

The Economic Club of New York

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Prime Minister of Quebec

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Economic and Political Factors in Quebec Today

Quebec is your next-door neighbor. You know us through Expo 67, which took place in Montreal; by our capital city, Quebec, with its old-world charm; by our salmon rivers and ski resorts; and many of you by Quebec's reliability as a borrower, its opportunities for direct investment, its still largely unexplored wealth and unharnessed water power.

The population of the Montreal metropolitan area is about 2,400,000 which represents 12 percent of Canada's total population (20,000,000). Montreal is considered to be the sixth largest city in North America. Like New York, it is island-built, a seaport (although 1,200 miles inland), a financial centre and the metropolis of its country, without being a capital city. Its cosmopolitan character is enhanced by its bilingualism, 65 percent of its inhabitants being French speaking, 35 percent English speaking, with two-fifths of its population speaking in both languages.

By contrast Quebec City is 95 percent French speaking. It is an active tourist and commercial centre and the cradle of French educational institutions in America.

Ninety percent of our territory remains to be developed; water, forest and mineral resources are enormous. An industrial giant is now emerging from Quebec's agricultural past. Population, geography, natural resources, culture and modernity are the economic and political factors operating in Quebec today.

Federalism in Canada was inspired, or rather dictated, by the teachings of history, the requirements of geography and the example of the United States minus the presidential feature.

History dictated federalism in Canada mainly because of the constantly growing importance of the original French settlement which took root in North America at least eight generations ago. Geography divides Canada into five natural regions in terms of access to the sea, namely the Atlantic Provinces, Quebec, Ontario, the Prairies and British Columbia. Finally the United States supply a public philosophy consonant only with federalism as derived from these three tenets: the essential freedoms or the rights of man, the rule of law or the paramountcy of the constitution, and pragmatic adjustments to the changing needs of the people through democracy.

There would therefore be no sense in trying to make Canada a unitary country. Because of the hard facts of the physical world, the ideal views of reason and ethics and the every day constraints of needs, habits and laws, federalism is the best political form of maintaining Canada as a peaceful, peace-loving and peace-contributing country.

Nevertheless, anyone taking Canada's constitution for granted would be making a grievous mistake. The clear and unmistakable fact is that, at a recent conference held in Ottawa early last February between the Canadian federal government and the ten provincial governments, it was unanimously agreed to set up a Continuing Conference on the constitution. Seven main topics which, together, actually cover most of the contents of our federal regime, are to be reviewed in an equal number of committees.

The first of these topics is official languages. There is at present in Canada no satisfactory recognition of French although it is the common language of 30 percent of the population, used in the education of their children and in the pursuit of their culture. It seems elementary that the federal government should make this status clear and reflect it in Canada's reality and image.

The second topic is fundamental rights. There are now no principles of civil liberties either spelled out or implied in our federal constitution except by a very indirect and roundabout reference to natural law as recognized through British law.

Next comes the distribution of powers between the federal and the provincial governments. The constitution of the United States, and all federal constitutions that I know of, enumerate the powers delegated to the federal government and vest the residuary powers in the member states. The Canadian constitution does the reverse. This is indeed far-reaching. All innovations, all developments, all discoveries made since 1867 have thereby a tendency to be grabbed by or attributed to the federal government without any previous consultation or negotiation.

The division of fiscal resources no longer matches the responsibilities. Education, regional development, municipal affairs and therefore urbanization, local conditions and therefore pollution, property and civil rights and therefore all matters of welfare and labour relations, all rest on the provinces.

The fourth topic encompasses institutions of a federal character such as the Senate and the Supreme Court. By all tests and criteria, it is important that the federal and the state governments in a federation not act in a vacuum, separately one from the other. At the present time, the Canadian constitution has no provision for any participation by the Provinces in policy making. There is no forum in which their views can be discussed and put forward, because of the absence of a Senate comparable to that of the United States. Our own Senate is fashioned after the House of Lords and all its members are simply appointees of the federal Prime Minister. This has caused it to fall into less repute than it should have. A similar criticism is directed against the Supreme Court which was set up to replace the Imperial Court of the Privy Council and whose judges are all federal government appointees.

