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Breakfast interview with the  
Honorable Marc Lalonde, Minister of  
State for Federal/Provincial  
Relations, February 10, 1978.  
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- THE CANADIAN EMBASSY -

Room 800-A, No. 11 Dupont Circle  
Conference Room - Foreign Policy  
Magazine  
Washington, D.C.

FRIDAY, February 10, 1978

BREAKFAST INTERVIEW

- with -

THE HONORABLE MARC LALONDE

MINISTER OF STATE

- for -

FEDERAL/PROVINCIAL RELATIONS

INTRODUCTION BY:

SANFORD J. UNGAR,  
Managing Editor,  
Foreign Policy Magazine

ATTENDING:

ROBERT J. MC GAVIN,  
First Secretary [Information]  
Canadian Embassy

AND:

MEMBERS OF THE MEDIA

-o0o-



1 MR. UNGAR: Good morning. I am Sanford Ungar,  
2 Managing Editor of the Foreign Policy Magazine.

3 I welcome those of you who are new, today --  
4 as well as some of our "regulars" -- to these Foreign  
5 Policy Magazine breakfasts. Let me remind everybody, at  
6 the outset, about the ground rule -- the major ground rule --  
7 of these breakfasts, which is that everything that is  
8 said here is considered to be "on the record".

9 We would also appreciate it if any remarks arise  
10 out of these breakfasts, that you mention that the remarks  
11 came at a breakfast sponsored by the Foreign Policy  
12 Magazine.

13 Our guest today is a Member of the Canadian  
14 Federal Cabinet, Mr. Marc Lalonde. He has had a long  
15 career in public life, both in Quebec and in the Confedera-  
16 tion of Canada. He has a classic Quebecois background  
17 and, since 1972 -- when he was elected to the Canadian  
18 Parliament from a Seat in Montreal -- he has been in the  
19 Cabinet.

20 At an earlier stage, he was a Policy Advisor  
21 to Lester Pearson: head of the Task Force on Corporate  
22 Disclosure and Security Regulations; an active Member of  
23 the Bar in Montreal; a member of several Royal Commissions--  
24 and in other public duties.

25 Beginning in November of 1972, he was appointed



1 Minister of National Health and Welfare and then, two years  
2 later, in 1974, he took on the additional job of being  
3 Minister responsible for the Status of Women.

4 In 1977 -- last Fall -- events being what they  
5 were in Canada -- Mr. Lalonde left his Office as Minister  
6 of National Health and Welfare, and he has been Minister of  
7 State for Federal/Provincial Relations which, as you know,  
8 is a very important issue in Canada today.

9 The origin of his being with us today is that we  
10 ran two pieces in the Winter Issue of Foreign Policy  
11 Magazine about the price of Separatism in Canada; and I  
12 think he may want to talk around that subject -- or would  
13 be glad to be questioned on that subject -- today, as well  
14 as other things that are breaking in the news; although I  
15 think we would like to talk, first, about the matter of  
16 Separatism in Canada. That was the original purpose of  
17 this session, although I am sure that the Minister would  
18 be glad to talk about other subjects later on.

19 I might thank Bob McGavin -- Press Counsel for  
20 the Embassy -- for his help in setting up this breakfast.  
21 I might also introduce Patrice Merrin, who is Mr. Lalonde's  
22 Press Secretary in Ottawa.

23 We have asked Mr. Lalonde to make a few intro-  
24 ductory remarks, briefly, and then welcome questions.  
25





1 MINISTER LALONDE: Thank you very much.

2 My remarks are going to be very short, indeed!

3 I think we will probably have a more fruitful meeting  
4 if I don't launch into a long speech.

5 As you have said, I have been appointed  
6 Minister of State for Federal/Provincial Relations in  
7 September. We have not had a position in Canada like  
8 this for quite a long time. As a matter of fact, I used  
9 to think that I was the first one to be appointed to such  
10 a position--until I checked the record in history and found  
11 that in the beginning of the Confederation in 1867, there  
12 were three different Ministers responsible for Federal/  
13 Provincial Relations! Each of them lasted about one year  
14 and, after three years, Sir John Macdonald -- the Prime  
15 Minister at the time -- had enough of these people,  
16 apparently! I suspect that it was done, in the early  
17 part of the Confederation, to help implement the new system  
18 that followed the active Union, and the Prime Minister  
19 needed somebody to see to it that the new system that was  
20 being implemented would function reasonably smoothly.

21 I suppose it is to the credit of the system that  
22 they could dispense with the Minister responsible for  
23 that area so quickly!

24 The fact that I have, indeed, been assigned this  
25 particular function, and that the Prime Minister created this



1 function last September is probably, also, a reflection of  
2 the times--just as my predecessors, 110 years ago, were  
3 appointed to see the implementation of a new system.

4 I suppose that my appointment is related to  
5 changes that are in the making and which -- I think  
6 unavoidably -- will be taking place in the Canadian  
7 Constitutional system over the next few years.

8 My role, essentially, is to coordinate current  
9 affairs in the area of Federal/Provincial Relations.  
10 This is an area -- if I might compare it to the United  
11 States, for instance -- which has been growing very,  
12 very extensively over the last ten or fifteen years.

13 It is estimated, for instance, that we have  
14 something like about 400 Federal/Provincial meetings a  
15 year, of all kinds, at the Ministerial level or at the  
16 Official level. It is estimated that, with any reasonably  
17 large province, we have over 300 Federal Provincial  
18 Agreements in operation. So this gives you an idea of the  
19 extent of the close, direct relationship that there is  
20 between the Provincial level and the Federal level in  
21 Canada.

22 In addition, obviously, to try and coordinate  
23 this great network of relationship, there is, obviously,  
24 the responsibility of supervising the work having to do  
25 with our crisis in unity in Canada and, particularly, the



1 development of new Constitutional proposals, and making  
2 proposals to the Cabinet in the general area of National  
3 Unity, which, obviously, will go--and should go--further  
4 than strictly Constitutional aspects.

5           These, I suppose, Mr. Chairman, would be the  
6 introductory comments which I would like to make--in terms  
7 of what my role is. I used to be, as you said, Minister  
8 of Health and Welfare with about 30% of the budget and  
9 something like 12,000 employees -- which is quite a lot for  
10 Canada. Now, I have no staff and no budget!

11 [Laughter]

12           I am what we call "a Minister of State". I have  
13 no Department as such. My officials are working in  
14 what is called the Privy Council's Office--which is really  
15 the Department of the Prime Minister. As such, they  
16 are responsible to the Prime Minister, still; but I try  
17 and help along in the whole operation.

