Chronology of Events January 2003 – December 2003

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An index of these events begins on page 379

8 January
Gun Control

Federal Justice Minister Martin Cauchon announces that the federal gun registry will remain, despite demands from eight provincial governments that spending on the program be halted. The provinces say they may refuse to prosecute those who fail to register their weapons. They seek the program's suspension pending a full audit of spending.

13 January *Aboriginal Peoples*

Federation of Saskatchewan Indian Nations (FSIN) Chief Perry Bellegarde calls for the *First Nations Governance Act* to be entirely rewritten, warning that Aboriginal people and organizations will enthusiastically oppose it in its current form. The Act, he argues, violates the treaty rights of Aboriginal bands while doing little to address First Nations issues.

14 January
Political Parties

Liberal leadership contender Allan Rock withdraws from the Liberal leadership race. Rock is believed to have been in second place. Among his reasons for dropping out of the race, Rock cites the difficulty of fundraising against the clear favourite, Paul Martin. Rock states that he will continue his campaign for re-election in his riding of Etobicoke Centre. 15 January
Political Parties

Sheila Copps, in a speech to the Vancouver Board of Trade, outlines her platform for the Liberal leadership campaign. Included are commitments to recognize gay marriage and efforts to increase the percentage of women in Parliament.

18 January
Political Parties

The British Columbia Federal Liberal Council votes to amend the party's membership rules to increase to 1,000 the number of membership forms that declared leadership candidates can collect at once. Liberal leadership contenders Manley and Copps had argued that the previous rules favoured Paul Martin by making recruitment campaigns more difficult.

23 January Health Care The premiers, in anticipation of their 4 February meeting with the prime minister, release the "2003 First Ministers' Accord on Sustaining and Renewing Health Care for Canadians," calling for federal Canada Health and Social Transfer (CHST) funding to be increased to 18 percent of total health and social expenditures immediately and to 25 percent by the end of the decade. It further requests that health-care transfers be removed from the CHST through the creation of the Canada Health Transfer (CHT). Additionally, the report calls for greater flexibility in provincial health spending choices.

The premiers' calls are a response to a federal health-care reform plan released earlier in the day that calls for increased accountability in provincial spending of federal funding. The federal plan seeks to establish an advisory body to report annually on the state of health care and to increase the number of health indicators on which provinces report. While it commits to replacing the CHST with the CHT and to establishing a five-year Federal Health Reform Fund to facilitate expansion of heath-care services, the premiers note that amounts of funding increases are unspecified.

25 January
Political Parties

Jack Layton wins the leadership of the federal New Democratic Party, obtaining 53.3 percent of first-ballot votes. His platform includes increased attention to urban issues (particularly pollution and homelessness) and to uniting social and peace movements across the country.

4–5 February *Health Care*

The First Ministers' Conference on Health Care produces a new Accord on Health Care Renewal between the federal and provincial governments in which the federal government commits to increasing health-care funding by \$34.8 billion over five years. The first ministers further agree to create a National Health Council, an independent institution for the regulation of health-care provision, and to pursue numerous reforms in, among other areas, home care, record keeping, technology access, and drug coverage. Critics of the plan note the unclear mandate of the council and the fact that funding increases fall short of previous targets. The three territorial leaders, believing the funding increases to be insufficient, refuse to sign the agreement.

11 February

British Columbia

The Speech from the Throne highlights the government's commitment to the Aboriginal treaty process, promising additional financial resources and more equitable agreements. It further notes the importance of partnership and cooperation with the federal government, particularly with respect to extension of the Trans-Canada Highway and development of offshore oil and gas resources.

18 February *Finance*

The 2003 federal budget is released by Finance Minister John Manley. The document projects a 20 percent increase in federal spending over three years and a reduction of the debt to \$507.7 billion by December 2003, and a balanced budget for 2003-5. Highlights include \$17.3 billion over three years and \$34.5 billion over five years for health care, an increase of the National Child Benefit to \$2,632 for the first child in 2003 and \$3,243 by 2007, \$3 billion for the environment over five years, and \$3 billion for infrastructure (including roads, sewers, and other municipal projects) over ten years. The budget also includes \$2 billion directed towards health care, education, policing, and water systems on First Nations reserves. Critics argue that the budget is a demonstration of the fiscal imbalance existent between levels of government and that infrastructure investment falls short of urban needs.

18 February *Alberta*

The Speech from the Throne highlights a feeling of discontent with Alberta's relations with the federal government. It describes how the province is often ignored on national issues. In the words of Premier Ralph Klein, the speech is designed to send a warning that Alberta must not be ignored on key national issues such as the national gun registry, the Kyoto Accord, and Senate reform. He insists, however, that the speech is not an expression of Albertan separatist sentiment.

25 February
Political Parties

The federal Liberal Party announces that 10–16 November is the date of its leadership convention. The party further sets out the rules for the campaign, including a \$75,000 entry fee, a 40 percent tax on campaign spending beyond \$400,000, and a \$4 million cap placed on spending during the campaign period (excluding polling and travel). Leadership candidate Sheila Copps alleges that party officials biased towards frontrunner Paul Martin could compromise the fairness of the race, calling most notably for the resignation of Bill Cunningham, president of the party's British Columbia wing.