Regional disparities are clearly one of the most important problems in any federal system. Especially in a country larger than the U.S. where the total population barely exceeds that of the State of New York and the territorial riches unequally distributed, the disparity between the population and the territory is sometimes flagrant. Therefore, some sort of equalization of opportunity is an essential endeavor even though it necessitates tremendous effort.

A sixth topic is amending procedure and provisional arrangements. It generally comes as a surprise to the uninitiated that the Canadian constitution is embodied in a Statute of the British Parliament, does not contain any provision for the intervention of the provinces or member states in an amending process and has indeed no amending process whatsoever. The constitutional

authority is supposedly vested in the British Crown and the United Kingdom's Parliament instead of the conditions of the federal union being determined by mutual consent and agreement amongst the states or provinces.

Last come federal provincial relations. This topic is broad enough to encompass all matters which might have been left by the wayside. I need only refer you to the cases in your own country where divergences of opinion have arisen between your federal government and your fifty states.

These topics, which have been unanimously agreed upon as the ones to be considered, are a demonstration of the process now under way in Canada. No better comparison would be valid to describe it than the reference to your own constitutional conference at Philadelphia in 1787.

Quite clearly though, revision of the Canadian constitution will not be achieved in three months, because of the much greater complexity of a modern economy compared to the one encountered by your founding fathers. It probably will take two or three years of talks, and negotiations, an undetermined but great number of white papers, comments, etc., etc. But no part of this process should be considered as extraordinarily troublesome.

There will be some tensions and some attitudes will be subject to criticism. No difficulty can be glossed over. Every principle invoked will have to be explored in all its foreseeable consequences. Questions will have to be put in the hard and blunt terms of economics as well as

in the humane and fundamental words of the four freedoms. Many working hypothesis and tentative models will be set up only to be discarded or dismantled. Human infirmity will cause meanings and intents to be distorted, misconstrued and misplaced.

Although no superficial assessment can change the fundamental trends, needs and aims, my expectation, as regards to the ultimate results, are high because of the innate objectivity, self-restraint and relative lack of prejudice of our people.

What kind of accommodation will have to be made between the French-speaking and English-speaking groups under these circumstances? I can imagine all the meanders of the road. But I can see the final outcome: Canada will become more federal and less federalist, more uniting and less unitary.

Our future constitution will have to shed all relics of an imperial or colonial era as evidenced in outworn formulas or references to the Royal Prerogative, the paramountcy of Westminster, the privileged status of the common law, the vesting of residuary powers in the federal government, the non-elective status of the provincial Lieutenant-Governors, the veto of the federal government over provincial legislation, etc. Conversely Canada will have been the architect of its own destiny, will have become endowed with symbols of its own choosing, institutions patterned after its own needs and a common purpose better enunciated than the present preamble of the B.N.A. Act to the effect that Confederation “would conduce to the welfare of the

Provinces and promote the interests of the British Empire.” I never tire of repeating that our constitution must be made in Canada, by Canadians and for all Canadians. And no one would be prompted, I assume, to blame me if I try hard to reach that goal before your country celebrates the Bi-centenary of its first homemade constitution.

Canadian federalism will also be more internal and more international. More internal because, having extended its boundaries according to its own destiny and devoid of external ambitions, Canada will listen more closely and become better attuned to the needs of its people and to the regional disparities because it will neither expect nor require any law from outside. At the same time we shall continue to become more international. Our immigration is expected to increase and will originate from many new quarters with which we shall have closer relationship. And since the United States is Canada’s only neighbor, we evidently shall continue to have with you quite a special relationship while remaining jealous of our sovereignty.

Our federalism will become more regional and more cultural. The reasons are evident since neither regional nor cultural considerations were much in vogue one hundred years ago. Small distant colonies were strung together in a hurry, and we are told that fear of the United States was a cogent factor at the time, but the question of the viability and efficiency of those colonies was never examined. It is therefore probable that regional considerations will become reflected in the new constitution. There has already been some talk of five regional development banks, one for each of the natural regions.