18           So, with those introductory comments, I  
19 think I will leave it to you to raise the first few questions,  
20 and we can elaborate as we go on.

21           MEMBER OF THE PRESS: Mr. Lalonde, maybe I could  
22 ask a kind of general background question covering the  
23 last ten years.

24           When Mr. Trudeau took office as Prime Minister,  
25 certainly Mr. Pearson and many others felt that he was



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1 exactly the right person; or that he and the group of  
2 you who came into Federal politics in the early 1970's  
3 were the right group to galvanize the forces of Federalism  
4 in Quebec Province that everybody seemed to think were  
5 there.

6 We now are ten years along and we have a P.Q.  
7 government in power in Quebec City!

8 What is going wrong with this scenario that so  
9 many Canadians felt would come about in Canada at the  
10 time of Mr. Trudeau's accession ten years ago?

11 MINISTER LALONDE: The phenomenon of Separatism  
12 started, as you know, around the early part of 1960 --  
13 in the 1960's -- and it developed over time. If you  
14 look at the support for Separatism in the South, in Quebec,  
15 over the last 15 years, there has been no substantial  
16 growth in terms of support in the population. All surveys  
17 done over the last 15 years indicate that the level of  
18 support has maintained itself between ten and twenty  
19 percent. It has moved cyclically: sometimes as high  
20 as 20%, according to surveys, at times; and as low as  
21 11% or 12%, at other times.

22 The support for separation, itself -- for  
23 independence -- is not one that has grown in the population,  
24 and when the Parti Quebecois ran for office on the platform  
25 of Separation, or Independence, it was trounced and opposed.





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1 They got nowhere in 1970 and, in 1973, again, they had --  
2 if I remember well -- eight or nine Members elected.

3 What happened during that period, provincially,  
4 is that we have had a polarization, however; and that  
5 the Provincial Liberal Party got all of the Federalists'  
6 support and, in the meantime, we got the traditional  
7 -- more traditional -- Nationalist Party, called the  
8 Union Nationale in Quebec, which was squeezed out.

9 And, knowing the rules of Democratic alternatives:  
10 the moment you had the traditional Nationalist Party  
11 squeezed out, it was bound to happen that, one day, people  
12 would get fed up with the government they had and replace  
13 it.

14 Parti Quebecois was clever enough to realize  
15 that stressing separation or independence as a platform  
16 would not get them very far. So what they did was to do  
17 two things:

18 One was to split the issue of their running for  
19 office and the issue of separation or independence; hence,  
20 the introduction of the notion of a referendum; and they  
21 ran their last election on the basis of providing good  
22 government for the Province of Quebec, with telling people,  
23 "Don't worry. There is no question about separation unless  
24 the majority of the people in Quebec so desire, through  
25 a referendum."



1                   And, at the same time, there was a lot of dis-  
2                   satisfaction with the Provincial government in operation  
3                   -- in office -- a very high degree of dissatisfaction!  
4                   And you know what happened at the last election!

5                   Now, this is -- in terms of what happened  
6                   inside Quebec -- strictly political -- what went wrong  
7                   in terms of the efforts of the Federal government since  
8                   1968 -- in that context.

9                   There had been an effort made before 1968,  
10                  under Mr. Pearson, and subsequently, to insure that the  
11                  French Canadians and the French speaking Canadians would  
12                  become full partners at the Federal level, at least in  
13                  Canada.

14                  This has been attempted through the Official  
15                  Languages Act.

16                  This has been attempted through insuring  
17                  equality of opportunities inside of the Public Service;  
18                  and things like this.

19                  These policies have met, occasionally, with  
20                  resistance in some areas of the Country, and not very  
21                  much cooperation from English speaking provinces.

22                  New Brunswick has been making great strides, and  
23                  has taken very positive steps in that respect.

24                  Ontario -- particularly Ontario -- which has  
25                  a large French speaking minority--has been moving rather



1 slowly, comparatively, and our efforts have been seen, in  
2 many respects, as concentrating very much on language;  
3 as if it were, you know, the only solution to the whole  
4 question of Quebec Nationalism.

5 Language is a very important element in the  
6 question. It is a basic question of Social justice, in  
7 our opinion. But it is far from being the "end all and be all"  
8 of our situation in Canada, vis-a-vis French Canada, in  
9 particular.

10 There has been discussion about re-distribution  
11 of powers under our Constitution--between Federal and  
12 Provincial Governments; and all that.

13 In terms of the French speaking community in  
14 Canada, I would like to think that it is not so much a re-  
15 distribution of powers between governments--as the sharing  
16 of power between the two large linguistic groups. And  
17 the fact is that you have a French speaking society  
18 -- particularly in Quebec -- that has come of age; that  
19 has come into modern times in the early Sixties, very,  
20 very quickly. We have gone through a big socio-economic  
21 revolution; and the fact is that the instrument that we  
22 could use, as French Canadians, for that promotion, and  
23 that "revolution", was, essentially, the provincial state.

24 The private sector was one in which we, as French  
25 Canadians, were not very present. As a matter of fact,



1 it was partly blocked to us in the large financial institu-  
2 tions--even in Quebec.

3 The Provincial state was an instrument that we  
4 could use very readily; and we did use it. The Federal  
5 state is an instrument that we could use, and the French  
6 Canadians have been playing larger and larger roles, not  
7 only in the political field, but in Administration at the  
8 Federal level.

9 But, obviously, one area that the State does not  
10 control is the whole private sector of Canada--and that  
11 has moved much more slowly. It is understandable that  
12 it would move more slowly.

13 So you have the development of reasonably large  
14 French Canadian, or French speaking financial institutions--  
15 but the business sector has been much slower to insure  
16 the social and economic promotion of French Canadians.

17 So, when you ask me, "What went wrong", we have  
18 gone--in French Canada--through a socio-economic revolution  
19 probably as fast as any other social group in the World,  
20 that I know of, in the space of about 15 years, and trying  
21 to adjust the socio-economic structure, as well as the  
22 political structure, to such a change in a Democratic way,  
23 to me is something that just could not be done as fast  
24 as it should have been done on a purely theoretical basis.

25 So there is a lag, in terms of the adaptations





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1 of the institutions, private and public, to the type of  
2 socio-economic revolution that has taken place, and that  
3 adjustment, in my opinion, will take a few years.

