
Chronology of Events July 1996 – June 1997

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5 July 1996
Health Policy

After a meeting with his Alberta counterpart, Health Minister Halvar Jonson, the federal health minister, David Dingwall, says Ottawa will not give Alberta the \$3.6 million it was penalized during a dispute over health fees. Last October, Ottawa began withholding \$422,000 per month in transfer payments to Alberta for allowing private clinics to charge fees to patients.

8 July 1996
Aboriginal Peoples

Justice George Adams rules that a native band in Sarnia can pursue a class action suit against corporations and individuals in order to settle a land-claims dispute. The Chippewas have claimed ownership to an area known as the Cameron Lands.

9 July 1996
National Unity

Prime Minister Jean Chrétien announces the establishment of The Canada Information Office. Heritage Minister Sheila Copps will utilize a \$20-million budget to inform Canadians about federalism — promoting the Canadian identity and national unity. Copps says the office will enable Canadians to learn more about one another through such activities as cross-country exchanges.

9 July 1996
Agriculture

Agriculture Minister Ralph Goodale says he wants to end the debate about the future of the Canadian Wheat Board.

A federal panel proposes that the Wheat Board, which has a monopoly over Prairie grain sales, should continue to market all grains except feed barley, which should be placed on the open market. Farmers on both sides of the debate are unhappy with the panel's recommendations. Supporters of the board say the proposed changes will put farmers at risk for increased prices, while those in favour of privatization say the suggestions are not drastic enough. Goodale says he will consult with western Canada's farmers before going ahead with any of the recommendations.

10 July 1996
Aboriginal Peoples

At the annual meeting of the Assembly of First Nations, Indian Affairs Minister Ron Irwin announces that Ottawa will be providing \$98.5 million to improve water and sewage treatment on Indian reserve lands. Despite these extra funds, Chief Ovide Mercredi criticizes the Liberals for failing to carry out their election promises which included a new housing program and increased land-claims settlements.

19 July 1996
Aboriginal Peoples

The Labrador Inuit Association agrees to talks with Ottawa and the Newfoundland government, which will speed-up a 19-year-old land claim involving more than 5,000 Inuit in northern Labrador.

22 July 1996
Emergency Aid

Flood victims in eastern Quebec who lost homes, businesses, and loved ones, are assisted by the province's establishment of a \$200-million fund and Ottawa's contribution of about \$150 million. In early July, 12,000 people were evacuated from their homes in the Saguenay-Lac St. Jean, North Shore, and Charlevoix regions in order to escape flash floods in the area. Quebec Premier Lucien Bouchard praises Ottawa for its quick response to the emergency.

22 July 1996
Agriculture

Alberta launches a legal challenge in the Federal Court of Canada against the monopoly held by the Canadian Wheat Board over the sale of wheat and barley. The challenge is one of many responses to Agriculture Minister Ralph Goodale's call for opinions regarding the role of the export agency and the possibility of putting some type of barley on the open market. In contrast to Alberta's legal challenge, Saskatchewan Agriculture Minister Eric

Upshall announces that he wants to fight to preserve the Wheat Board as an institution that continues to serve Canadians.

22 July 1996
Fisheries

Federal Fisheries Minister Fred Mifflin approves a deal struck by the bilateral Pacific Salmon Commission, allowing natives from Washington State to catch about 50,000 fish bound for British Columbia. BC Premier Glen Clark attacks the deal and says his province will attempt to block it. The deal comes only a week after Ottawa had agreed to discuss the possibility of giving the provinces more say in the fisheries.

24 July 1996
Education

A bill aimed at reforming Newfoundland's church-run education system passes unanimously in the provincial legislature. The bill's provisions include reducing the provinces 27 religious school boards to ten, centralizing control over construction of new schools, and establishing a French-language school board. Some of the more controversial issues, such as parental choice of schools and transportation arrangements, will not be resolved until after public consultations in the fall, assuming the constitutional amendment is passed.

25 July 1996
Aboriginal Peoples

Indian Affairs Minister Ron Irwin announces that federal spending for native communities will be increased by \$140 million over the next five years. The funds will be directed toward a new housing program to improve living conditions on reserve lands.