25 February *Aboriginal Peoples*

Federation of Saskatchewan Indian Nations (FSIN) Chief Perry Bellegarde presents an agreement-in-principle with the federal government and the province of Saskatchewan to the federation's winter assembly. The agreement gives band leaders the power to determine their membership and increases their jurisdiction over education, family and child services, and taxation while maintaining the federal and provincial governments' authority over law enforcement, the environment, fisheries, and gaming. Bellegarde presents the agreement-in-principle as a step towards an alternative to the *First Nations Governance Act*. Some Aboriginal chiefs argue that individual bands would be better off negotiating self-government agreements on their own.

Bellegarde goes on to decry federal FSIN funding cuts, arguing that bands will as a result be forced to turn increasingly to alternative funding sources such as gaming revenue.

26 February
Political Parties

Sheila Copps files her nomination papers for the Liberal Party leadership. She criticizes Paul Martin for his recent low profile, arguing that he should be publicly debating policy.

6 March Political Parties

Paul Martin files his nomination papers for the Liberal Party leadership. His nomination includes 3,700 signatures, well beyond the required 300, and includes 259 of the 301 Liberal riding association presidents as well as the president of every provincial Young Liberals' organization and Liberal women's commission.

7 March Political Parties

John Manley files his nomination papers for the Liberal leadership.

17 March Canada- U.S. Relations

Prime Minister Jean Chrétien announces in a statement to the House of Commons that Canada will not support the U.S.-led invasion of Iraq in the absence of United Nations authorization of the war. Critics fear the decision will strain relations with the United States.

19 March Newfoundland and Labrador

The Speech from the Throne, alongside initiatives in such areas as education and economic development, emphasizes a governmental commitment to electoral reform. Specific topics include fixed election dates, limits on financial campaign contributions, and a fixed cabinet size.

21 March Canada- U.S. Relations

Federal Energy Minister Herb Dhaliwal criticizes President Bush's decision to attack Iraq, accusing him of not acting in a statesmanlike manner. The comments draw criticism from American and Albertan politicians. Alberta Energy Minister Murray Smith calls for Dhaliwal's resignation. Dhaliwal later apologizes for his statements.

24 March Alberta

Ralph Klein makes a ministerial statement in the Alberta legislature pledging his government's support for the U.S.-led war against Iraq. Klein had already sent a letter to U.S. Ambassador Paul Celluci stating his support for the war.

30 March Alberta

Premier Ralph Klein, in an address to the Alberta Conservative Party's annual convention, affirms his position against Albertan separatism. The premier makes a clear distinction between the federal government's current policies and the principles and institutions of the Canadian federation, stating that his grievances are with the former. He presents the current policies of the federal government as the cause of separatist sentiment among members of his party and among the Alberta population.

1–2 April Education

Provincial education ministers develop an action plan for strengthening collaboration on educational issues at the 83rd meeting of the Council of Ministers of Education, Canada (CMEC.) They seek streamlined assessment standards, enhanced online learning and teacher training, and developments in the teaching of official languages. They criticize the federal creation of the Canadian Learning Institute, arguing that it duplicates work already done by the CMEC and encroaches on provincial jurisdiction.

2 April *Aboriginal Peoples*

NDP MP Pat Martin speaks for 26 hours at a meeting of the House of Commons' Aboriginal Affairs Committee in opposition to the *First Nations Governance Act*. He seeks to prevent committee members from voting on a motion to limit Commons debate on the bill. The motion passes easily, however, when a procedural loophole is used to end Martin's filibuster.

14 April Quebec The Quebec Liberal Party, led by Jean Charest, wins 75 of the province's 125 seats and is elected Government of Quebec. The incumbent Parti Québécois wins 45 seats and the Action Démocratique du Québec wins 4. The result is interpreted as a reflection of declining support for Quebec sovereignty. Charest states his commitment to working with other governments in the Canadian federation. His campaign had downplayed national unity issues in favour of health care and fiscal management.

14 April *Municipalities* Saskatchewan municipalities are promised \$20 million by the federal and provincial governments for infrastructure projects through the Canada Saskatchewan Infrastructure Program. Support for the announcement largely overshadows complaints about the uneven distribution of the funds among Saskatchewan municipalities.

16 April *Housing*

Federal and provincial ministers and municipal councillors responsible for housing meet in Winnipeg to discuss investments in affordable housing and renovation programs. David Collenette, federal minister of transport and minister responsible for the Canada Mortgage and Housing Corporation, emphasizes the \$704 million in new funding committed to housing projects in the 2003 federal budget. Issues discussed include housing in rural, remote, northern, and Aboriginal communities.

24 April *Aboriginal Peoples*

Indian Affairs Minister Robert Nault reaffirms his commitment to the *First Nations Governance Act*. He dismisses the significance of a protest planned for Parliament Hill, saying that protests are becoming so common that politicians are growing immune to them. Opponents of the Act, including the Canadian Bar Association, are enraged by Nault's comments and warn that the Act could be defeated in court for undermining constitutionally protected Aboriginal rights.

24 April Fisheries

Federal Fisheries Minister Robert Thibault announces a ban on cod fishing in much of the East Coast. The announcement is expected to have a significant negative impact on East Coast economies, particularly those of Newfoundland and Labrador.

24–26 April *Alberta*

Mark Norris, Alberta's economic development minister, attends a three-day conference in Washington, D.C., sponsored by the U.S. Council for National Policy. Norris discusses Alberta's role in George Bush's plan for a continental energy strategy and lobbies the U.S. administration to allow Albertan companies to bid on contracts for postwar operations in Iraq. Federal Foreign Affairs Minister Bill Graham is untroubled by Norris's attendance at the event, saying Canadian provinces are welcome to promote their interests independently in the United States.