4 MEMBER OF THE PRESS: Mr. Lalonde, may I  
5 ask you about one of the Foreign Policy articles -- one  
6 that presented a pretty distressing picture of the  
7 strategic implementations.

8 MINISTER LALONDE: Right.

9 MEMBER OF THE PRESS: Do you share that view?  
10 Is that a realistic assessment?

11 The premise, of course, is based on the  
12 assumption that Quebec becomes independent and probably  
13 collaborates, in one way or another, with Russia; or at  
14 least denies the United States certain access to  
15 facilities; and, also, adopts a hostile stance.

16 Is that at all realistic?

17 MINISTER LALONDE: I don't think so!

18 You know, you can make a theoretical analysis  
19 and conclude that this would be a possibility. But, frankly,  
20 I don't think it is very realistic, would it be only  
21 for the fact that I don't think that the rest of North  
22 America would tolerate such a development to take place--  
23 even for its own security.

24 So it is a kind of a dark scenario which I  
25 don't think the United States would even allow to develop,



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1 and the rest of Canada would allow to develop,  
2 Obviously, there is a Radical Wing in the Separatist Move-  
3 ment. It is vocal and very active! But I cannot imagine  
4 it -- I cannot imagine it -- even in the concept of an  
5 independent Quebec being in office, as far down the line  
6 as I can see--as long as you have a democratic system  
7 operating in Quebec. I don't see that scenario developing;  
8 and, as I said, I don't see how the rest of North America  
9 would tolerate it!

10 MEMBER OF THE PRESS: Mr. Minister, let me explore  
11 the answer that you gave to Mr. Hovey's question.

12 It seems to me there were three points which  
13 jumped out at me from that very complete answer. I would  
14 like to ask you if you think this is a fair distillation:

15 Despite your protest that language is not the  
16 only instrument of policy -- your Government's policy --  
17 nevertheless, I think you cited, yourself, the evidence  
18 that, for the first eight or nine years of the Trudeau  
19 Government, language was the essential instrument of  
20 policy in the Official Languages Act and that, in Public  
21 Service, bi-lingualism was the policy in Public Service.

22 Second: It seems to me that you have told us  
23 that Mr. Trudeau has been unable to win the support of  
24 English Canada for his policy of peaceful co-existence  
25 with Quebec; and



1 Third, you seemed to have endorsed the complaint  
2 of the Péquiste that an English dominated business  
3 community in Quebec is not responsive to the French  
4 Canadian concerns and evolution.

5 Does that appear to be a fair summary?

6 MINISTER LALONDE: I don't think it is quite fair--  
7 in terms of the inability to get support of English  
8 speaking Canada. You know, we have been re-elected three  
9 times since, and I know that people vote for a government  
10 for all kinds of reasons; but our policy on language is a  
11 basic tenet of our political philosophy. And it has been  
12 endorsed -- with some difficulty -- in 1972, and again  
13 in 1974; and I think it has known ups and downs in terms  
14 of public support.

15 I recognize that there is still resistance-in  
16 large areas of English speaking Canada-to it but to say  
17 that we have been unable to win their support, I think, is an  
18 overstatement of the situation.

19 As far as the second point: -- I missed it.

20 MEMBER OF THE PRESS: The second point was that  
21 language has been the cutting edge of Trudeau policy in  
22 this area; and not any more than that!

23 MINISTER LALONDE: In this particular area, I  
24 think it is more than "language". It is effective participa-  
25 tion and representation.



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The number of French speaking Canadians and Francophones in the Federal Public Service has gone from about 18% in early 1970 -- around 1970 -- to 26.6% last year. True, the French speaking Canadians do not have the same proportional representation at the most senior levels. But the fact is--as you look at what has happened-- that middle-management, for instance -- the French speaking representation -- has increased very substantially, so that Francophone participation or sharing of actual Administrative power has taken place. It has not just been a question of having the Francophones learn a second language. It has been giving a real role, a real participation to the Francophones, in the Administration of the Federal State.

The third one: about English speaking business in Quebec, I think is valid. It has historically been true. There have been some efforts in the last decade or so but they have been very, very marginal. And I am not saying that it is, necessarily, a conspiracy of the English speaking business community. I see this very much more in terms of purely sociological phenomenon--and the blame is not all on the English side, in that respect.

You know, historically, we have been a Society that was oriented toward Agriculture and the traditional professions, and we have come into the business sector--





1 and the professions oriented to business, comparatively  
2 late in our history. So we have our own share of responsi-  
3 bility in that respect.

4 But the fact is that the business in Quebec was  
5 largely -- and still is largely -- under the control of an  
6 English speaking population.

7 MEMBER OF THE PRESS: Mr. Minister, how much of a  
8 device, in the issue, is Quebec's separatism, politically,  
9 in the rest of Canada -- in Greater Canada?

10 MINISTER LALONDE: How much of a device "inside"--  
11 or amongst--the Canadians?

12 MEMBER OF THE PRESS: Amongst the English-  
13 speaking Canadians.

14 MINISTER LALONDE: In the sense that many would  
15 say, "Well, let them go"?

16 MEMBER OF THE PRESS: Or whatever! "Well, let  
17 them go", and translate that into **critical** terms, if  
18 you can, of relations between the parties.

19 MINISTER LALONDE: Well, I think the surveys  
20 indicate, again, that the vast majority of English speaking  
21 Canadians would like Quebec to stay. But you also have a  
22 high proportion -- I think about 30%, maybe, if I remember  
23 well -- who say, you know, "If Quebec were to decide to go,  
24 we should not hold them by force. Even more than that!

25 Maybe Canadian correspondents here could



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1 give me a hand on the actual surveys that have been  
2 carried on. I think even a majority of English speaking  
3 Canadians -- if I remember well -- would not want us  
4 to use force to keep Quebec in, if they wanted out.

5 But if you ask the English speaking Canadians  
6 whether they believe Quebec should stay in Canada, they  
7 overwhelmingly say "Yes"! So, the idea of the reaction  
8 of, "Let them go" is not one that is very, very spread in  
9 terms of political strength. I think there is a willingness  
10 to accomodate; and a willingness to make an effort to  
11 accomodate.

12 MEMBER OF THE PRESS: So it really does not trans-  
13 late into a Party political issue in English speaking  
14 Canada?

15 MINISTER LALONDE: Not in English speaking  
16 Canada. There is no political strength that is identi-  
17 fiable at the present time, which would say, "Let's cut it  
18 off", you know. There is no party that is taking that line--  
19 and there is no identifiable movement of any significance.

