

Ontario and Quebec, in particular, maintain a substantial permanent presence in the United States. Between them, the ten provincial governments accounted during the early 1970s for 18 trade and investment offices in New York, Boston, Atlanta, Chicago, Cleveland, Minneapolis-St. Paul, Los Angeles, San Francisco, Dallas and New Orleans. Although two provincial offices have recently been closed, there does not seem to be any mounting trend towards restriction. There have also been threats by Ontario and Alberta, following the U.S. economic embargo of August 1971, to establish their own mini-embassies in Washington, D.C.

Every four days

In 1972, provincial cabinet ministers were making on official visits abroad at an average rate of almost one visit every four calendar days. Moreover, the frequency of foreign visitors of ministerial rank to the Canadian provinces also increased; in 1974 these were occurring at the average rate of one a week. While not all of these visits involved the U.S., a good number did. However, the political visiting has not been restricted to mere routine matters. At least three premiers have also journeyed to Washington to lobby directly for key provincial interests: Ross Thatcher (Saskatchewan) in 1969 to fight tariffs on wheat, Gerald Regan (Nova Scotia) in 1970 to protest countervailing duties on steel tires, and Dave Barrett (British Columbia) in 1973 to promote a railway for transporting Arctic gas to U.S. markets. While these types of provincial activity do not necessarily represent a major challenge, their political implications are quite clear. In short, the prov-

inces will almost certainly continue to demand an increasingly greater role in national policy-making *vis-à-vis* the United States. Most, if not all, provincial officials would agree with the former Ontario official, quoted earlier, who also argued: "If a federation such as Canada's is to have national policies, they must be developed by means of a federal-provincial partnership. To an increasing extent, I believe this same partnership should apply in the formation of critical international policies that will affect all levels of government across the country." "Nowhere," he added, "is the importance of the federal-provincial consultative process in the development of foreign policy more clearly illustrated than in our relations with the United States."

If this federal-provincial "consultation" should work to the satisfaction of all concerned, then potentially-serious consequences are not inevitable. The likelihood of such an easy solution, however, is, in our judgment, extremely small. The forces that have given rise to greater provincial activity, and certainly those we have discussed here, are not short-term ones. Nor are the divergent interests they have in part reinforced and in part created likely to be managed by mere consultation. To the extent that these forces prevail, therefore, we do not think it an exaggeration to say that they point to fundamental challenges to the present patterns of Canada's federal system and of the country's most important international relationship. That these evolving challenges have been so little appreciated, not only by federal but also by provincial officials, makes a successful adaptation to the new conditions even less certain.

Fundamental challenges to patterns of Canadian federal system

Our two societies are among the most successful the world has known. They have produced not only prosperity but a personal liberty and a possibility of social change that is unmatched elsewhere. In different ways each is based on the diffusion or even an opposition of powers, and the organized tension among them. But neither country could survive without a widely-shared sense of the common good.

The only thing that could really threaten our future would be the loss of that sense of the common good, so that our domestic politics would be organized into a purely adversary process. That is why we fear sustained inflation so much, for prolonged price increases make it every man for him-

self. That is why we have been so shaken by the energy crisis, for it brought out the instinct of hoarding in us. That is why sustained unemployment can be so dangerous, for it sets the working against the jobless.

The same reflections apply to the way in which Canada and the United States relate to each other. It is necessary and right that there should always be a careful calculus of interest and constant bargaining between us, but there must also be a sense of the common good, of what advantages us both, of what will make us both grow.

U.S. Ambassador Thomas Enders addressing the Men's Canadian Club of Ottawa, March 23, 1976