28 April *British Columbia*

The Citizens' Assembly on Electoral Reform is formed to review the provincial electoral system. The assembly will be chaired by Jack Blaney, former president of Simon Fraser University, and will be composed of 158 randomly selected citizens, two from each of the province's ridings. All assembly recommendations will be put to referendum and implemented if the results satisfy two criteria: firstly, 60 percent popular support overall and, secondly, majority support in 60 percent of electoral districts.

28–29 April

Newfoundland and Labrador Premier Roger Grimes travels to Ottawa seeking a reversal of the federal government's cod-fishing moratorium. Although his lobbying is unsuccessful, he remains committed to pushing for a reversal of the decision.

30 April *Quebec* Quebec Premier Charest's cabinet is sworn in. Yves Séguin, who in 2002 published a report detailing the fiscal imbalance between the federal and provincial governments, is appointed finance minister. Benoit Pelletier, newly appointed minister of Canadian intergovernmental affairs and Native affairs, emphasizes his government's commitment to the Canadian federation and to improving the state of federal-provincial relations.

3 May Political Parties Paul Martin, in the first of six Liberal Party leadership debates, pledges that he will not support the *First Nations Governance Act* in its current form, criticizes the federal government on its treatment of the Kyoto Accord, and promises measures to address western alienation. John Manley criticizes Martin for keeping secret the contributors to his campaign trust, to which Martin responds that he is following campaign rules to the letter. Sheila Copps emphasizes her "new vision" for Canada, highlighting education and immigration.

4 May Environment Paul Martin criticizes the Chrétien government for ratifying the Kyoto protocols without a plan to meet the emission targets and without consultation with the premiers. Martin calls Kyoto an issue best dealt with through cooperation with provincial and territorial leaders.

8–14 May Newfoundland and Labrador The Newfoundland legislature unanimously passes a bill calling for a renegotiation of the province's terms of constitutional union with Canada. Premier Roger Grimes is seeking increased provincial control of fisheries in the wake of the federal decision to halt cod fishing in much of eastern Canada. Federal Intergovernmental Affairs Minister Stéphane Dion responds to the bill by reiterating the need for the moratorium because of depleting cod stocks in the region. Prime Minister Chrétien speaks against constitutional renegotiation. Alberta Premier Ralph Klein expresses his support for Grimes. Manitoba Premier Gary Doer argues that other issues should take precedence over constitutional change.

15 May Alberta

A resolution is presented to the Alberta legislature outlining a proposal for federal Senate reform. The plan calls for an elected Senate, with six senators elected from each province and two from each territory, with veto power over legislation affecting areas of provincial jurisdiction.

20 May BSE The World Reference Lab in England confirms that a cow from northern Alberta has tested positive for bovine spongiform encephalopathy (BSE). The United States, Australia, Japan, and South Korea ban Canadian beef imports. Although Alberta and federal government officials insist that the public risk is contained, by the end of week seventeen Canadian farms are quarantined for BSE: twelve in Alberta, three in British Columbia, and two in Saskatchewan.

27 May Premiers

Quebec Premier Jean Charest releases a proposal for the creation of a Council of the Federation. The council will help provincial leaders develop common positions on issues of joint significance and evolve united strategies for dealing with the federal government. The plan will be formally presented to the other premiers at the Annual Premiers' Conference in July.

29 May Municipalities

Paul Martin, in an address to delegates at the Creative Cities Conference, promises to transfer a portion of federal gasoline taxes to municipalities if he becomes prime minister. The announcement is welcomed by the Federation of Canadian Municipalities. Winnipeg Mayor Glen Murray calls Martin's plan a landmark for federal-municipal relations. John Manley has rejected the idea of fuel-tax sharing.

29 May BSE Helen Johns, Ontario's agriculture minister, calls for discussions with the United States to restrict the American beef ban to western Canadian beef. Her proposal, considered by Ontario, Quebec, and Prince Edward Island, would also involve an interprovincial ban of western Canadian beef. Alberta Premier Ralph Klein is outraged by the suggestion. Ontario Premier Ernie Eves later apologizes for his government's proposal.

30 May Drug Legislation

Provincial government representatives from Alberta, British Columbia, Ontario, and Quebec affirm their opposition to the federal government's plans to reform marijuana laws. Concerns include the possibility of reduced trade because

of tighter border controls with the United States, the message being sent to children, and the implications for police operations against organized crime.

31 May Political Parties Peter MacKay is elected leader of the federal Progressive Conservative Party of Canada, winning 64 percent of fourth-ballot votes over Jim Prentice. MacKay's victory comes after making an agreement with third-place finisher David Orchard promising, among other policies, a review of NAFTA and a commitment not to pursue a merger with the Canadian Alliance. MacKay opposes gay marriage and supports decriminalization of small amounts of marijuana.

4 June *Manitoba*

Gary Doer is re-elected premier of Manitoba. His New Democrats win 32 seats, the Progressive Conservatives win 24, and the Liberals win one. Doer had campaigned on his government's record, highlighting rate freezes on electricity and public automobile insurance.

