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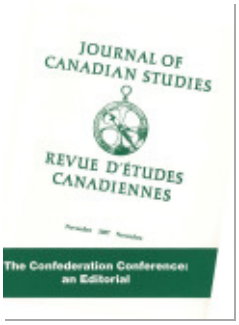
Hon. Lester B. Pearson



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The following is the text of Prime Minister Lester B. Pearson's Address to the Conference on the Economics of Canadian Unity, Banff, Alberta, October 15, 1967:

For the next three days you will be discussing a very important subject, the economics of Canadian unity within the context of nationhood as a whole; including its social and cultural and political aspects as well as the economic.

Your talks will take place, too, in the context of the many forces at work in our country today — vigorous forces, dynamic forces, sometimes deeply disturbing ones; but always as challenging as they are disturbing.

It is reassuring to remember that federalism — the source of so many of these forces — by its very nature is always in a state of flux. For it combines opposing forces — forces of unity and of diversity, of regional power and of central power — and these forces are in a constant state of adjustment in the face of changing economic, technological, and international circumstances.

It is the continuing responsibility of any national leader in a federal country to try to keep these forces in balance; to recognize when positive action will reinforce the bonds that unite us, and when accommodation is required to reinforce the diversity which enriches us; and which, moreover, is an essential factor in unity. This has been my job — and my principal domestic concern — during my four years in office.

My colleagues and I have tried to give added meaning to nationhood in Canada — by contributing toward common achievements in the arts and in science; by providing universal national services in the fields of health and of social security; by increasing the benefits of economic growth and distributing them more evenly across the country. We have tried to give focus to our common bonds by recognizing the symbols of nationhood — the flag and the national anthem; by giving encouragement to our

Centennial celebrations and Expo. We have tried, at the same time, to find some accommodation when a unified approach to social or economic progress in Canada would have conflicted with the interests or the aspirations of one of Canada's societies or regions.

It was for this reason, for example, that the Canada Pension Plan was adapted to co-exist with the Quebec Pension Plan, and that the Atlantic Development Fund was created to meet the special needs of the Atlantic Provinces. These are but two examples.

The forces of change in Canada today, however, have been so accelerated, and the turmoil of adjustment has become so intense, that customary processes of initiative and accommodation are no longer sufficient.

We must engage in a more fundamental sort of questioning — the kind which in times of social stress can turn risk into opportunity, danger into challenge, even crisis into progress. We must identify and clarify the issues and the alternatives which the country faces. They must not only be discussed by political leaders but, more important, by the people themselves. For it is the people who will determine our destiny, our very existence as a sovereign Canadian state.

Today all countries are subjected to stresses and tensions. Technological progress, increasing urbanization, the growing international interdependence of economies and of societies, and the confusion and bewilderment of change: all have caused major social adjustments throughout the world.

Canada, though a "promised land" if there ever was one, could not expect to be immune. One of the most unexpected reactions to these changes has been the increased determination of peoples and of societies to find, or to retain, some cultural or social identity in the face of the rising uncertainty and insecurity associated with change, national and international.

In Canada today, for example, there is a greater emphasis than in earlier years upon regional identity, upon the powers and prerogatives of regional governments, even upon the marks of regional diversity. And in particular, and this is a dominant force which all of us recognize, the French-speaking Canadian society has made known its determination not merely to survive but to flourish; not in poverty and in isolation, but as a participant in and a beneficiary of, the growth of the western world.

If we are to develop, or even survive, as a Canadian state, we must understand both the nature and the power of this determination; recognize that it is stronger than before. And we must accommodate our federal system to this situation, just as we must accommodate it to the other social, economic and technological developments. The question is how.

One suggestion that is sometimes made is that we should wait for the force to spend itself; assuming that French-speaking Canadians will recognize sooner or later that participation in North American society requires their adaptation to that society. They should, therefore, either accept — so it goes — the gradual absorption of their culture, of their society in a larger North American one; or revert to the kind of pastoral last-century isolation in which that culture once existed. After all, the Scottish clans still have their Highland Games and the chief gives out prizes in Gaelic! In such a "solution", English-speaking Canadians would feel no need to make those changes and accommodations which would contribute to the preservation of the French-speaking Canadian society in centres outside of Quebec: in the Nation's capital and government, in the Ottawa Valley, in Northern Ontario; in St. Boniface; in the Acadian parts of the Maritime Provinces; wherever there is a sizeable and a flourishing community of French-speaking Canadians. I need hardly add that there is no future for Canada in this approach.