26 July 1996
Sovereignty

BC Intergovernmental Relations Minister Andrew Pettey says an internal federal government memo, regarding the growth of separatism in British Columbia, is an encouraging sign that his province is being heard in Ottawa. The memo shows a growing feeling that the federal government is insensitive to BC's concerns and an increasing separatist sentiment based on economic growth and geographic isolation. The memo cites an Angus Reid poll taken in 1995 which reported that 12 percent of British Columbians support separatism.

31 July 1996
Environment

The Ontario government releases a discussion paper proposing to cut the number of provincial environmental

regulations almost in half. Federal Environmental Minister Sergio Marchi says he is concerned that deregulation will threaten national environmental standards. Marchi is also sceptical of the Ontario government's claim that streamlining the system will not be harmful to the environment.

6 August 1996
Premiers

Catherine Callbeck announces her resignation as premier. Callbeck's Liberal government had won all but one seat in the 1993 election and she was planning to call another election. A public opinion poll showed that her party's popularity was waning. While Callbeck says she has achieved the goals that her government had set, it was time to make way for a successor who "better reflects the current wishes of the people."

7 August 1996
Emergency Aid

Quebec Premier Lucien Bouchard announces that Quebec will give \$100 million to rebuild homes, businesses, and farms that were destroyed or damaged in July by flooding in the Saguenay region. Ottawa announces a contribution of \$300 million.

12 August 1996
Environment

Federal Environment Minister Sergio Marchi says he wants to work with the provincial government to find a "community-based" solution for cleaning up toxic tar ponds in Sydney, Nova Scotia. Decades of steel-making has resulted in 700,000 tonnes of sludge and has created one of Canada's worst environmental catastrophes.

19 August 1996
Health

Federal Health Minister David Dingwall tells delegates at the Canadian Medical Association's annual meeting that Ottawa will not accept a dual health-care system since it privileges Canadians based on their ability to pay. The delegates pass a resolution which calls for public discussion on new ways to fund health care, but do not endorse a two-tiered system.

22 August 1996
*Premiers - Annual
Conference*

Health care is a central issue as premiers call for a restructuring of national standards and joint management of social policy at their conference in Jasper, Alberta. With the exception of Quebec Premier Lucien Bouchard, the premiers agree to establish a council to rewrite the rules

controlling social programs. The premiers disagree about whether provinces who violate the standards should be fined. Alberta Premier Ralph Klein, whose province was docked \$3.6 million for failing to comply with the new standards, argued against the penalty while other premiers favoured the rule as a means to maintain quality health care across the country. Aside from social policy, the premiers decided to develop a three-year plan for rebalancing federal and provincial powers, to press Ottawa for \$2-billion national infrastructure program, to lobby Ottawa for a fairer tax system, and to support Canada's efforts dealing with foreign overfishing.

22 August 1996
Disputes

Quebec Premier Lucien Bouchard and Nova Scotia Premier John Savage agree to let federal regulators decide the route of a natural gas pipeline running from Sable Island gas field of Nova Scotia to New England. Bouchard says it would be more economical to run the line through Quebec, while Savage sees this as an attempt to divert Nova Scotia's royalties. Savage warns that Canada should not endanger the pipeline by putting it in a part of the country that could become independent.

27 August 1996
Language

As his government is about to begin a hearing into Bill 40 to bring back the Commission de protection de la langue française, Premier Lucien Bouchard calls for understanding on the topic of Quebec's language laws.

The language debate was rekindled by English-rights activist Howard Galganov who announced his plan to air his complaints about language laws to business leaders in New York next month.

8 September 1996
Sovereignty

Quebec Premier Lucien Bouchard says another referendum will not be held until after the next election in order to focus on the economy and jobs.

10 September 1996
Health

Health ministers say a new national agency will be established within a year to control Canada's blood system. While the new agency is supposed to be national, Quebec Health Minister Jean Rochon says his province is looking to establish its own system.