20 MEMBER OF THE PRESS: Could you garner from  
21 that, that the P.Q. says that if they got their independence,  
22 the rest of Canada would be bound to allow them all of  
23 the economic advantages of the Confederation; and their  
24 opponents saying, "This is not true".

25 What do you think?



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1                   MINISTER LALONDE: It is a very serious illusion.  
2 I have little doubt in my mind about that! The P.Q.s  
3 are overstating their case very, very considerably in this  
4 respect. Quebec is much more dependent on the rest of  
5 the Canadian market than the rest of the Canadian economy  
6 is dependent on Quebec!

7                   Quebec is much more dependent on the Ontario  
8 market than Ontario is dependent on Quebec.

9                   The basic manufacturing industries in Quebec  
10 benefit from high Canadian tariffs, or have, traditionally,  
11 benefitted from high Canadian tariffs on shoes, furniture;  
12 and that tariff has benefitted Quebec-where those industries  
13 are concentrated. So it is really questionable whether  
14 the rest of Canada would want to continue such tariffs--  
15 which, in effect, are protecting mainly Quebec at the  
16 present time, in those fields--assuming there is a wish  
17 for independence--and potential economic association,  
18 subsequently.

19                   So the idea that Quebec holds very strong cards  
20 in terms of negotiation for an economic association  
21 again --is a dangerous illusion. Quebec would be  
22 negotiating from a position of weakness--not from a  
23 position of strength--in such a situation.

24                   And this is our argument with our Separatists:  
25 that, really, Quebec has much more leverage inside the



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1 Federal system as it is at the present time, than it would  
2 have in the hypothesis of separation; or negotiating some  
3 kind of "independence-with-association"-- whatever that  
4 means -- a free trade area; Customs union; or a common  
5 market. I don't know. But the economic cards of Quebec  
6 and the political cards of Quebec-- in terms of such an  
7 association--are not those that the Separatists claim that  
8 they are!

9 MEMBER OF THE PRESS: Mr. Minister, I wonder to  
10 what degree do the economic problems that Canada is having,  
11 right now, contribute to this polarization that you identified  
12 earlier?

13 MINISTER LALONDE: Oh, I think those problems  
14 were in existence when Canada knew a rate of growth which  
15 was higher than the one we have known lately; and which  
16 was lower in unemployment and lower in inflation. So I  
17 don't think you can attribute this just to high unemploy-  
18 ment, or high inflation, at a particular time.

19 One could even argue, with that, that the difficult  
20 economic situation in Quebec is not helping the Separatist  
21 cause; that people are getting more and more concerned  
22 about the consequences of the type of political education  
23 we have known in Quebec over the last few years.

24 MR. UNGAR: What is the unemployment figure in  
25 Quebec?





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MINISTER LALONDE: "Unadjusted," it was 11-1/2% last month. On an "adjusted" basis; I cannot remember, exactly. It would have been around 10%, I believe. So it is high; and Quebec is the only Province, last month, in Canada, which knew an increase in its adjusted rate of unemployment. All other regions of Canada have shown a decrease in their adjusted rate, last month.

There, again, there was some trend in terms of unemployment that has taken place in Quebec in the last year.

So I would not say -- to come back to your point -- I would not make, certainly, a direct relationship between the economic evolution of the situation in Canada over the last ten years -- or even in the last five years -- and the particular political developments.

I don't think this is correct.

MEMBER OF THE PRESS: Mr. Minister, did the policy of the Carter Administration toward this question seem to be more one of moral support at this point, without direct involvement? The business community, I am told, is in a static situation: waiting and seeing what is happening.

If the situation were to move closer towards an actual break, or a crisis, would your Government feel that this was an adequate response by both the Administration



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1 and the business community?

2 If not, what steps do you think that the  
3 Administration and the business community might take to  
4 pressure Quebec into remaining in the Federation--without  
5 causing a reaction that might push it out?

6 MINISTER LALONDE: I think the attitude of the  
7 business community, and the Carter Administration, is the  
8 wise course, and I don't see any necessity for that course  
9 to be changed in the future.

10 This question is going to be resolved among  
11 Canadians. It is being debated in a democratic way.  
12 We have not known political violence in Quebec since 1970--  
13 in any shape or form. I think there has been more political  
14 violence in the United States, comparatively, during the  
15 same period. I think this thing is going to be resolved  
16 -- I am convinced it is going to be resolved -- through  
17 the democratic process in Canada. I don't see any  
18 necessity for a change of posture.

19 MEMBER OF THE PRESS: If I can follow up:  
20 you indicated in response to another question that  
21 had to do with the Securities aspects of the Separation  
22 question, that if Quebec were to follow the dark scenario  
23 that you don't think is likely, and become -- well, take  
24 a non-active role in NATO, and so on, that the United  
25 States would not allow it! Doesn't that indicate that you



1 can envision some more active stance by the United States  
2 in that question?

3 MINISTER LALONDE: You are talking in terms of  
4 a "post-independence" scenario. I don't believe it will  
5 ever happen. I suppose there is an old rule that  
6 politicians should never comment on hypothetical questions.  
7 May I break it?

8 MEMBERS OF THE PRESS: Yes. Yes!

9 MINISTER LALONDE: But, let's assume that.  
10 As I said, I think that in the first period in the  
11 "scenario of independence", you would not see a significant  
12 change in terms of Foreign Policy -- whether it is NATO,  
13 or NORAD, or all that.

14 But down the line, I still don't believe that the  
15 dark scenario is the likely one. But, assuming that it is,  
16 I am sure that then you would be in a different context.  
17 You are talking, then, in terms of Quebec as an independent  
18 State. Surely the United States and the rest of  
19 Canada would not hesitate to take the necessary steps  
20 to protect their own security if they felt it was threatened!  
21 I don't know whether it would take the form of coercion;  
22 but, certainly, there could be a lot of economic pressures.  
23 And I don't suppose that the United States would behave,  
24 necessarily differently in that case than it has behaved  
25 in other cases, with other Countries in the past.



1 MEMBER OF THE PRESS: May I follow up on that?

2 You said that nothing would happen if separation  
3 took place. Yet the fact is that you are here; and we  
4 have had Quebec Ministers -- particularly in New York;  
5 and, also, a new Quebec Office here.

6 How important is it to Canada and Quebec that  
7 Americans understand what is going on?

8 Why are you paying so much attention to what  
9 we expect is just a sort of benign presence--until the  
10 Canadians make their decision?