If it were attempted, French-speaking Canadians would be forced to look upon Quebec, not Canada, as their sole cultural home; and Quebec, not Canada would soon be their sole political home. Separatism would be inevitable and the powers exercised by a government in Ottawa which no longer pretended to represent the interests of French-Canada would be transferred to Quebec City. You could put it crudely this way: if you must live in a cultural ghetto, it is better to run it yourself, rather than try to pre-

serve it in an unreal and unequal federal partnership. So French Canadians would have been forced to choose between a cultural island within Canada, or an independent cultural one outside Canada. Fourteen million English-speaking Canadians would be saying, in effect, that they valued the contribution of the French-Canadian society and culture so lightly that they were prepared to risk its separation from the country rather than make any significant adjustments themselves which would give that culture an honourable and respected place in all of Canada.

I do not believe that English-speaking Canadians are so insensitive as this, or that they are so little interested in the future of their country. Such an attitude would represent a kind of English-speaking separatism, born out of indifference to anything but absorption or isolation of nearly one-third of our population. We must reject this approach as being totally inconsistent with the essential character of this country, with its history, and with its future.

We hear less about it today, however, than we do of the separatism brought about by a revolutionary political decision on the part of the French-speaking minority; asking not for adjustments but for a break-up. Separation of this kind would not occur in a tranquil or a rational way. It would shatter the hopes and the dreams of millions of Canadians, particularly young Canadians. It would create an atmosphere of disillusionment and bitterness. In a disruption as great as this, all other historic and traditional bonds would be called into question.

The problem would not be merely one of Quebec versus Canada. It could become one of wider fragmentation.

A separated Quebec could not expect any easy, automatic economic union with a continuing Canada, to ease the dislocations and losses that would follow. The economic results of separation have lately been widely discussed; the loss of development and investment, of jobs and of income; the effect upon the standard of living of Quebeckers, and upon the taxes they would have to pay, if separation led to movements out of Quebec of business and commerce and federal administration.

But the most serious result would be the loss of opportunity for Quebeckers to participate in the development of a confederation covering half a continent and which could become one of the great countries of the world. It would not be the intellectuals, the technocrats, the bureaucrats who would suffer this loss. It would be the workers, the farmers, the merchants, the housewives, the children, the students who would lose most in the limitation of their opportunity for social development and material progress.

Nor would French-Canadian society as a whole be better preserved or strengthened or enlarged under such circumstances. The one million French-speaking Canadians living outside of Quebec, one-sixth of the whole, would be abandoned. The effort to preserve French-Canadian culture, after separation, would have to be solely within Quebec.

I am confident that when Canadians in Quebec have fully measured the gains and losses from separating themselves from the rest of Canada in the atmosphere of tension and hostility which would prevail, they will not regret having chosen Confederation and Canada. But with this choice, can there not be a particular, a special status for Quebec inside Confederation? Many moderate people and good Canadians ask this question.

The answer, of course, depends on what is meant by particular status. If it means that the special position in Canada of the French-Canadian language and culture and tradition must be officially recognized and protected; that the unique national characteristics of French-Canadian people should be encouraged to develop, then I respond with warmth and with understanding to this direction for Canadian federalism.

To me, indeed, this approach is implicit in the B.N.A. Act that made Canada possible in the first place.

It is not being soft or "giving in" to Quebec to agree that Quebec is not a province like the others, and that Canadians should recognize this fact. This is already being done in many ways. Where federal programmes impinge upon or affect the special characteristics of French-

Canadian society, they can be and have been adapted to that society. The CBC, for instance, has a French network. The National Film Board produces films for French Canadians as well as English-Canadians. The ARDA programme is being planned differently in Quebec than in Nova Scotia. Other examples could be given.

Examples could be given, too, of the adaptation of federal programmes to the needs of other provinces and regions: the Atlantic Development Fund for the Atlantic Provinces; the coal-mining phase-out programme in Nova Scotia; the Prairie Farm Rehabilitation Administration for the Prairies; harbour developments in British Columbia.

There is a considerable scope for further changes of this kind. Federal governments may have been too slow in adapting their programmes and their administration to the different regions in Canada. But progress is being made.

I have no difficulty in accepting this kind of "particular status", which affects Quebec most directly but is not exclusive to Quebec. Indeed, it represents the kind of federalism which is not only essential generally to a country so vast and regionally disparate as Canada; it is also an essential ingredient of the two-societies concept of Confederation.

But to some others "particular status" is more than this. It is defined to mean a special transfer of federal jurisdiction in certain fields to the provincial government of Quebec. This, in effect, would give more constitutional power to the Government of Quebec than that enjoyed by other provinces, including the largest province in Canada, Ontario.

The corollary is that the influence of Members of the Federal Parliament and ministers in the federal government from Quebec would be reduced in comparison with that of members and ministers from the rest of Canada. This kind of "particular status" could lead to a "separate state", a result that cannot be accepted.