- 11 September 1996
Aboriginal Peoples Indian Affairs Minister Ron Irwin is accused by Chief Ovide Mercredi of trying to impose his opinion on what is good for Canada's natives. Irwin has proposed changes to the *Indian Act* which Mercredi feels may result in the loss of reserve land.
- 12 September 1996
Lieutenant-Governor Former Senator Jean-Louis Roux is sworn in as Quebec's new lieutenant-governor with little enthusiasm from Premier Lucien Bouchard. Prime Minister Jean Chrétien chose Roux without consulting the province.
- 18 September 1996
Constitution Saskatchewan Premier Roy Romanow, New Brunswick Premier Frank McKenna, and Newfoundland Premier Brian Tobin call for a new round of constitutional talks. Romanow wants Canada to recognize Quebec's historic demands and the distinctive nature of the province. Quebec Premier Lucien Bouchard says he is currently focusing on his province's economic problems, rather than constitutional issues.
- 24 September 1996
Energy Reform Leader Preston Manning suggests that Ottawa decrease its equalization payments to Quebec and give the money to Newfoundland as compensation for the Churchill Falls power deal which grants Hydro-Québec 90 percent of the Fall's 5,428 megawatts of power at pre-1970s prices. According to Newfoundland Premier Brian Tobin the deal translates into \$70-\$80 million annual earnings in Newfoundland and \$750 million in Quebec. Tobin wants Quebec to renegotiate the contract to direct a greater share of the profits to his province.
- 26 September 1996
Sovereignty Ottawa is seeking advice and clarification from the Supreme Court of Canada regarding the legalities of separation. Justice Minister Allan Rock wants to establish the ground rules prior to the next referendum by asking the court to answer the following questions:
- Can the Government of Quebec take the province out of Canada unilaterally?
 - Is there a right of self-determination under international law?
 - If there is a conflict between domestic and international law on the question, which one takes precedence in Canada?

- 26 September 1996
Senate
- Prime Minister Jean Chrétien appoints Nova Scotia lawyer and Liberal party organizer Wilfred Moore to the Senate to replace retired Allan MacEachen, bringing standings in the upper house to 51 Liberals, 50 Conservatives, and three independents.
- 26 September 1996
Gun Control
- Ontario, Manitoba, Saskatchewan, and the Yukon say they will intervene in a challenge filed by Alberta against Ottawa's decision to establish a national firearms registry. The five governments claim that federal Justice Minister Allan Rock's gun control legislation, which makes registration of firearms mandatory, is unconstitutional and will not reduce criminal activity.
- 27 September 1996
Aboriginal Peoples
- Despite threats of protest from native chiefs, Indian Affairs Minister Ron Irwin says Ottawa will go ahead with legislation to amend the *Indian Act*. Native leaders voted 24 September to reject the amendments and to create their own committee to discuss the Act.
- 1 October 1996
Education
- The Council of Ministers of Education announces a new set of national tests to assess the level of skill and knowledge of students across the country. The tests, to begin next year, will focus on mathematics, literacy, and science in order to measure trends in curriculum and teaching. Although education is a provincial responsibility, Ottawa has aided in the project by investing \$4.5 million over the last three years.
- 2 October 1996
Quebec
- Former Quebec Premier Robert Bourassa, 63, dies in Montreal. Bourassa, who brought his Liberal Party to power in 1969, became Quebec's youngest premier at the age of 36.
- 3 October 1996
Fisheries
- The proposal for a new *Fisheries Act* is tabled in the House of Commons by Fisheries Minister Fred Mifflin. Under the new Act, provinces would take more responsibility for the protection of fish habitats in their area, and fisheries ministers would be able to negotiate with the industry according to regional management needs rather than adhering to federal regulations.
- 3 October 1996
Welfare
- BC Supreme Court Justice John Spencer strikes down the provincial government's controversial 90-day residency

requirement for welfare recipients. The new rule, estimated to save approximately \$25 million a year, was announced November 1995 to compensate for a decrease in transfer payments to the province. Ottawa reacted by withholding \$46 million in transfer payments, saying that BC had violated the Canada Assistance Plan.

4 October 1996
*Canada Pension
Plan*

At a meeting of federal and provincial finance ministers, Ontario's Ernie Eves leads Quebec, BC, Manitoba, and Saskatchewan in a threat to upset Ottawa's plans for overhauling the Canada Pension Plan, including the proposed hike in employer and employee contributions, if the government fails to reduce Unemployment Insurance premiums. It is expected that the Employment Insurance fund will be \$5 billion in the black at the end of this year and twice that in two years. Business wants to see these earnings returned to the economy as an incentive for job creation.

10 October 1996
Premiers

Keith Milligan, minister of transportation and public works, is sworn in as Prince Edward Island's new premier.

