



# *Options for a New Canada*

**Edited by**

**Ronald L. Watts**

**Douglas M. Brown**

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**Ronald L. Watts and  
Douglas M. Brown**

**Institute of Intergovernmental Relations,  
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## FOREWORD

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Canada is one of the world's most successful countries. By any measurement — economic prosperity, social justice, quality of life — Canadians enjoy a range of advantages among the most generous in the world. Little understood or appreciated by many Canadians is how important a role our political system and government institutions have been in the realization of these achievements. In consistently delivering a high degree of "peace, order and good government," they have provided the stability and the confidence upon which so much has been built. Much of the credit for this success is due to federalism which has allowed for flexibility and diversity in a country marked by its great size, and significant differences in its regions and peoples.

Today, status quo federalism is under attack. In western Canada, the demands for change are growing stronger. And in Quebec, the failure of the Meech Lake Accord has sparked a powerful movement among some for greater autonomy, and among others, for full political sovereignty. These rising expectations for change to Canada's political system come at a time when the country is engaged in a profound economic adjustment, to a large extent imposed by global economic forces.

Recognizing that a sound and workable political system is the prerequisite of progress and success in the economic and social domains, the Business Council on National Issues decided in July 1990, to launch a number of initiatives aimed at achieving a better understanding of the strengths and weaknesses of Canadian federalism as we know it now and to examine ways of making federalism work better in the future. A key part of this initiative was to assemble a group of Canada's leading authorities on constitutional reform to consider options for the country's future constitutional development. Under the leadership of Professor Ronald Watts, Director of the Institute of Intergovernmental Relations at Queen's University, a team of political scientists, economists, lawyers, and constitutional scholars drawn from all parts of Canada worked on the project. The papers in this volume reflect the views of the individual members of the team as they were presented at an all-day symposium sponsored by the Business Council on National Issues in Toronto on 16 January 1991. It is with pride that the Council has agreed to sponsor the work of the project team and to make possible this publication.

**As the debate about Canada's future in the coming months intensifies, it is vital that the discussion be based on a sound understanding of the problems and opportunities that face us as a people. The Business Council looks forward to playing a constructive role in the debate and to being guided in part by the excellent insights offered by the papers in this volume.**

**Thomas P. d'Aquino  
President and Chief Executive  
Business Council on National Issues**

## INTRODUCTORY STATEMENT

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I would like to offer some thoughts about why this volume has been put together. The Business Council on National Issues has as one of its principal goals the commitment of senior business leaders to the building of strong political institutions in Canada. In the past, this commitment led the Council and its task forces to undertake research, consultation, and advocacy in areas such as the reform of parliament — including the House of Commons and the Senate; ways of improving intergovernmental relations and the operation of the federal system; the reform of the federal public service; and both in the early 1980s and more recently, the reform of the Canadian constitution.

Our work in these areas has been consistent with our mandate as a nonpartisan, nonprofit, organization devoted to resolving national issues — both economic and noneconomic in nature. Our work on governmental matters also is consistent with the belief of every chief executive in the Business Council that a healthy political system is a vital underpinning of a strong economy.

Following the failure of the Meech Lake Accord which, as an organization, we greatly regretted, we immediately faced up to the fact that vital constitutional questions facing Canada remained unresolved and that the debate about Canada's political future would intensify. Accordingly, we were determined that the next and perhaps decisive chapter of this debate should be conducted on the basis of fresh and rational thinking, and that Canadian business leaders should contribute to the debate in a most responsible way. We sought out some of Canada's leading thinkers and practitioners on constitutional matters and launched a major study on Canada's constitutional options under the leadership of Professor Ronald Watts, the Director of the Institute of Intergovernmental Relations, Queen's University. At the Symposium on 16 January 1991, the research team led by Professor Watts tabled their findings and we are pleased to share them with a wider public.

William W. Stinson  
Co-chairman, Symposium on  
Canada's Constitutional Options

## INTRODUCTORY STATEMENT

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I am pleased to be associated with this initiative because it deals with a subject of great importance to all of us as Canadians. Bill Stinson has stressed that the business community must get involved. He has pointed to the critical linkage between economic strength and political stability. I would add another perspective. Reform of the constitution and deciding on how to govern ourselves is too important to be left only to politicians and officials. It is the responsibility of all citizens to understand what the issues are and what is at stake. This requires an open mind and access to carefully developed points of view.