11 MINISTER LALONDE: I think it is important, in  
12 the meantime, anyway, that the American public be well  
13 aware of what is going on north of the Border. There has  
14 been a long tradition of ignorance -- maybe benevolent  
15 ignorance -- by the United States vis-a-vis Canada.  
16 I think it is important that the American governments, the  
17 American media, the American people, be aware of what is  
18 happening; and not be apt to react in a panicky way --  
19 over-react to events; see them in their proper perspectives,  
20 historical perspectives; and, I think, avoid generally, the  
21 type of over-reaction that could be very damaging to  
22 Canada, and to Quebec, itself.

23 So I think that it is important that we, as  
24 Canadian politicians, should be quite willing to spell it  
25 out as we see it; and we will see what happens.





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MEMBER OF THE PRESS: You are not looking for support for the Federalist position?

MINISTER LALONDE: Oh, I think the support for the Federalist position is there, whether we come or not. This is a Federal Country. In the United States, I think there is a great deal of support for Federalism as a form of government in the United States, and there is great support--for Canada as a unified Country--in the United States.

I don't know of any -- again -- identifiable movement in the United States -- in the media, in the Administration, or in the public at large -- that would prefer to see Canada break up.

So, you know, I am not concerned and, as a Federal government, we are not concerned about the Parti Quebecois' attitude of Federal government, or Federal institutions, vis-a-vis the future of Canada. We are convinced that there is strong support for a Federal form of Government--and a United Canada.

MEMBER OF THE PRESS: Supposing that your scenario -- which, I take it, is envisioning an evolutionary process -- that this problem will eventually be solved in a peaceful way, and Quebec will remain and get more satisfied with the rest of Canada in working with it; supposing it does not turn out:



1                   Would you address yourself to the question of  
2 whether there would be Canadian support for--necessarily--  
3 Military, or forceful means to keep Quebec in the  
4 Canadian Federation?

5                   MINISTER LALONDE:     We have taken a very strong  
6 stand in that respect: that we, as a Federal Government,  
7 would not resort to force to keep Quebec in, if the people  
8 of Quebec, in a substantial majority, were to decide that  
9 they don't want to be in. We would certainly resign as  
10 a Federal Government. I don't know what another Government  
11 would do, but you know, for us, it would be a political  
12 defeat of great substance and significance. It would mean  
13 that everything we fought for we have not succeeded in; and  
14 so, as a Government, we would certainly resign in a case  
15 like this.

16                   But our commitment is not to resort to the use  
17 of force to keep Quebec in.

18                   I don't know what another Government would do.  
19 That is, again, speculating on the future. But, again,  
20 this is speculating in the darkness of scenarios which I  
21 don't believe will happen.

22                   MEMBER OF THE PRESS:   Mr. Minister -- again,  
23 on the economic issues: Could you comment on what steps  
24 the Government can take to try to stem the movement of  
25 capital and business out of Quebec; and out of Canada in



1 general?

2 MINISTER LALONDE: There is comparatively little  
3 we can do. This issue is going to be unresolved; and we  
4 have urged the Quebec Government to call its referendum  
5 as soon as possible -- the sooner the better.

6 You know, there is nothing that capital fears  
7 more than uncertainty, and this has been very bad for  
8 Quebec; and not good for Canada. As long as this climate  
9 of uncertainty is going to be around, it is going to hurt  
10 the Quebec economy indirectly.

11 If Quebec were to delay, indefinitely, its  
12 referendum, because they are afraid that they may not win  
13 it--we might follow along that line.

14 I intend to introduce -- the Government intends  
15 to introduce a Federal Referendum law during the course  
16 of the present session; and we are likely to have, in our  
17 Statute, the authority, before the end of the year, to call  
18 a referendum of our own. So, if there is evidence that the  
19 Quebec government is dragging its feet, indefinitely  
20 maintaining uncertainty, and that we see a very serious  
21 negative economic impact arising out of that situation,  
22 we might --

23 MEMBER OF THE PRESS: On a nation-wide referendum--  
24 or Quebec only?

25 MINISTER LALONDE: It could be nation-wide. It



1 could be Quebec, only. We will have authority to call  
2 referendums on a regional, or a national basis.

3 MEMBER OF THE PRESS: Who gets to write the  
4 question?

5 MINISTER LALONDE: We do!

6 [Laughter]

7 MINISTER LALONDE: Well, it depends on which level  
8 [for]  
9 of government calls/a referendum. If the Provincial  
10 Government calls it, they ask whatever question they want.  
11 If we do, we will do the same.

12 MEMBER OF THE PRESS: Mr. Minister, a few weeks  
13 ago Sun Life [Assurance Company] of Canada, which, as you  
14 know, is a big English-controlled insurance company of  
15 Montreal -- the head office is in Montreal -- announced  
16 that it was going to relocate out of Montreal into Ontario,  
17 I believe. The Government of Canada intervened, success-  
18 fully, I think. They have deferred this relocation.

19 What were the Government's motives in intervening?

20 What do you think was achieved?

21 MINISTER LALONDE: Well, I should come back  
22 to your question, in retrospect, I think I gave you a  
23 rather short answer. I should have gone on to say what  
24 we can do.

25 In the Economic field, we have taken some steps  
to support the investment in Quebec. For instance,





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1 Montreal has been designated as a Special Area with some  
2 support for capital investment for new plants--or the  
3 expansion of plants. It is part of our general Regional  
4 Economic Expansion Policy in Canada, that we have for  
5 lower developing areas, whether they are in the Atlantic  
6 Provinces or some areas of Quebec. That is another thing  
7 that we can do.

8 The second thing we can do is keep close contact  
9 with the business community, and encourage them not only  
10 to stay on, but to carry on business-as-usual.

11 The Minister of Finance has been in the United  
12 States, regularly, talking to business representatives along  
13 those lines, and we have met with Canadian business representa-  
14 tives along those lines; that they should not pull out of  
15 Quebec, and they should carry on business as they used to  
16 do in the past.

17 This has been our general posture; and this is  
18 the posture that we want to keep.

19 Now, our intervention in the Sun Life case was  
20 along the basis of that particular policy: that we felt  
21 that Sun Life is an institution that has been in Quebec  
22 for over 100 years. It is a significant institution in  
23 terms of employment; and we were concerned that the way  
24 the decision had been announced--and the decision had been  
25 taken--might have a seriously detrimental effect--in terms



1 of creating a snowball effect on other large institutions.