10 October 1996
Fisheries

Following BC Fisheries Minister Corky Evans' call for aid, his federal counterpart, Fred Mifflin, announces that Ottawa will soon be able to help the BC coastal communities that have been devastated by the decline in salmon fishing. The report of the provincial Job Protection Commission says that 7,800 jobs were lost in fisheries, at a cost of \$245 million to the BC economy. To ease the economic situation, Ottawa is considering a proposal to hire unemployed workers to work at rehabilitating salmon streams that have been damaged by forestry and urbanization.

10 October 1996
Taxes

Finance Minister Paul Martin says that three Atlantic provinces can make books tax-exempt when the provincial sales tax is merged with the federal goods and services tax next April, but that Ottawa will not cover the cost. Without posing a threat to the GST harmonization plan, Nova Scotia, New Brunswick, and Newfoundland will be able to offer a partial refund to cover the provincial share of the proposed 15-percent blended levy.

10 October 1996
Education

The final report issued by Quebec's commission on the state of education says that the role of religion in school should be diminished, that full-time kindergarten should be provided, and that funding to private schools should be reduced. While Education Minister Pauline Marois could not commit to all of the recommendations, she did reiterate that the government hopes to replace the current religious school boards with boards based on language.

10 October 1996
Labour

The Quebec government announces its plan to pass legislation which will make it easier for Ontario workers to get construction jobs in Quebec. Currently over 4,000 Quebec residents work on construction sites in Ontario while only a few hundred Ontario residents work on sites in Quebec.

15 October 1996
Energy

Newfoundland Premier Brian Tobin releases a secret document which he says proves Quebec acknowledged it is reaping unfair profits from the Churchill Falls power contract which it signed with Newfoundland in 1969. The agreement has allowed Hydro-Québec to buy energy from the Labrador project and sell it at ten times the original price. Tobin argues that the contract can and should be renegotiated, while Hydro-Québec and the Quebec government have made it clear that they have no plans to reopen the deal.

16 October 1996
Constitution

A draft of a new constitutional proposal is tabled in the Northwest Territories legislature. The proposal was motivated by a fear that the North would become a fragmented political structure unless native and mainstream governments find a way to work together. The draft suggests that beginning in 1999, when the new territory of Nunavut is created, over one-third of seats in the western-Arctic legislature should be reserved for Aboriginals.

18 October 1996
*BC-Federal
Relations*

Relations between the British Columbia and federal governments were improved after a meeting in Vancouver between Premier Glen Clark and Prime Minister Jean Chrétien. The leaders agreed on a new national cost-shared infrastructure program, while agreeing to disagree on BC's residency requirement for new welfare recipients and on

proposals to revise the Canada Pension Plan. In addition, Ottawa offered BC a bigger role in the management of the fishery.

21 October 1996
*Industrial
Development*

Prime Minister Jean Chrétien announces an \$87-million interest-free loan to Bombardier Inc. The money is granted to the Montreal-based company for the development of a new 70-seat passenger jet which is expected to create and maintain 1,000 jobs. Reform MPs object to the government's decision to allocate one-quarter of its new Technology Partnerships Canada fund to the project, pointing out that Bombardier has received almost \$1.2 billion from Ottawa over the past 15 years.

28 October 1996
Aboriginal Peoples

The federal government is condemned by Alberta Premier Ralph Klein, Saskatchewan Premier Roy Romanow, and national aboriginal groups for its declining commitment to native social programs. Ottawa claims it is only responsible for covering welfare costs for reserve Indians and wants to shift the economic burden of some aboriginal social programs to the provinces. Grand Chief of the Assembly of First Nations, Ovide Mercredi, is concerned that if native issues are handed over to the provinces then natives would receive fewer services. Ottawa currently spends approximately \$700 million a year on welfare for reserve Indians.

29 October 1996
Aboriginal Peoples

A plan to relocate the remote community of Davis Inlet to the Labrador mainland is met with overwhelming support in a referendum. More than 97 percent of the ballots favoured the agreement between the Innu and Newfoundland and federal governments, in which the province will turn over land at Sango Bay to provide health and education services to the community afflicted with such problems as poor sanitation and housing. The transfer, estimated to cost Ottawa \$70 million, will provide the community with running water, sewers, and access to the mainland.

