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NOTES FOR A PRESENTATION  
BY THE MINISTER FOR INTERNATIONAL TRADE,  
JOHN C. CROSBIE,  
TO THE  
BOARD OF TRADE  
ON THE MEECH LAKE ACCORD

ST. JOHN'S, NEWFOUNDLAND  
December 6, 1989.

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Canada

Before I deal with my main topic today, I would like to begin with something of particular interest to this group. I am announcing today an assistance package to help the St. John's Board of Trade in your marketing efforts in the United States.

This assistance will take the form of:

- Printing the Looking South Export Opportunities Guide, researched by the Board of Trade;
- A New Exporters to Border States (NEBS) mission to help local small and medium sized businesses break into or expand exports to the Northeastern U.S.; and
- A NEBS support structure to follow up with assistance for participants in the mission to the U.S.

The value of the two NEBS items, approximately \$27,000, plus \$8,000 for printing the Export Opportunities Guide, brings the total value of this assistance to \$35,000.

This is just one further investment by the government, by the Board of Trade and by the businesspersons who will participate, toward achieving the full benefits of Free Trade with the U.S.

For my main topic, I want to speak to you today about Canada's constitution. The time has come to set the record straight about some of the extreme and even absurd statements made by Premier Wells with respect to the Meech Lake Accord and the future of our province and our country.

Mr. Wells has made his rejection of the Meech Lake Accord into a personal crusade in which he has engaged the full credibility of this province's government. Mr. Wells is wrong about the Accord and his call for Newfoundlanders to join him in making this the central economic issue facing our province is badly misplaced. The provisions of the Accord are not central to the economic future of our province. They are, however, central to the political future of our nation.

Let me begin with the national issue, the unity of our country. As one of this nation's elder statesmen, Robert Stanfield, said on October 23,

"For the federal government and the provinces to support Meech Lake represents ... a newer vision of a federal-provincial relationship and the end of the debate about the place of Quebec ...

"If Canada throws away this opportunity for national reconciliation, we will well deserve our fate ...

"I ask English-speaking Canadians to use the brains that God gave them, and some common sense, to save our country from disaster."

Those are strong words from a man known for his thoughtfulness, his prudence and, if anything, a tendency to understate the issues.

On October 11, Premier Wells seemed uncertain about the effects in Quebec of rejection of the Meech Lake Accord. He said,

"What I don't know and I must frankly admit I can't say with any degree of certainty is whether it's (separation) likely to be exacerbated if Meech Lake is not accepted by the rest of Canada or if it is not likely to be affected one way or the other."

Premier Robert Bourassa said at the recent opening of the Quebec National Assembly on November 28,

"Quebec will not sit passively and watch with indifference the rest of Canada reject its political will to rejoin the Canadian federation, on the basis of particularly modest demands."

Mr. Wells was quick to respond to Mr. Bourassa. On November 30, he said,

"I can't let myself be led astray on the basis of those kind of misrepresentations that I think do not accurately represent the real situation in Quebec."

That situation in Quebec is the one that just a month before he expressed such uncertainty about.

Mr. Wells has put forward his own proposals to protect Quebec's interests in language and culture. He proposes that those interests be protected at the federal level. But many of these issues do not come within federal jurisdiction.

Culture and language come largely within provincial jurisdiction, and the francophone majority in Quebec wants to feel that they will be able to act through their provincial government to protect their language and culture. Mr. Wells proposals are irrelevant to this.

Mr. Wells is simply not responding to the deep and abiding concern of a francophone majority in Quebec surrounded by almost 300 million English-speaking persons on the North American continent. He is fixated in centralizing power in the federal government. That is his solution even when it doesn't fit the problem.

Let me quote from Ed Broadbent concerning the outlook inside Quebec if the Meech Lake Accord is defeated. Mr. Broadbent said on October 26,

"I see very few Quebeckers of political consequence who will credibly defend federalism in a new referendum in Quebec. Would you, could you, if you were the Premier of Quebec? A number of leading figures in all three federal parties in Quebec have already said they will not do so.

"How can they ask Quebeckers to once again [as in the 1980 referendum] vote for Canada if the rest of Canada turns down the most minimal set of proposals?

"And, if a few major figures will defend the federal option, does anyone really doubt that the independence vote will get the additional 10% required to win?

"And does anyone seriously believe that if this once unthinkable possibility becomes the reality, independence for Quebec can mean anything but catastrophe for all of Canada?"

Perhaps Mr. Broadbent, Mr. Stanfield, Mr. Bourassa and ... as you heard recently ... Mr. Peterson and so many others are wrong about a strengthened and potentially fatal separatism in Quebec. Maybe Quebec will not leave Confederation if what it sees as its minimal position in the Meech Lake Accord is rejected. But if Quebec does not separate, it will be in spite of Mr. Wells' rejection of a strong provincial voice to protect the francophone majority's language and culture.

If the Meech Lake Accord is rejected, I foresee a struggle for the hearts and minds of Quebeckers. It will be a struggle to persuade them that they can protect their language and culture within Canada, that they do not have to separate to do so. It will be a struggle where, unwittingly and with the most honest intentions, Mr. Wells has already played a deeply harmful role.