2 So we did intervene, in that case, to show to the  
3 business community that, first of all, this is not the type  
4 of decision that we felt was appropriate; or one that had  
5 the support of the Federal government and, while we could  
6 not prevent it, if they decided to go ahead with it,  
7 we wanted the business community to realize, quite clearly,  
8 that this is not the type of development we find  
9 conducive to positive developments in terms of Canadian  
10 unity. Therefore, we have not reversed the decision  
11 of Sun Life. They have decided to move their Headquarters  
12 to Toronto, subject to approbation by a shareholders'  
13 meeting, or a policy holders' meeting, later on in the next  
14 month or two. But they have, however, decided to delay  
15 the transfer of their staff for at least two years -- at  
16 least two -- and they have indicated that they might--  
17 -- the bulk of, a large majority of their personnel, would  
18 stay in Montreal.

19 MEMBER OF THE PRESS: Is it your point -- if  
20 I may just follow up on that -- that the Government of  
21 Canada, in this matter, is trying to demonstrate -- and  
22 maybe succeed in showing the people of Quebec -- that it  
23 can be more effective in dealing with the business community  
24 than the Government of Quebec could be?

25 MINISTER LALONDE: That is what the people of



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1 Quebec do believe. Again, recent surveys show that quite  
2 clearly: that, in the economic field, they tend to  
3 believe that the Federal government has more power and  
4 more leverage than the Provincial government. And  
5 what is interesting in the current situation: We had,  
6 again, a recent survey, and asked the people who they  
7 blamed for the current economic situation. Strangely enough  
8 -- or, I don't know; I should not say "strangely enough" --  
9 it came out that way; that about 45% blamed the Provincial  
10 Government; 15% the business community; 13% the Labor  
11 movement; and 11% the Federal Government.

12 So, to come back to one of the previous questions  
13 as to the implication of who bears the blame for the  
14 economic situation, it appears to be different from the  
15 one you would expect in a different context.

16 MEMBER OF THE PRESS: Mr. Minister, you said,  
17 before, that the business community has been slow to follow  
18 the policy of integrating French speaking people at the  
19 top level.

20 What can you do to help us, in view of the fact  
21 that the United States is English speaking?

22  
23 MINISTER LALONDE: What is interesting is that  
24 probably the better citizens in Quebec--in that respect,  
25 the corporate citizens--have been the large international



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1 corporations which are doing business all around the World,  
2 and have a tradition of adapting to very different socio-  
3 economic medias, and they are probably more conscious  
4 of being foreigners in those Lands, and seem to be making,  
5 probably, more effort at integrating, reasonably well,  
6 with the media in which they are, and in which they live.

7  
8 For instance, we have a large General Motors  
9 plant in Ste. Thérèse, Quebec, and they look at that plant --  
10 it is a reasonably recent plant and it was operating very,  
11 very largely in French -- well before the Provisional  
12 Government felt it necessary to pass legislation.

13 It may be that those large institutions, as I  
14 said, have that tradition; and, secondly, they are  
15 of a more recent start in Canada than in Quebec. So they  
16 are not of a long tradition, like the old banks, and all  
17 of that. But you have had banks in Montreal. They had  
18 quarters in Montreal for 100 years and they never have been  
19 able to recruit even a proportional representation of  
20 French Canadians, in their senior Administration. They  
21 were very, very traditional; and their recruitment approach  
22 was very much turned inward on, strictly, the English  
23 speaking community. They just ignored the environment in  
24 which they were.

25 So I don't think that the international  
corporations, and the American corporations in particular,





1 have behaved worse than the Canadian English-speaking  
2 corporations. I would say, if anything, it is probably the  
3 reverse.

4 MEMBER OF THE PRESS: You mentioned a referendum.  
5 Do you have other means to achieve unity in  
6 Canada?

7 MINISTER LALONDE: Well, some are institutional.  
8 Yes, we are going to put forward, during the course of the  
9 present session, a certain number of Constitutional  
10 proposals -- Constitutional Reform Proposals -- but, again,  
11 I think this is important, and necessary.

12 You know, what people don't realize is that  
13 we have one of the oldest Federal Constitutions in the  
14 World! Ours has been going on since 1867, with slight  
15 amendments here and there, but, essentially, it is the same  
16 instrument -- called the "British North American Act".  
17 So the title, itself, would, I think, make somebody think  
18 it would be time to change something about it!

19 [Laughter]

20 But there it is. And so there has to be -- there  
21 has to be -- substantial Constitutional reform.

22 Again, one would be under serious illusions, if one  
23 would believe that just playing around with the Constitu-  
24 tion is going to resolve this particular issue. I think  
25



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1 there are socio-economic factors involved which are of a  
2 more basic nature, and the feeling of insecurity that the  
3 French speaking community has had, traditionally, in Canada  
4 is one that has to be resolved.

5 Separatists intend to resolve it by saying  
6 to the French-speaking Canadians and the Quebeckers: "Well,  
7 we will have all of the powers here. We will create our  
8 own fortress. We will be our own Country. We will have  
9 all of the powers. Therefore, we will be safe."

10 We do not believe that this is a good diagnosis  
11 of the situation. It is going to be a very costly one,  
12 economically and sociologically, and we think the solution  
13 lies, better, in the Federal system-~~than~~ in the single  
14 unitary state that would be the State of Quebec.

15 That is our fundamental difference. But this  
16 would imply true Constitutional reform, but through other  
17 steps, and steps that take a longer time, and are slower;  
18 that the French speaking community will have to feel that  
19 it is secure.

20 MEMBER OF THE PRESS: Can we change the subject  
21 to a current development?

22 Are you shocked at the spy revelations?

23 Can you give us any observations about it?

24 MINISTER LALONDE: I am not particularly shocked--  
25 nor surprised! This has taken place in other Countries.



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I have never believed that Canada would be immune to that type of -- you are talking about the events of yesterday?

MEMBER OF THE PRESS: Yes, sir. Yes, sir.

MINISTER LALONDE: I have never believed that Canada would, necessarily, be immune from this type of event.

MEMBER OF THE PRESS: Then why should Canada be so vulnerable?

MINISTER LALONDE: We are a pretty open Society. And being in Government, we have so little secrets that I was wondering what they were after!