6 November 1996
Fisheries

Fisheries Minister Fred Mifflin responds to BC's call for help by announcing that Ottawa will spend "whatever it costs" to provide short-term job relief to thousands of

salmon fishery workers who have been displaced as a result of poor salmon runs and fleet reduction.

14 November 1996
Language

Louise Beaudoin, Quebec's minister responsible for the French Language Charter, announces new language policies for civil servants. The objective of the 30 new rules, which restrict the use of languages other than French by civil servants, is to send a message to immigrants that they must become part of the francophone majority. Services that were bilingual prior to the new policies will still be provided in either language but anglophones will now have to request English service.

14 November 1996
Lieutenant-Governor

A motion to abolish the position of lieutenant-governor is tabled by Premier Lucien Bouchard. Bouchard calls the post a colonial relic and says that if it cannot be abolished, Quebec should at least have the power to make its own appointments. The issue was sparked by Chrétien's appointment of Jean-Louis Roux, a federalist, as the Quebec's new lieutenant-governor. On 5 November, Roux admitted that he had worn a swastika and participated in anti-conscription protests when he was a student at university, giving sovereigntists an impetus to demand his resignation. While Chrétien assured Roux he did not have to step down, he resigned the next day, apologizing to Jews and veterans for his actions.

18 November 1996
Elections

The ten-year-old Liberal government is replaced by the Conservatives in PEI's election. The Tories take 18 of the Island's 27 seats, the Liberals hold onto only eight and, for the first time, a seat goes to an NDP representative. Conservative leader Pat Binns suggests that PEI's dissatisfaction with the Liberals comes as the result of its ties to the federal government and its unpopular policies.

20 November 1996
*Industrial
Development*

After taking criticism from the West about its \$87-million loan to Montreal-based Bombardier Inc., the federal government provides a \$30-million loan to British Columbia's Ballard Power Systems Inc. The money will go to the development of environmentally-friendly fuel cells to provide electric power to homes, hospitals, and industry.

20 November 1996
Environment

Provincial and federal environment ministers agree in principle to unify Canada's environmental standards. Although the details are not yet worked out the accord would set common requirements for each province on issues such as air, water, and soil quality.

21 November 1996
Aboriginal Peoples

The Canadian Royal Commission releases its report on Aboriginal Peoples. The report indicates that Canada risks violence unless it gives its natives a new deal, including new lands, resources, respect, and real self-government. Recommendations include an increase in government spending to improve housing, health, education, and employment opportunities for natives; an aboriginal parliament; and an independent tribunal to oversee and accelerate land claims. The commission says that spending money will lead to healthier and more productive aboriginal communities.

26 November 1996
Elections

Changes to the *Elections Act* pass in the Commons. Under the revised Act, voting hours will be staggered across the country so that voters in the west can cast their votes before results in the east have decided the election.

27 November 1996
Education

The Senate approves a revised version of Newfoundland's original constitutional amendment to reduce the role of churches in the school system. Since the Senate cannot kill a constitutional amendment once it is passed by Commons a second time, Justice Minister Allan Rock says the original amendment will return to the House for its final passage. The change to Newfoundland's school system follows a provincial referendum in which 54 percent of voters supported the proposal. The process of constitutional amendment is necessary because the change involves conditions that were set out when Newfoundland joined Canada in 1949.

27 November 1996
Social Programs

A national program to fight child poverty is supported, in principle, by federal and provincial social services ministers, but provincial representatives are waiting to see how much the program will cost before making a commitment. Federal Human Resources Minister Pierre Pettigrew says bureaucrats have been asked to brainstorm on ways in

which the two orders of government can work together to fight child poverty and to bring those ideas to their January meeting.

29 November 1996
Sovereignty

The Supreme Court of Canada receives applications from Saskatchewan, Manitoba, and the two territories to intervene in Ottawa's constitutional reference on Quebec separation. Quebec lawyer Guy Bertrand, Quebec's Grand Council of Cree, the Algonquins of Barrier Lake, and other groups also hope to come before the court during the hearing expected next summer. Meanwhile, the Quebec government says it will not participate in the case.

2 December 1996
Leadership

Bloc Québécois Leader Michel Gauthier steps down.

3 December 1996
Agriculture

Agriculture Minister Ralph Goodale introduces legislation that would change the way the Canadian Wheat Board operates. Most significantly, it would end the Wheat Board's monopoly over Prairie grain sales.