5 June BSE Saskatchewan Premier Lorne Calvert is enraged that an exception to the two-week waiting period on employment insurance given to Ontario workers affected by SARS will not be extended to beef industry workers affected by mad cow disease. Federal Human Resources Minister Jane Stewart insists that, in its current form, employment insurance is well suited to helping beef industry workers.

9 June New Brunswick New Brunswick Premier Bernard Lord is re-elected. His Progressive Conservatives win exactly the 28 seats needed for a majority in the provincial legislature, down from the 46 the party had held at legislature dissolution. The Liberals take 26 seats, up from 7, and the New Democrats retain the one seat they previously held. The decline in Tory support is largely attributed to large increases in automobile insurance rates during Lord's previous term.

8–10 June *Western Canada* The 2003 Western Premiers' Conference is held in Kelowna, B.C. The premiers agree to pursue non-constitutional reforms to the Confederation. The leaders seek from the federal government more regular first ministers' meetings, full involvement in discussions relating to natural resources and trade, and consultation on Senate

appointments. They further call on the federal government to be more active in lobbying for the reopening of the United States border to Canadian beef exports.

14 June *Aboriginal Peoples*

Roberta Jamieson, chief of Ontario's Six Nations, affirms her opposition to the *First Nations Governance Act*. She argues that the Act would give First Nations a level of status in intergovernmental relations that would be lower than that enjoyed by cities.

17 June *Alberta* Alberta Justice Minister Dave Hancock vows to fight a federal bill in favour of same-sex marriages. Hancock, calling marriage a clear provincial jurisdiction, affirms a willingness to challenge the legislation as far as the Supreme Court if the federal government fails to recognize the province's position. Premier Ralph Klein has already stated his intention to invoke the notwithstanding clause to protect the traditional definition of marriage. Cauchon's bill is a response to a 10 June 2003 Ontario Court of Appeal ruling requiring recognition of same-sex marriages as a Charter right. Ontario and British Columbia have already legalized same-sex marriage in response to the ruling.

17 June *Aboriginal Peoples*

Jean Charest, Quebec premier, and Ghislain Picard, regional chief of the Assembly of First Nations of Quebec and Labrador, undertake the creation of a Joint Council of Elected Representatives. The council will be composed of an equal number of Aboriginal and non-Aboriginal elected officials and will seek to facilitate exchanges on issues concerning Aboriginals living both on and off reserves. The council will begin its work in the fall.

17 June BSE

A federal-provincial aid package is announced to assist farmers who owned cattle on 20 May when the U.S. border was closed to imports. The package, worth \$320 million, will subsidize beef producers by offsetting a portion of the losses resulting from price decreases. It includes a \$50 million fund from which farmers can receive compensation if they agree to empty their freezers of beef processed before the BSE finding.

18 June *Atlantic Canada*

The Council of Atlantic Premiers meets in Charlottetown. The premiers seek increased communication and cooperation with the federal government on cross-jurisdictional issues through annual first ministers' meetings. They further agree to create a common regulatory framework to control automobile insurance rates, and they call on the federal government to undertake a comprehensive review of the equalization program.

19 June *Health Care* The federal government offers Ontario an assistance plan worth \$250 million to cover economic losses associated with Severe Acute Respiratory Syndrome (SARS). The plan falls short of the Ontario government's request for 90 percent of the \$1.13 billion in additional health-care costs borne by the province. Ontario Municipal Affairs Minister David Young calls the amount "outrageous" and rejects the offer in protest.

25 June *Economic Growth*

In a speech to the Economic Club of Toronto, federal Finance Minister John Manley forecasts 2.2 percent growth for 2004, one percentage point lower than had been foreseen in his February 2003 budget. Manley cites SARS, BSE, and the rising value of Canadian currency against the American dollar as the reasons for lower growth. Despite the slowdown, however, Manley insists his government will maintain a balanced budget and will not have to cut back on program spending. While he acknowledges the benefits Canada will reap from the American decision to cut taxes and run deficits to provide economic stimulus, he does not believe Canada should follow suit.

25–26 June *Finance*

A provincial-territorial meeting of finance ministers is held in Halifax, Nova Scotia. The ministers discuss issues relating to fiscal imbalance, equalization, heath care, census revisions, and disaster relief. They compile a list of recommendations to be presented at the Annual Premiers' Conference in July.

28 June *Premiers*

Quebec Premier Jean Charest travels to Manitoba to meet with Premier Gary Doer. They discuss a range of issues, including health-care funding, federal-provincial relations, and plans for a Council of the Federation. Charest hopes to speak with as many premiers as possible before the Annual Premiers' Conference in July; he has already met with Newfoundland's Roger Grimes and Prince Edward Island's Pat Binns when the two visited Ouebec.

23–28 June *Alberta*

Alberta Premier Ralph Klein undertakes a mission to Washington and New York to promote the Canadian cattle industry and energy sector. He reports that U.S. Vice-President Dick Cheney, though committed to lifting the American ban on Canadian beef as soon as possible, cannot provide a precise date for when Canadian imports would be allowed. Klein suggests the possibility of cohosting an energy summit with Cheney in the near future to discuss ways to reduce the cost of exploiting oil sands, an idea later endorsed by federal cabinet minister Anne McLellan. In reference to Canada's decision not to support the American-led invasion of Iraq, Klein argues that Canada can maintain an independent foreign policy while pursuing a positive relationship with the United States.

