

the pattern of government they established. They could not possibly have foreseen, for example, the development of the welfare state, or the technological revolution, or the series of great wars and their aftermath that have transformed this country and the world and the role of government.

There will be some who say that the British North America Act has impeded the development of Canada as a nation, that its rigidities have interfered with the most efficient allocation of functions and resources between federal and provincial levels of government. That is a criticism that can be made of any federal form of government.

I am more impressed by how well the federal form of government has served the purposes of the Canadian people and the Canadian nation. In fact, our federal constitution has, on the whole, enabled us to act as one where common action has been essential and to minimize internal conflict, by permitting local variations, both of which contribute to national unity.

FEDERAL SYSTEM A NECESSITY

If, at the time of Confederation, there had been one language, a common system of laws, a similarity of background and outlook among the provinces of British North America, a unitary system of government would have been preferable and would undoubtedly have been adopted. This was not the case and if national unity was to be achieved the federal system was a necessity. A federal system is still a necessity for Canadian unity. Those who think otherwise are ignoring reality. National unity for Canada is not synonymous with national uniformity. Indeed, any attempt to impose uniformity is bound to lead to disunity.

It is well for us to recall, at this time of national soul-searching, the purpose of Confederation. That purpose was to enable the provinces of British North America to work together more effectively to strengthen one another and to take control of the Western territories. A nation was established in 1867 which in due course achieved independence and has taken its place among the other nations.

ACHIEVEMENT OF 1867

This has been a considerable achievement and it came about because in 1867 the British North American provinces pooled their resources without losing local autonomy. Singly, these provinces could probably not have graduated, at least for many, many years, from colonial status to independence, and in all likelihood they would have been swallowed up by the vigorous and restless young nation to the south, together with the then unoccupied lands lying to the west of the Great Lakes.

From time to time over the course of these past 100 years or so, the pendulum of authority has swung backwards and forwards between the provincial and federal governments. I shall not take your time to recount the constitutional cases nor the political battles that determined the direction and scope of the alternating swings.

To me the significant fact is that, in one way or another, notwithstanding the conflicts and the relative fluctuations in the jurisdiction of the federal

and provincial authorities, Canada has always been able to function effectively as a national entity. We have not been a collection of provinces; we have been Canada. That is what the Fathers of Confederation intended and that is what has been achieved....

There have been occasions in our past when potentially divisive forces were at work, when separatist tendencies appeared, not only in the Province of Quebec but other parts of the country as well. These were overcome because they were combatted effectively by leaders at the head of national parties, parties dedicated, as national parties must be, to national unity.

The issues that now face Canada, that are potentially divisive and about which Canadians are so concerned, can and will, in my view, be overcome by the same kind of political leadership. That is why I am fundamentally optimistic about the outcome....

NEW PHASE OF CHANGE

We are now passing through another phase of important change in federal-provincial relationships. Characteristic of this change is the relative growth in the importance of the provincial governments, of all provincial governments. They are doing more, they are spending more, and they are becoming increasingly competent in administration. From Atlantic to Pacific, the provincial governments are playing a vastly more significant role in the scheme of Canadian nationhood, not because their constitutional authority has altered in any way but simply because, within the limits imposed by the British North America Act, they are being called upon by their residents to provide greater services.

This development alone, which is not related specifically to Quebec, is producing strains and stresses within Confederation which must be dealt with by appropriate changes in federal-provincial relationships.

This development also makes necessary a somewhat different approach to the formulation and execution of national policy. There must now be more conscious and deliberate co-ordination of federal and provincial action - a process which has been called co-operative federalism.

As Minister of Trade and Commerce for Canada, I am aware of certain aspects of these changing relationships. All the provinces now have departments concerned with trade, and many of their departments are very active indeed. Some weeks ago, I asked the provincial ministers to meet with me because I felt that better co-ordination of our respective activities would be useful and profitable to the country at large.

FEDERAL-PROVINCIAL TRADE CO-OPERATION

At that meeting, not one of the provincial ministers, from Quebec or anywhere else, challenged the authority of the Federal Government in the field of trade policy. All of them recognized that in this field the federal authority has the responsibility and is supreme, that there must be one Canada negotiating at the bargaining table. However, in keeping with the principles of co-operative federalism, I did