Every Newfoundland Premier, while he has a responsibility to the nation as a whole, has as his principal responsibility furthering the interests of the people of our province. Mr. Wells believes that the provision of the Meech Lake Accord relating to new shared-cost programs in exclusive provincial jurisdiction would condemn Newfoundland to eternal poverty. If I believed what Mr. Wells believes, I too would oppose the Meech Lake Accord. But, he is wrong.

Mr. Wells has said,

"Every time the federal Parliament tries to use its spending power to correct the problem of regional development, that provision of Meech Lake will require the government to pay a pro-rata share to Ontario and Quebec to opt out."

What is it that Mr. Wells is talking about? What is it that the federal government would have to give to Ontario in order to be able to give it to Newfoundland?

If the federal government wanted to increase equalization to Newfoundland ... as this government has from \$618.6 million in 1984/85 to \$910.5 million in 1989/90... how much would it have to give to Ontario? Not one cent.

If the federal government wanted to increase funding for ERDAs and direct regional development expenditures ... as this government has for Atlantic Canada from \$182 million in 1984/85 to \$500 million in 1989/90, how much would it have to give to Ontario? Not one cent.

If the federal government wanted to commit more than \$2 billion to support petroleum development in the Newfoundland offshore ... as this government has under the Offshore Development Fund and for Hibernia ... how much would it have to give to Ontario? Not one cent.

If the federal government wanted to build roads, ferries and airports in Newfoundland, like the \$1.5 billion spent and committed for transportation in our province from 1984 to 1988 ... if the federal government wanted to support the fishery through increased funding for measures like the Inshore Fisheries Agreement, improvements to Small Craft Harbours or emergency response funding ... if the federal government wanted to support the rehabilitation of the Come By Chance oil refinery or the three paper mills, as this government has done since 1984 ... if the federal government wanted to support the development of the military base at Goose Bay, as this government has done since 1984 ... how much would the federal government have to give to Ontario? Not one cent.

There is one category of programs where funding would have to be offered to Ontario just as it would have to be offered to Newfoundland. That category is for new national shared-cost programs in areas of exclusive provincial jurisdiction.

One example would be a new national Child Care program. All provinces ... at least all provinces that join the federal program or otherwise achieve the national objectives set out under the federal program ... would receive federal contributions toward provincial expenditures. And, why not?

That money ... like expenditures for existing programs like Medicare or the Canada Assistance Plan ... would be for have-not Canadians, not for have-not provinces. That is how national shared-cost programs have been used in the past and should be used in the future, to exercise national leadership in providing key social services for Canadians wherever they may live.

The Meech Lake Accord confirms that that national leadership role can continue and it does so without limiting our ability to redress regional disparities.

As Premier Peterson said here in St. John's on December 1,

"Clyde Wells' interpretation of Meech Lake, in my opinion, is almost unsupported intellectually by any constitutional scholar that I know.

"His interpretation, in my view, is not the correct interpretation legally or politically."

Mr. Wells sees a problem here that none of his fellow premiers in Atlantic Canada sees. Brian Peckford didn't see it and still doesn't. Neither does Joe Ghiz, John Buchanan or Frank McKenna, or if they do they aren't saying anything about it, which is hardly credible.

The real problem that Mr. Wells has with this is that it puts a modest limit on federal intrusion into provincial jurisdiction. Mr. Wells is fixated on centralizing power in the federal government. Anything that detracts from that goal is simply awful in his view.

This is another area where he and I part company in our view of federalism. I do not believe that the kind of omnipotent central authority that former Prime Minister Trudeau wanted to create is good for Canada. Mr. Wells embraces Mr. Trudeau's approach. I reject it and I fought against it on issues like jurisdiction over the offshore.

Mr. Trudeau's vision of centralized authority won't work in a country like Canada, spread over 5,000 miles and with the great diversity of its people. This government believes it is important for the future of Canada to have strong provincial governments and a strong national government, taking responsibility for matters within their respective jurisdictions and working together pragmatically to solve major problems. The Atlantic Accord is a classic example.

I don't believe in universal panaceas, in the great thing that will lead to the solution of all of our economic problems. It is simply too easy to say that the Newfoundland economy has problems because we haven't had a reformed Senate or that we can't solve those problems until we have a reformed Senate. It can become a too convenient excuse to fail to come to grips with the practical problems facing us today.

And on the practical side of things, I think it's time that Mr. Wells' government pulled up its socks and got on with business. Where, for example, is the economic recovery said to be necessary last April and which an Economic Recovery Team was established to achieve? What has been achieved in the provincial economy since last April?

What has been achieved at all in the last seven months other than the reversal of provincial support for ending Quebec's exclusion from the constitution? Will willful refusal of constitutional change by Newfoundland put food on anyone's table, or pay the rent or create jobs?

We are told that Nero fiddled while Rome burned. Is Clyde fiddling constitutionally while Newfoundland burns economically?

Is this the "real change" that Mr. Wells promised, is it confined to his constitutional proposals? I hope not, because if Mr. Wells follows through on his promises and kills the Meech Lake Accord, the prospects for constitutional reform in this country are going to be pretty bleak for a long time to come.

I have sought and I will continue to seek to work closely with the provincial government and Mr. Wells personally to advance the interests of the people of our province. But, cooperation is not a one way street.

I suggest that Premier Wells should come down out of the constitutional clouds and work with the Government of Canada in dealing with the real and present problems of our province. That is what will be most effective in advancing the interests of the people of Newfoundland and Labrador.

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