30 June
Newfoundland and
Labrador

The provincial government's Royal Commission on Renewing and Strengthening Our Place in Canada releases a 214-page report assessing the progress of Newfoundland and Labrador since the union with Canada in 1949 and the current state of the province's role in the federation. While the report rejects separation, the commission stresses that the status quo of the province's place in Canada, marked by fiscal dependency, high debt, and high levels of emigration and unemployment, is unacceptable. The report calls for a new collaborative relationship with the federal government and the other provinces and territories. It seeks institutional change, including Senate reform, more organized and regularly scheduled first ministers' meetings, and a stronger federal presence in the province. Specific proposals are made for more cooperative arrangements to deal with fisheries issues, a more equitable sharing of oil revenues under the Atlantic Accord, and federal partnership in hydro development. The report also addresses issues directly applicable to the provincial government, such as the need to eliminate the budget deficit and to initiate a broad public dialogue on the sustainability of rural communities.

2 July Sport, Tourism

Vancouver wins the right to host the 2010 Winter Olympics over Pyeongchang, South Korea, and Saltzburg, Austria. The bid is strongly supported by both the federal and the provincial governments. The total cost of the games is estimated at \$2 billion, not including planned highway

improvements between Vancouver and Whistler. Former Quebec Premier Bernard Landry expresses disappointment with the decision, claiming that Quebec City might have been the one receiving these games if Quebec had opted for sovereignty.

9 July Nunavut A temporary injunction is granted to exempt Inuit from having to register their firearms under the federal *Firearms Act* pending the outcome of a lawsuit filed by Nunavut Tunngavik Inc. The challenge argues that, under the terms of the Nunavut Land Claims Agreement, Inuit are not required to obtain licences or pay fees to hunt and fish. The suit is expected to go to court next year.

9–10 July *Agriculture* The Annual Conference of Federal-Provincial-Territorial Ministers and Deputy Ministers of Agriculture takes place in Winnipeg, Manitoba. Ministers discussed the state of Canadian agriculture since the detection of BSE in May. They agreed that ensuring reinstatement of access to American markets should be their first priority. They further reviewed safety options to prevent future risk.

10 July *Aboriginal Peoples*

David Nahwegahbow, a former aide to Jean Chrétien who helped create the 1993 Red Book's policies on Aboriginal issues, releases a letter criticizing Chrétien and Robert Nault for ignoring promises and misleading the public and Aboriginal groups. Nahwegahbow claims that Chrétien's record fails to live up to his statements on Aboriginal issues and that Nault has been misleading the public to promote the *First Nations Governance Act*.

9–11 July *Premiers*

The forty-fourth Annual Premiers' Conference takes place in Charlottetown, Prince Edward Island. Among the accomplishments of the conference is a unanimous agreement among the premiers to create the Council of the Federation. The premiers call for better communication and coordination by the federal government on intergovernmental decision making, most notably with respect to public health emergencies, relations with the United States, and equalization reform. They intend to hold the federal government to its promise of a \$2 billion increase in health transfers and call for a further \$3 billion to bring federal funding to 25 percent of provincial and

territorial health and social expenditures. Division exists, however, with respect to the proposed National Health Council. Jean Charest, Ernie Eves, and Ralph Klein express concern about the possibility of withholding subsidies if health-care delivery conditions are not met. The premiers agree to support the principle of the council's creation while waiting for the new prime minister to discuss mandate details.

16 July Aboriginal Peoples Phil Fontaine is elected grand chief of the assembly of First Nations, defeating incumbent Matthew Coon Come and Ontario Six Nations Chief Roberta Jamieson. After defeating Coon Come on a first ballot, Fontaine obtains 61 percent of second-ballot votes over Jamieson. Fontaine had previously served as grand chief from 1997 to 2000. Fontaine seeks equal First Nations participation in meetings between provincial and territorial leaders and will work for significant amendments to the *First Nations Governance Act*. His platform emphasizes working with governments rather than alienating them through rhetoric.

22 July *Political Parties*

John Manley withdraws his bid for the Liberal Party leadership, pointing to a campaign poll showing 75 percent of delegates supporting Paul Martin and expressing no propensity to change their minds. Sheila Copps reaffirms her commitment to staying in the race despite polls indicating support for her as low as 5 percent.

28 July Aboriginal Peoples The Government of British Columbia and the Tsawwassen Nation release an agreement-in-principle granting the Tsawwassen \$10 million and ownership of a 700 ha area in British Columbia's lower mainland. The agreement further provides the band with commercial fishing rights and \$1 million allocated to increase fishing capacity. The agreement-in-principle must now be approved by band members.

5 August Nova Scotia The Nova Scotia Conservative government of John Hamm is reduced to a minority, winning only 25 of 52 legislature seats. The New Democratic Party takes 15 seats and the Liberal Party wins 12. Hamm had campaigned on his government's record, notably the province's first balanced budget in four decades and a 10 percent income tax cut.

Analysts attribute Hamm's fall to increases in automobile insurance premiums and the cost of living during his term in office.

15 August Ontario

A joint task force is struck to investigate the cause of the 14 August power outage in Ontario and the eastern United States. The task force, to be co-chaired by Canadian Natural Resources Minister Herb Dhaliwal and U.S. Secretary of Energy Spencer Abraham, will bring together government officials and energy providers from both countries. Ontario Premier Ernie Eves later claims the province should have been given an active role on the task force. While Dhaliwal welcomes the province's participation and input, he rules out a top-level role.