[Laughter]

But it is quite understandable that they would attempt -- that another Country would attempt to infiltrate a Country like ours. We are close to the United States. But I am not saying that there are more attempts at it in Canada than there are in other Countries. I think the experience we have seen in a number of European Countries, over the last few years, would tend to indicate that Canada may not be one that is worse, in that respect, or more exposed, in that respect, than other Countries.

You know, maybe they were looking for Satellite debris!

[Laughter]



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1 MEMBER OF THE PRESS: What can be the legal  
2 ramifications of this ruling in Quebec that the Language  
3 Law is unconstitutional as it applies to the Courts --

4 MINISTER LALONDE: And the Legislature?

5 MEMBER OF THE PRESS: How far down the road  
6 did this go?

7 Is it unconstitutional throughout?

8 MINISTER LALONDE: No. We have looked at the  
9 Educational provisions, and we have indicated that we felt  
10 that they might very likely be maintained -- or most of  
11 them, anyway, would be supported by the Court -- by a  
12 judicial interpretation.

13 They are ruling out two very significant areas,  
14 I would say: that the Judicial and the Legislative systems  
15 are not something to be ignored. But, in terms of the daily  
16 life of people, I think people are much more exercised  
17 and concerned about the Educational provisions, than they  
18 are about the ones concerning the language in the National  
19 Assembly, or in the Courts themselves.

20 But they are significant developments.

21 It will be appealed, I am sure, all the way  
22 to the Supreme Court, and it will become part of the  
23 Constitutional debate, obviously, in the years down the  
24 line.

25 MEMBER OF THE PRESS: In the House of Lords?





1 MINISTER LALONDE: There is no House of Lords  
2 on these any more.

3 MEMBER OF THE PRESS: If you were framing questions  
4 to be put to the people of Quebec in a Federally sponsored  
5 referendum, how would you put those questions?

6 MINISTER LALONDE: Well, again, that is a little  
7 premature as a question. But I think if you were to ask about  
8 the choice, it should be a clear choice between independence  
9 and the Federal system, or Federalists. We don't believe  
10 -- and I am glad to see that more and more Separatists are  
11 recognizing this -- I think even Mr. Levesque said,  
12 recently in an interview, "There is no half-way-house  
13 between Federalism and independence."

14 You are living under a Federal system, or you  
15 are not; and, in that sense, our question -- if you were  
16 to ask one -- should be a fair choice in that respect.  
17 We would not want to fudget the way P.Q. is trying to fudget  
18 now with some of the associations in which people are  
19 projecting all kinds of interpretations which they  
20 have not defined themselves.

21 MEMBER OF THE PRESS: If you want to go off the  
22 record on this, I would still like to have your answer.

23 What is your guess on how Levesque is going to  
24 play this?

25 He is not an unintelligent man--as all of those



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1 who have met him know. He surely sees these hazards in  
2 the way of a clear cut choice.

3 How do you think he will behave in that respect?

4 MINISTER LALONDE: Since this is being filmed,  
5 I will not be off the record.

6 He said he was planning to have a referendum--  
7 at the earliest by Spring of next year, and they are going  
8 to try and phrase the question in such a way as to get  
9 the largest possible number of votes they can get and,  
10 if possible, a majority. But the danger, obviously, is  
11 that it becomes so vague that it will be considered  
12 meaningless by us--or by those who are "opposed" to Separatism.

13 You know, surveys have been carried, for  
14 instance, asking: Would you give a mandate to  
15 negotiate a Sovereignty Association?

16 According to one survey, there would be a  
17 majority of Quebeckers who would give a mandate.

18 This is almost like a Union--I think-- asking  
19 for "a mandate to strike". It is not very, very significant  
20 until you decide to call a strike.

21 So, how he is going to play it? I think he will  
22 try to phrase it in the best possible way for their  
23 objectives; and they have been playing around with  
24 certain formulations but, again, it is a double-edged thing!  
25 If it is too vague, it loses credibility.



1 MEMBER OF THE PRESS: Would you anticipate  
2 that the P.Q. would call for a boycott of any attempt  
3 by the Federal government to have a preemptive referendum  
4 with a question of its own phrasing?  
5

6 MINISTER LALONDE: They might! They might,  
7 although they have recognized -- Levesque has recognized --  
8 the right of the Federal government to call a referendum.  
9 But boycotts have not been very, very successful. They  
10 have tried that at Federal elections, and it did not work.  
11 Somehow, people still like to go and put their little  
12 cross somewhere. I don't know how much success it would  
13 have.

14 MEMBER OF THE PRESS: Mr. Minister, reliable  
15 sources say that there ought to be a Federal election,  
16 probably in the Spring or in early Summer. I am entirely  
17 serious. Could you speculate on how a defeat of the  
18 Federal Liberal Party might affect the evolutionary process  
19 that we have talked about in Quebec?

20 MINISTER LALONDE: I don't speculate on defeat  
21 of my own Government! I am fighting for the victory of  
22 my own Party -- my own Government -- so I would not  
23 speculate on that.

24 MEMBER OF THE PRESS: I am not quite clear as  
25 to what your Government's attitude might be about your own  
referendum.



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1 Are you going to wait until you see whether they  
2 will have a referendum?

3 Or might you call your referendum first?

4 MINISTER LALONDE: At the present time, I would  
5 rather wait and have them go with their referendum.

6 Our intention is not to try to spring one ahead  
7 of them just for the fun of jumping ahead of them.

8 MEMBER OF THE PRESS: But if they wait too long,  
9 you will have one of your own?

10 MINISTER LALONDE: Well, sure! As I said,  
11 if you look at the economic implications of the climate  
12 of uncertainty that is taking place, you can't just let  
13 that deteriorate forever! So there is a time when a  
14 decision will have to be made. But there is no intention  
15 -- I want to make that quite clear -- there is no intention  
16 by us to hurry up and have a referendum ahead of the  
17 Quebec one. It would only be in the context of just  
18 extended delays and a situation where, really, the  
19 Provincial Government is just bent on maintaining  
20 uncertainty and bringing economic disaster.

21 MEMBER OF THE PRESS: On a totally different  
22 subject: Are there any festering U.S./Canadian problems  
23 -- maybe of a smaller nature -- but like border television  
24 wars; like the tax that discourages conventions in Canada?

25 What is your observation about the state of





1 relations; and what are our problems?

