezer trawlers, marine mining vessels and ships to police the 200-mile limit are urgently needed.

## On management

Many saw greater resource development as the answer to unemployment woes and regional disparities. The only way to correct regional disparity, said a man in Whitehorse, is through "planned development of natural resources." Developing our resources further would lead to a "substantial boost" in jobs and production, a Calgary group suggested. A speaker in Edmonton agreed, but warned the Commissioners that Canada must stop trading resources for "short-term capital-intensive projects," which employ "very few people" and "do nothing for our long-term economic development."

A better national energy policy was advocated in all parts of the country. In Halifax, a group advocated using "our fossil fuels and the Fundy tides as energy sources," and providing for a "hook-up with a national grid." This would reduce the dependency on non-renewable resources and on foreign oil that has led to the current energy price increases. "Substantial investment" in energy would "buy Canada's independence," a Calgary group said. It might also buy "Canada's unity," because a "reliable source of energy may well be a compelling reason for every province to remain in a United Canada."

The problems of farmers must not be overlooked, the Commissioners were reminded across the country. If farmers are to continue to prosper, Canadians "must pay more" for food than they do now. The national transportation policy must be reviewed to "assure that rail lines are not abandoned wholesale" and that the products of western farmers "reach the markets of the world." An Ontario fruit and vegetable growers' association said that task forces will not boost unity among Canadian produce-growers; what will do it is a "commitment to eat domestically grown products" and a federal "buy Canadian" policy.

Foreign control of our resources must end, said some participants at the hearings. "Surely, if we are going to talk as a nation," observed a Saskatchewan labour group, "we must begin to repatriate our economy" and "arrest the wholesale giveaway of our resources and productive capacity." A Winnipeger said that the influence of "multi-national, conglomerate decision-making" on the exploitation of Canadian mineral resources should be investigated. Why? To find out how much of our present economic difficulties "flow from the fact that much of Canada's natural resource wealth is not exploited from within." A few participants advocated public ownership of resources.

### Back to jurisdiction

On the constitutional front, most of the proposals to the Task Force pointed to the urgent need to

Goff the economic problems faced by Canada today, the one which has been extensively influenced by an inappropriate distribution of federal and provincial powers and which will continue to restrict our potential for economic growth, is our failure to develop an effective industrial strategy. This failure lies at the heart of various trouble areas of our economy, including improper management of our energy resources, the deteriorating conditions of our mining industry, the inefficiency and uncompetitiveness of much of our manufacturing sector and the declining investor confidence in the future economic potential of this country. Duplication, overlap and contradiction between federal and provincial jurisdiction have led to confusion and large scale economic inefficiency in the allocation of society's scarce resources.

(Ukrainian Professional and Business Club of Toronto, in Toronto)

Gelt should not be left to the courts to determine whether the federal government or the provincial government has the right to tax the resource industries and by what means.... In this regard, there should be called, immediately, a conference of first ministers to determine the manner [in which] resources should be taxed, whether through the federal arm of corporate taxation, the provincial arm of royalty taxation, or Crown corporations.99

(Ted Malone, leader of the Saskatchewan Liberal party, in Regina)

"The power of the individual province is just too great.... All of the natural resources of Canada should be controlled by the federal, not the provincial, government."

(in Toronto)

66Labrador has a great potential for cheap hydro-electric power. This has been shown by the successful development of the Upper Churchill. Now, and in the future, the requirements for energy will grow. This project is too huge and expensive to be developed by just one government. If the federal government really wishes to make a significant contribution to the Newfoundland economy, it could immediately arrange with our government to develop the Lower Churchill. 99

(in St. John's)

"Talk or task forces will not boost unity among Canadian growers of fruit and vegetables. A commitment by Canadians to eat domestically grown produce and a federal 'buy-Canadian' policy will."

(Ontario Fruit and Vegetable Growers Association, in Toronto)

What is needed is the unification of the natural resources of Canada. Natural resources can unite the country economically, and, if used properly, can solve unemployment which is very high in Quebec. 35

(in Regina)

64Whatever you write into the constitution — the division of tax revenues from resources must be settled by a fair compromise between the provinces and the Dominion around the table. Indeed, less scrapping and more productivity can satisfy both local and national needs. 37

(in Vancouver)

end the "obscure" and "divisive" quarrels over resource management and taxation. It was proposed that it not be left to the courts, however, to decide which order of government has the right to regulate and tax resource industries. A conference of first ministers should do it. The Task Force was warned that the settlement of the issue should not ignore the role played by private industry; taxation should not make it difficult for industry to earn a fair return on investments.

Among the majority who supported provincial control over resources, some proposed amending the constitution in order to make it more difficult for the central government to infringe upon provincial rights. Mentioned as instruments of central intrusion were the unlimited power of taxation and the regulation of inter-provincial trade. One participant at the Edmonton hearings proposed a restriction on the central government's control over exports.

A few speakers were not prepared to allow exclusive provincial control of resources. For example, a Toronto group stated that "the natural wealth of this country belongs to all Canadians" and no province should be allowed to become a "greedy sheep." Avert this situation, they said, by placing resources under federal jurisdiction.