Professor Watts and his team who have been working on this project for some six months, were asked at the outset to examine a variety of options for shaping Canada's constitutional future. In the presentations in this volume a number of options are discussed and diverse perspectives are offered on a wide range of issues that cover politics, economics, social dimensions, and culture. The objective of the symposium was not to reach any definitive conclusions but rather to inform and to stimulate thought and debate.

In the coming months, whether we like it or not, the debate about Canada's political future will intensify. It is critical that the debate be constructive and that it lead to change that will be welcomed by the vast majority of Canadians. Canada is a remarkable country. It has a record of success with few parallels in the world. But it is apparent now that some changes to how we govern ourselves will be necessary to ensure that we enter the twenty-first century with the political, economic, and social cohesion that befits a leading industrial power.

I am delighted that so many members of the Business Council demonstrated their interest in this vital subject by being at the symposium on 16 January 1991, and that so many of the special guests we invited accepted our invitation. The presentations throughout the day were stimulating and rewarding.

Guy Saint-Pierre  
Co-chairman, Symposium on  
Canada's Constitutional Options

## ACKNOWLEDGEMENTS

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On behalf of the Institute of Intergovernmental Relations at Queen's University and the authors in this volume, we would like to acknowledge our appreciation to the Business Council on National Issues for the support required to pursue the ideas expressed in this volume. The Council funded the independent studies, organized a one-day symposium which provided an opportunity for comment and discussion prior to their revision for publication, and provided resources for the revision and editing of the papers in this volume. The views expressed by the authors are their own and do not necessarily reflect the views of the Business Council on National Issues or the Institute of Intergovernmental Relations.

The publication of a volume of papers so soon after their first delivery at the symposium sponsored by the Business Council on 16 January 1991 has required the cooperation of many people. The editors would like to thank in particular each and every one of the authors for their cheerful acceptance of our very tight publication deadlines. Thanks are also due to Tom D'Aquino and the staff at the Business Council, and to Virgil Duff and the staff at the University of Toronto Press for ensuring the arrangements for timely publication.

We would like to express our appreciation to the staff of the Institute of Intergovernmental Relations for a superb effort in preparing this text under the pressure of a very constrained schedule. We would especially thank Valerie Jarus who with the help of Patti Candido, Darrel Reid and Lita San Pedro prepared the text for publication, and Marilyn Banting for proofreading.

Ronald L. Watts  
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Kingston  
February 1991



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*Ronald L. Watts* is Director of the Institute of Intergovernmental Relations and Professor of Political Studies at Queen's University where he was Principal and Vice-Chancellor from 1974-84. He served as a commissioner on the Task Force on Canadian Unity and as a consultant to the Government of Canada during the constitutional negotiations in 1980. He specializes in the creation, operation, and disintegration of old and new federations. His publications include *Federalism in Multicultural Societies* (1970); (with D. Smiley) *Intra-state Federalism in Canada* (1986) and (edited with P.M. Leslie or D.M. Brown) *Canada: The State of the Federation, 1987-88, 1989, and 1990*.

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# I

## Introduction





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## An Overview

*Ronald L. Watts*

### INTRODUCTION

This book contains the papers prepared for a two-stage project sponsored by the Business Council on National Issues to examine possible options for Canada's constitutional future following the demise of the Meech Lake Accord. The first phase was the preparation of a paper by the Institute of Intergovernmental Relations at Queen's University, originally released in September 1990, identifying in broad terms the strategic options. That paper in revised and updated form is now included as Chapter 2 in this collection. In the second phase of the project 13 additional studies were prepared analyzing these options and various aspects and issues relating to them. These were written by a team of political scientists, economists, lawyers and constitutional scholars drawn from Queen's University and other parts of Canada coordinated by the Institute of Intergovernmental Relations at Queen's University. It must be emphasized that these are independent studies prepared at the request of the Business Council on National Issues, and that the views expressed are those of their authors and do not represent the official views of the Council or of the Institute. The original papers were presented at a one-day symposium sponsored by the Business Council on National Issues held in Toronto on 16 January 1991 which provided an opportunity for comment and reactions to this research prior to its formal publication. These papers together with two formal commentaries on them have been revised in the light of that discussion for inclusion in this volume.

Two preliminary points should be made about the papers in this collection. First, the authors were asked not simply to diagnose the current problems, but to seek solutions or at least possible directions for solutions. Second, the papers were not produced to advocate a single blueprint for future constitutional reform but rather to examine the implications of various possible alternatives.