2 MINISTER LALONDE: Well, I am not talking, really,  
3 just International courtesy here, when I say this; and  
4 those who know me say that I can be pretty blunt. I  
5 think that the state of relationships between the United  
6 States and Canada have never been better! Anyway, in the  
7 15 years that I have been around the Federal government in  
8 one way or another, I have never seen the state of  
9 relationships between the two Countries in as good a state  
10 as they are at the present time--in terms of very open  
11 communication. We have our differences. There are quite  
12 a few things that are still in negotiations: from  
13 Maritime borders; to boundaries; you know, to the issue of  
14 broadcasting; and convention expenses.

15 But frankly, on the large, substantial issues,  
16 we are working extremely well, together. We have a very,  
17 very good relationship, whether it is in the MTN negotiations;  
18 or the negotiations that took place about the pipeline; and  
19 questions of Energy; and broad questions of trade and  
20 economic policies. We are very much seeing the situation  
21 along the same lines. So, in terms of Canada/U.S. rela-  
22 tions, I think those relations are going extremely well--  
23 at the present time--at all levels. There is very, very  
24 direct and easy relationship. I don't see this as an  
25 area of great concern at the present time; and maybe that



1 is a pity! This gives us more time to be concerned about  
2 our own domestic problems.

3 MEMBER OF THE PRESS: Mr. Minister, to follow up  
4 on Bob Newman's question, earlier. From the Canadian point  
5 of view, one of the more interesting side lights of this  
6 whole thing is the enthusiastic courting of American public  
7 opinion since the Parti Quebecois was elected.

8 The Prime Minister spoke to Congress. You are  
9 here. I know that Mr. Levesque is planning a speaking  
10 tour.

11 MINISTER LALONDE: Mind you, I am here at your  
12 invitation!

13 MEMBER OF THE PRESS: Mr. Levesque is planning  
14 a speaking tour of the U.S.--to explain his position.

15 I am just wondering if you feel that all of  
16 this is having a significant impact on what you call the  
17 "tradition of ignorance", vis-a-vis Canada.

18 Do you think Americans better understand the  
19 problems of Canada?

20 MINISTER LALONDE: They certainly know more  
21 about it -- quite a lot more! And when you see the  
22 National American Networks giving as much prominence to  
23 Canadian news, and reports on the Canadian situation, and  
24 when you see Time Magazine devoting eight pages to Canada  
25 and Quebec in its current issue, I think this is a sign of



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1 the times; that there is greater interest and better knowledge  
2 of the American people about Canada and, you know, you have  
3 to look back ten years ago! You would be asking somebody  
4 about Canada and the United States; and you would get very  
5 strange answers.

6 MR. UNGAR: We have time for just a couple more  
7 questions.

8 MEMBER OF THE PRESS: Mr. Lalonde, I read that  
9 the Federal Government plans to heavily intervene -- or  
10 participate -- in the Provincial politics in Quebec.

11 I wonder -- I am thinking of developments,  
12 such as the decision of Mr. Ryan, former Editor of Le Devoir,  
13 to run for leadership and, also, of the fact that, in the  
14 past, involvement, perhaps, did not work out all that well.

15 That is to say: It was told that Mr. Bourassa  
16 was supposed to lead the Federal people, and so on. I now  
17 wonder whether, perhaps, the Federal government would  
18 prefer to let events take their course, so to speak.

19 MINISTER LALONDE: Well, the answer to that is  
20 the same one I would have given you when Mr. Bourassa  
21 was elected the leader of the Party in Quebec. We follow  
22 the same policy we followed at that time. That is, this is  
23 a Liberal Party -- a Provincial Liberal Party -- as you  
24 know; and, as you may know, we are two totally different,  
25 autonomous, parties. It is the same political base, but



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the structures are totally different.

We did not intervene in the case of Mr. Bourassa and we don't intend to do so in the choice of the next leader of the Liberal Party.

MEMBER OF THE PRESS: There were cases, though, in the 1976 election, Federal Ministers and Members -- as I recall -- campaigning very actively.

MINISTER LALONDE: Yes. Some of them went to Provincial politics.

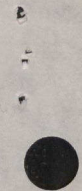
MEMBER OF THE PRESS: At the very last minute, and so on.

MINISTER LALONDE: I cannot tell you what will happen in the next Provincial election in Quebec but, in terms of choosing the selection of a leader for the Liberal Party of Quebec, we are not intervening; and we don't intend to!

MEMBER OF THE PRESS: It has been quoted in Time Magazine -- I think in the February issue -- when Dr. Brzezinski was Professor at McGill University, he is known to have toyed with the idea that, in case of Separatism -- and if, consequently, there were serious economic problems in Canada -- English speaking Provinces might want to seek to join the United States.

What do you think of this theory?

MINISTER LALONDE: Well, I think if Dr. Brzezinski





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1 ever thought of that, that was at a time when he was an  
2 Academic, living in an ivory tower. Now that he is in the  
3 thick of it, I don't think he would see this as a very  
4 realistic development.

5 You might think of it in terms of the Atlantic  
6 Provinces finding that it would be to their advantage  
7 all around to join the United States rather than staying  
8 with the rest of Canada--in that context--but, frankly,  
9 seeing the situation in Northern Vermont and Northern Maine,  
10 I am not so sure that they would be that keen on rushing  
11 into the American bosom. I don't see it as a very likely  
12 development--assuming the other event taking place--  
13 which I don't assume! So it is not very easy for me  
14 to see this type of development.

15 MEMBER OF THE PRESS: Can I just put one more  
16 question?

17 The West Provinces seem to give, also, some  
18 thought of changing their attitude, vis-a-vis the Federal  
19 government.

20 Would you elaborate on that?

21 MINISTER LALONDE: Well, you know, there has been  
22 a growth of Regionalism in Canada over the last 20 years;  
23 and these movements have come in cycles in our history.  
24 There is nothing new to them. Mackenzie King used to say  
25 that "some Countries have too much history, and Canada has



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too much geography." There is a lot of validity in that. So there is a certain amount of muscle flexing by some Western Provinces, like Alberta or British Columbia, for instance. And this is not very surprising; but none of them is pressing it to the point of breaking the Country. It is a matter of some Governments wanting to exercise more power than they used to--or having more freedom of action--and that is part of a normal give-and-take, and living tensions that you have in any Federal system.

I don't see this as a serious threat. I see this as a living organism adjusting itself to new developments and new situations.

MR. UNGAR: Thank you.

[Whereupon, the Foreign Policy Magazine interview with Canadian Minister Marc Lalonde was concluded at approximately 10:00 a.m.]

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Honorable Marc Lalonde, Minister of  
State for Federal/Provincial  
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