23 August

Aboriginal Peoples

Prime Minister Jean Chrétien announces that the *First Nations Governance Act* will not be a priority of his government when Parliament resumes. His statement is taken as an indication that the Act will not be ratified before Chrétien's retirement.

29 August
British Columbia

Selection of voters to sit on the Citizens' Assembly on Electoral Reform begins. Jack Blaney, assembly chairman, announces that preliminary letters will be sent to 200 randomly selected people in each provincial riding, 158 of whom – a man and a woman from each riding – will join Blaney and two electoral reform experts to develop recommendations for reform of the electoral system in the province. The assembly will hold its first meeting in January 2004.

1 September *BSE*

The U.S. government partially lifts its ban on Canadian beef. Exports of boneless cuts of animals are allowed on condition that animals of different age groups are slaughtered in different plants. No full lifting of the ban is planned in the near future.

3 September Western Canada

The Canada West Foundation releases "An Action Plan to Reduce Western Discontent." The report outlines ten recommendations for improving the relationship between the federal government and the western provinces, including reduced party discipline in the Commons, Senate appointments based on provincial and territorial recommendation, and non-constitutional Senate reform.

4 September *Health Care*

The Annual Conference of Federal, Provincial, and Territorial Ministers of Health takes place in Halifax, Nova Scotia. The ministers commit to expediting discussions regarding the mandate of the National Health Council and also announce progress on the implementation of a number of initiatives from the February 2003 Accord on Health Care Renewal.

7–9 September *Eastern Canada*

The 28th Annual Conference of New England Governors and Eastern Canadian Premiers takes place in Groton, Connecticut. Issues discussed include cross-border security, air pollution control, biotechnology, information technology, and the August power blackout.

20 September *Aboriginal Peoples*

Assembly of First Nations (AFN) Grand Chief Phil Fontaine announces a full review of the organization's decision-making processes. The AFN's organizational structure had been heavily criticized, most notably by Indian Affairs Minister Robert Nault. A similar review under Matthew Coon Come, Fontaine's predecessor, had failed when reform proposals were rejected by governing chiefs. Fontaine stresses his commitment to improving social conditions among First Nations through job training operations and through land claims that increase access to natural resources.

23 September *Political Parties*

Over 90 percent of elected delegates to November's Liberal leadership convention support Paul Martin, unofficially ensuring his victory over Sheila Copps. Copps vows to stay in the race until the end.

29 September Prince Edward Island

The Prince Edward Island Conservative Party, led by Pat Binns, wins its third term as the province's majority government with 23 seats. The Liberal Party comes in second with 4 seats and the New Democratic Party takes one. The election proceeds despite the impact of Hurricane Juan. Binns's victory is attributed largely to his government's past success and his personal popularity. His plans include more doctors and nurses, lower automobile insurance rates, investments in heath care, and encouragement of economic growth.

2 October *Ontario*

The Liberal Party, led by Dalton McGuinty, wins 72 of 103 seats and is elected Government of Ontario. The

incumbent Conservatives are reduced to 24 seats and the New Democratic Party, winning only 7 seats, loses official party status. McGuinty's platform includes rolling back corporate tax cuts, freezes to postsecondary tuition, and increasing the minimum wage. Analysts and media predict an improved relationship between the province and the federal government as a result of McGuinty's victory.

3 October Aboriginal Peoples The Maa-nulth agreement is signed by the British Columbia government, the federal government, and six Vancouver Island bands. The agreement will give the bands \$62.5 million and 20,900 ha of land. This is the first multination agreement-in-principle reached under the treaty negotiation process; a final agreement must now be negotiated.

8 October Western Canada Premiers Ralph Klein of Alberta and Gordon Campbell of British Columbia hold a joint meeting of their cabinets. The agenda focuses on economic issues, health care, and education. The premiers announce plans to jointly lead a trade mission to Houston, Texas, and Silicon Valley, California, the following week. Klein insists that the premiers do not seek to provoke the federal government.

10 October *Aboriginal Peoples*

Indian Affairs Minister Robert Nault acknowledges that the *First Nations Governance Act* will not pass before Jean Chrétien's retirement as prime minister. Chrétien's expected successor, Paul Martin, has publicly stated his intention not to pass the Act in its current form.

10 October *Finance*

Federal Finance Minister John Manley meets with his provincial counterparts to discuss health-care funding and changes to the equalization program. Barring an unexpected shortfall in the federal government's budget surplus, Manley reiterates his earlier commitment to providing a \$2 billion increase in transfers for health care. The provincial ministers demand a new equalization arrangement using a ten-province payment calculation standard that would make amounts more predictable. Manley agrees to have further talks on equalization reform in January 2004.

17 October *Political Parties*

Canadian Alliance leader Stephen Harper and Progressive Conservative leader Peter MacKay announce plans to merge their two parties. The deal seeks to end the vote splitting between the two conservative parties to which the leaders largely attribute Liberal electoral dominance. The agreement must now be approved by the memberships of both parties. The deal is seen by a number of prominent Progressive Conservatives, including former party leader Joe Clark and former leadership candidate David Orchard, as a selling-out of the party to the Alliance.

17 October *Alberta*

Alberta Premier Ralph Klein meets with Liberal leadership front-runner Paul Martin in Calgary. Martin expresses his support for more regular first ministers' meetings. Klein does not, however, obtain strong commitments from Martin on a number of other western Canadian issues, such as the Kyoto Accord, Senate appointments, and the Canadian Wheat Board.