I want to stress that Canada has a dimension which has to be more formally recognized. French-speaking Canadians, and our own province of Quebec, are bound to play a particularly important role. I venture to predict the following:

(1) More and more people will learn and speak the two official languages. This bilingual character will be finally recognized at all levels, at the municipal one where it will be governed by local conditions, at the provincial level according to the wishes of the provinces and finally in the national capital, in federal administration and at the level of international dealings.

(2) The character of the Canadian constitution will be modified by a lesser reliance on customs and usage and a greater recourse to codified rules, principles and procedures.

(3) Canada will continue to have with some countries where the English language, the British common law and constitutional traditions have been at work, relations somewhat less formal than is the case with nations of a different culture. Conversely, Quebec will have with French-speaking countries where the civil law and codified institutions are the rule, intense relations in matters of education and culture which are essential to the preservation and nourishment of its particular traits, the whole without any danger of setting up eleven nor even two policies of foreign affairs in the sense of peace and war, and other traditional contents of the expression.

(4) The inner constitution of each province will become less stereotyped than at present where it is all patterned in the same fashion after the traditional British parliamentary system which is found to be creaking and squeaking in a number of places.

(5) For both general information and education, there will be a greater use of the new communications media where languages, cultures and ideas will mix.

(6) There will be some kind of institutionalized exchanges of views between the provinces as distinct from the federal medium.

By adding that Canadian federalism will become more down-to-earth, I want to come back to the economic considerations. Politics and economics are always intricately interwoven. This is never clearer than in a federal system where separate loyalties have to be twined together into a single fabric, and the more so when the strands are not culturally homogenous.

If there is one thing for sure, it is the international aspect of economics and the impossibility of autarchy. Canada has always had a particularly open economy and it is difficult to find any more liberal laws than those prevalent in Quebec for industry and commerce. I know of no countries where the temper of the populations is farther removed from socialism unless it be the United States itself. We shall continue to welcome foreign capital, whether through direct or indirect

investment, the national or the multinational corporations, fiscal incentives or long-term inducements.

The reasons for this are obvious. The Quebec economy, although 90 percent secondary or tertiary, is still that of an undeveloped country because of size and geography. By its position next to the United States, the Canadian economy is sophisticated enough; nevertheless all of its provinces face the problem of development. Therefore, modern theories and experiences in this matter are to us of vital importance. Because of urbanization, we share your concern for pollution, noise, slums, communications, etc. By reason of your proximity, our people are tempted to move southwards and we must prosper fast enough for them to confine their moves to winters in Florida or California for the well-to-do, a course in your universities for the scientists and a period of training for the technicians or the researchers.

I would go further and say that Canadian federalism should become more humane. By this I simply mean that progress in economics and welfare must at all times be accompanied by progress in justice, equity and ethics. Countervailing powers must be found in the economic and social field, through the enactment of adequate laws which ensure the strengthening of essential liberties parallel to the development of essential material means of prosperity.

The approach which the people of Quebec take to all these matters I have called a realistic one in the full belief that no other adjective could describe it more adequately.

The great advantage of federalism is its capacity to adjust to fit the geographic and human contours of each country. Canada is part and parcel of North America. It is vast country, heavily marked by regional disparities. It is peopled by two linguistic and cultural communities, one of which has been rooted on the banks of the St. Lawrence for three centuries and a half, and whose heartland will always be Quebec. All these conditions require a more flexible and less centralized federalism than would be needed if the country were geographically and culturally homogenous.

Now, the constitution given to us in 1867 by an Act of the Parliament of Westminster contains many provisions consistent with a unitary system; so much so that authorities in the matter classify it, not as a federal constitution, but as a quasi-federal constitution. Therefore, you should not find it surprising that we feel the need to rework it; in short to do what you did yourselves back in 1787.

It is my hope and deep conviction that the negotiations begun during the recent conference in Ottawa will lead to an entirely new constitution which, by harmonizing without suppressing the different components which make up the Canadian identity, will bring us as close as humanly possible to attaining the aims of justice, efficiency, democracy and economic solidarity which Quebecers share with all other Canadians.

End of Remarks