We should be very clear, therefore, about what we mean when we talk about special or "particular status". Prime Minister Johnson, for instance, has suggested that the Parliament of Canada should forego its constitutional right to make income maintenance payments to the people of Quebec within provincial jurisdiction as well as the right to operate certain other federal programmes for equalizing opportunity for the individual in that province. He has suggested that these should be transferred by Ottawa to the Government of Quebec. He has also suggested that the Parliament of Canada should stop levying personal and corporate income taxes in that province, leaving the whole income tax field to his government.

This would, of course, mean a substantial increase in the powers of the Government of Quebec, and an important reduction in the jurisdiction of the Parliament of Canada in that province. Such a change would carry implications more serious than the immediate effect of the fiscal transfers involved.

Canadians in Quebec would have to look to the Quebec Government *alone* for all income maintenance measures such as family allowances and old age security. Quebeckers would in the future have to depend solely upon increases in the wealth of Quebec to finance the improvements that would be derived from these programmes. The Parliament of Canada would cease to have jurisdiction over these matters in Quebec. It would legislate in respect of such matters only for the rest of Canada. This, clearly, is a vital change in Canadian federalism which Canadians, whether in Quebec or elsewhere, would wish to consider very carefully.

It raises certain questions which would have to be faced.

Would Canadians outside Quebec be prepared to contribute money through Parliament to a particular provincial *Government,* if they were barred constitutionally from making payments to the *people* of that Province?

Would other Provinces *not* ask for the same increase in powers as that received by the Government of Quebec; particularly for complete control over income taxes and over the payment of family allowances and old age security pensions?

Would other Provinces agree to a preferential status for the Government of Quebec; for example, in the competition for industry through

tax incentives?

Remember that Quebec would control 100 per cent of the corporation income tax field and the other provinces only some 25 per cent.

Would the other provinces accept the present arrangements for the equalization and stabilization of the revenues of the Quebec Government, given the fact that four of the remaining nine provinces already receive virtually no benefit from these measures?

These are questions which would be asked and would have to be answered, if a particular kind of "particular status" for the Government of Quebec was to be discussed seriously and properly.

While radical constitutional reform might precipitate far less friction than the threat of separation, we must be absolutely clear as to how such radical reforms would affect the country as a whole and how they would serve the interests of the French-Canadian people, as individuals.

The same difficulty arises over the use of the expression "two nations", or *deux nations.*

These words have come to mean so many different things to so many different people that their real meaning has often been lost in sterile semantics.

One thing, however, is clear and unequivocal. There do exist in Canada two distinct cultural and linguistic societies, one English-speaking, one French-speaking, with each including members of other cultural and ethnic groups.

The English-speaking society is less homogeneous, less cohesive, than the French-speaking one, but there is a common strand running through it.

One needs only to travel across Canada to perceive that the Nova Scotian, or the British Columbian, feels relatively at home in the other's province. They know without thinking that they are in the same country wherever they may be.

But few of them feel so much at home in Trois Rivières or Isle de la Madeleine, where French is the language of everyday use. Even more does this apply to the French-speaking Canadian who leaves Trois Rivières. He feels at home in Quebec, but far less so — or not at all — in those areas where little or no French is spoken, and where the way of life seems different.

This situation reflects the fact that there *are* two societies in Canada. So what are we prepared to do to preserve and develop and enjoy them; and to make it possible for *both* to contribute to a better Canada?

It is not a question, I repeat as to whether there *should* be or *will* be, a French-Canadian society. There is one *now;* and it will exist so long as French Canadians have a will to survive, with their own language and traditions and culture. If English-speaking Canada tries to isolate this French-Canadian society, whether by design or, more likely, by indifference, it will simply encourage separatism.

So we are left with a clear and simple question: what price are we prepared to pay to preserve our total identity as Canadians; in a country which history has built on a "dual foundation"?

What are we prepared to do not only to preserve our two cultural societies in a federal political unity but also to allow them both to develop fully?

This is the question we must face, and urgently.

It will not be solved until English-speaking Canadians understand the difference between equal treatment for individuals and equal treatment for societies, or peoples.

It is easy to treat a French-Canadian individual at a conference in Banff as a full and equal member of the group; yet deny him, by collective action, the respect for and recognition of his culture, heritage and language that he is entitled to, as a citizen of Canada.

Social action is often more difficult than individual action. Yet it is social action we must take. It will involve, for many English-speaking Canadians a change in attitude and approach to, and a greater respect for "the French fact" in our country, our Confederation.

It means that we must make all Canada, and not merely Quebec, a homeland for all French-Canadians and to take the steps necessary for that purpose.