20 October *Premiers*

Premiers Jean Charest and Dalton McGuinty meet to discuss a range of issues, including electricity supply, economic and labour issues, and intergovernmental relations. The leaders commit to a cooperative working relationship. McGuinty plans to pursue a similar relationship with Manitoba.

21 October
Newfoundland and
Labrador

The Newfoundland Liberal Party, which had held power for nearly fifteen years, is defeated by the Conservative Party. The Conservatives, led be Danny Williams, take 34 seats; the Liberals win 12, and the New Democratic Party wins 2. The defeat of incumbent Premier Roger Grimes, who had inherited the leadership two years earlier from Brian Tobin, had been widely expected. The campaign was marked by little policy debate, with Williams promoting his business experience and dedication to promoting the province's economic development. He also seeks to strengthen the province's relations with the federal government.

24 October *Ontario*

On its first day in office the Liberal government of Dalton McGuinty creates the Democratic Renewal Secretariat, headed by Attorney General Michael Bryant, to modernize the province's democratic structure. The secretariat hopes to engage voters on the state of Ontario's electoral system through public consultation and referendum.

Proposals that the secretariat will consider include fixed election dates, Internet voting, party spending limits, and banning partisan government advertising.

30 October *Aboriginal Peoples*

The first meeting of the Joint Council of Elected Representatives is held between Quebec First Nations leaders and cabinet ministers. The joint council, a project undertaken by Quebec Premier Jean Charest and the regional chief of the Assembly of First Nations of Quebec and Labrador, Ghislain Picard, is a permanent forum designed to promote interaction between the Quebec government and Aboriginal leaders. Issues to be discussed by the council include autonomy for First Nations, territory, resources, and economic and social development.

1 November *Tourism*

At the close of a two-day meeting in Quebec City, federal, provincial, and territorial ministers responsible for tourism sign the Quebec Declaration, a commitment to work together to promote tourism through governments and the private sector. They further create the Canadian Council of Ministers of Tourism, an organization for the strengthening of links between the ministers. The ministers seek to achieve a \$75 billion increase in Canadian tourism by 2010.

3 November *Finance*

Federal Finance Minister John Manley delivers his 2003 Economic and Fiscal Update speech to the House of Commons Standing Committee on Finance. He projects that the federal government will maintain a balanced budget for the year despite economic shocks such as SARS, BSE, the Ontario power blackout, and a rising Canadian dollar but that the size of the budget surplus will be reduced. He foresees GDP growth of 1.9 percent in 2003 and 3 percent for 2004, smaller than had been foreseen at the time of the 2003 budget. Manley warns, however, that continued appreciation of the dollar and/or a slowing in American economic recovery could further reduce Canadian economic growth.

5 November Saskatchewan Lorne Calvert is elected premier of Saskatchewan for a fourth consecutive term. His New Democratic Party wins 30 seats, two more than the Saskatchewan Party. Calvert had been criticized for rising provincial debt, lagging growth, and high emigration. He wins on a platform that includes continued ownership of Crown corporations, "sustainable" income and small business tax cuts, and tax incentives to discourage emigration among recent postsecondary graduates.

6 November *Nova Scotia*

The Supreme Court of Canada, in a 5-4 ruling, upholds a lower court decision obliging the Nova Scotia government to report its progress on the construction of Frenchlanguage schools. The decision places the court in a supervisory role over the government, a judicial power which, while often seen in the United States, is unprecedented in Canada. Dissenting judges and officials from federal and provincial governments warn that the decision may set a precedent for the extension of judicial power into other areas of government.

6 November

Aboriginal Peoples

Prime Minister Chrétien spent his last day in Parliament as leader of the federal Liberal Party. A number of bills, including the *First Nations Governance Act*, do not reach the voting stage. The decision to reintroduce any leftover bills will be left to Chrétien's successor.

14 November *Political Parties*

Paul Martin is officially elected leader of the Liberal Party of Canada at the party's leadership convention in Toronto. Martin, supported by 3,242 delegates, overwhelmingly defeats Sheila Copps, who is supported by only 211. Martin's plans include improving the federal government's relationship with the West, reducing the overall size of cabinet, increasing the powers of MPs to influence government policy, and consideration of non-constitutional Senate reform.

16 November First Ministers

Paul Martin meets with provincial and territorial leaders in Regina. He commits to a \$2 billion increase to health-care funding if budget surpluses allow, and to scheduled annual first ministers' meetings with agendas set jointly by federal and provincial leaders. The premiers are generally satisfied with Martin's agenda and approach.

16–17 November *Health Care*

Paul Martin reports that he received unanimous support for the creation of the National Health Council from the premiers and territorial leaders at their meeting in Regina. Premier Klein denies any agreement, emphasizing that he will only support the council when mandate and funding issues are addressed.

21 November *BSE*

Federal Agriculture Minister Lyle Vanclief announces the creation of a federal subsidy program to encourage farmers to expedite the slaughter of older cattle. The plan seeks to offset lost revenue due to the continued American ban on all beef imports from cattle older than 30 months. Farmers under the plan receive a subsidy for every cow sent to slaughter before the end of 2004. The Alberta government decries the proposal, arguing it will do more harm than good by driving down prices though an artificial increase in beef supply. The province plans to create its own alternative assistance plan.

24–25 November *Environment*

The Canadian Council of Ministers of the Environment meets to discuss national water pollution standards, waste from electronic products, and climate change. The ministers reaffirm their commitment to the Canada-U.S. Air Quality Agreement.

1 December Environment A coalition of Aboriginal, environmental, and business concerns signs the Boreal Forest Conservation Framework. The agreement proposes rules for the preservation and development of the 529,000,000 ha forest. Various areas of the forest will be designated for conservation, development, and lumber production. The federal government expresses preliminary support for the principles of the agreement but will review the plan in full before extending a full endorsement.

5 December *Premiers*

The Council of the Federation is created by the thirteen premiers to strengthen provincial and territorial ties and to enhance relations with the federal government. Stated priorities for the council include health-care reform, enhanced trade, labour mobility, and streamlined regulation.

10 December
Northwest Territories

Joe Handley is acclaimed premier of the Northwest Territories by the members of the legislature. Roger Allen and Floyd Roland had earlier decided not to oppose Handley's bid for premier. Handley, who also won his seat in the legislature by acclamation, becomes premier without

receiving a single formal vote; critics argue this ease of passage reflects a need for territorial electoral reform.

12 December
Political Leaders

Paul Martin is sworn in as Canada's twenty-first prime minister.

Of the 38 portfolios in Martin's cabinet, 22 are assigned to new ministers. Appointments include Anne McLellan to deputy prime minister and minister of public safety and emergency preparedness, Ralph Goodale to finance minister, Pierre Pettigrew to minister of health, intergovernmental affairs, and official languages, Irwin Cotler to minister of justice and attorney general, Stephan Owen to minister of public works, and John Efford to natural resources. Twenty-two former Chrétien ministers are not awarded cabinet spots, including Sheila Copps, Robert Nault, and Stéphane Dion.

Martin also announces a restructuring of government operations. He creates the Department of Public Safety and Emergency Preparedness to improve government responsiveness to emergencies such as SARS and the Ontario blackout, and he creates the Canada Public Health Agency to study heath risks and handle emergency disease outbreaks. He splits Human Resources Development Canada into Human Development, handling income security for seniors, families, and the disabled, and Human Resources and Skills Development, treating labour and human capital issues.

Martin declares a commitment to taking measures to restore trust in the federal government. He promises more free votes and MP influence over policy as well as the reintroduction to Parliament of legislation to create an MP ethics commissioner.

17 December *Quebec*

The Quebec Court of Appeal rules that the federal *Personal Information Protection and Electronic Documents Act*, designed to regulate the collection of customer and employee personal information by businesses, violates Quebec's authority on civil rights issues. The Quebec government argues that the Act allows the federal government to assess the validity of provincial privacy law. The decision opens the door for Quebec to present a constitutional challenge of the legislation to the Supreme Court of Canada.

20 December *Aboriginal Peoples*

Incoming Indian Affairs Minister Andy Mitchell announces a cross-country tour to meet with Aboriginal leaders beginning in January. Mitchell's agenda includes improving relationships between his government and Aboriginal leaders and reducing the gap in living conditions between Aboriginal and non-Aboriginal people. He states that the *First Nations Governance Act*, will be substantially amended if reintroduced at all.

27 December *BSE*

The United States Department of Agriculture releases information indicating that a Washington State cow infected with BSE was likely imported from Alberta. Industry officials fear that such a connection will compromise efforts to have American beef markets reopened to Canadian exports.

Chronology 2003: Index

Aboriginal Peoples 13 January, 25 February, 2 April, 24 April, 14 June, 17 June, 10 July, 16 July, 26 July, 28 July, 23 August, 20 September, 3 October, 10 October, 30 October, 6 November, 20 December

Agriculture 9-10 July

Alberta 18 February, 24 March, 30 March, 24–26 April, 15 May, 17 June, 23–28 June, 17 October

Atlantic Canada 18 June

British Columbia 11 February, 28 April, 29 August

BSE 20 May, 29 May, 5 June, 17 June, 1 September, 21 November, 27 December

Canada-U.S. Relations 17 March, 21 March, 24 March, 24–26 April

Drug Legislation 30 May

Eastern Canada 7–9 September

Economic Growth 25 June, 3 November

Education 1–2 April

Environment 4 May, 24–25 November, 1 December

Finance 18 February, 25–26 June, 10 October, 3 November

Fisheries 24 April, 28-29 April

First Ministers 4–5 February, 16 November

Gun Control 8 January

Health Care 23 January, 4–5 February, 19 June, 4 September, 16–17 November

Housing 16 April

Manitoba 4 June

Municipalities 14 April, 29 May

Nova Scotia 5 August, 6 November

New Brunswick 9 June

Newfoundland and Labrador 19 March, 28–29 April, 8–14 May, 30 June, 21 October

Northwest Territories 10 December

Nunavut 9 July

Ontario 15 August, 2 October, 24 October

Political Leaders 12 December

Political Parties 14 January, 15 January, 18 January, 25 January, 25 February, 26 February, 6 March, 7 March, 3 May, 31 May, 22 July, 23 September, 17 October, 14 November

Premiers 23 January, 27 May, 28 June, 9–11 July, 20 October, 5 December

Prince Edward Island 29 September

Quebec 14 April, 30 April, 17 December

Saskatchewan 5 November

Sport 2 July

Supreme Court 6 November

Tourism 2 July, 1 November

Western Canada 8-10 June, 3 September, 8 October