6 December 1996
Social Programs

Federal Minister of Human Resources, Pierre Pettigrew, and Alberta's minister of advanced education and career development, Jack W. Ady, sign an agreement that transfers the responsibility for labour market development to the province. The \$317 million deal is part of Ottawa's decision to offer all provinces and territories opportunity to take responsibility for the design of active labour market development measures for Employment Insurance Clients. Under the new deal, all services for the unemployed will be under one roof in the hope that more people will have access to employment programs.

7 December 1996
Sovereignty

The Quebec Liberal Party takes a new stand on the constitution in order to reduce the threat of separation. The party proposes that Quebec's distinct society status should be entrenched in the constitution with a clause that requires courts to recognize its unique position. The proposal also includes a guarantee of three Quebec judges on the Supreme Court, provincial priority over shared jurisdiction with Ottawa, and the ability to limit Ottawa's spending power in provincial jurisdictions. Liberal Leader Daniel

Johnson says that if Canada adopts the proposal and thereby shows that change is possible, another divisive sovereignty referendum could be avoided.

9 December 1996
Education

Newfoundland introduces changes to its education laws in the House of Assembly. Under the changes, parents will be asked what type of religion they want their children to be taught and the majority responses will determine the religious designation of each school. Education Minister Roger Grimes wants to run an interdenominational school system, but also respects the rights of single denominations to have their own schools.

12 December 1996
Aboriginal Peoples

Indian Affairs Minister Ron Irwin is booed from the public gallery as native leaders express their discontent for the newly revised *Indian Act*. Native leaders accuse the government of failing to consult them, as well as failing to fulfill the recommendations outlined by the Royal Commission on Aboriginal Peoples.

12 December 1996
Lieutenant-Governor

Prime Minister Jean Chrétien appoints Lise Thibault as Quebec's new lieutenant-governor. Thibault, disabled-rights activist and television personality, is to replace Jean-Louis Roux who resigned last month. Like Roux, Thibault is also an acknowledged federalist but she says she will keep politics out of her new position. Chrétien also appointed Hilary Weston, Toronto businesswoman and author, as Ontario's lieutenant-governor, and medical scientist Dr. A.M. House to the position in Newfoundland.

13 December 1996
Social Programs

New Brunswick signs a \$237 million accord to take over job training and other employment services from the federal government.

17 December 1996
Industrial Development

Federal Industry Minister John Manley announces that Montreal-based Bombardier Inc. will receive more federal assistance. The company will use the additional \$57 million in its de Havilland division for research and development on the Dash 8-400. The project is expected to create up to 1,000 jobs and advance Canada's aerospace industry.

19 December 1996
Demography

Statistics Canada reports that the first six months of 1996 saw a net loss of 12,792 residents moving from Quebec to other provinces. Premier Lucien Bouchard does not attribute the high migration levels to Quebec's uncertain future, but rather to English-speaking Quebecers who have the mobility to leave for economic reasons. Liberal Leader Daniel Johnson is concerned that it is language policies that are causing the exodus from Quebec.

3 January 1997
Language

English-rights crusader Howard Galganov announces he is dissolving his campaign for English-minority language rights due to lack of financial support from anglophones. Galganov first attacked the provincial language laws by boycotting stores that did not have English on their signs. Later, he took his grievances to Wall Street but failed to draw much attention to the issue.

4 January 1997
Unity

Ottawa launches a 12-part French-language series on a Quebec network to advertise government services and programs which are available to Canadians. Critics say the commercials have been introduced to increase Liberal popularity in Quebec, while a representative from the Human Resources Department denies any political motivation.

7 January 1997
Infrastructure

Ottawa announces that it wants to extend its job-creating infrastructure program for a fourth year by offering the provinces an extra \$425 million. Treasury Board President Marcel Massé predicts the extension could lead to up to 2,500 new projects, giving rise to as many as 20,000 jobs in areas that will improve Canada's roads, sewers, and other infrastructures.

9 January 1997
Fisheries

Federal Fisheries Minister Fred Mifflin announces that Ottawa is going ahead with its plans to cut the BC salmon stock in half and to permit fishers to buy a licence for more than one area. Ottawa will provide \$5 million to help troll and gillnet fishers stack licences and \$8 million to assist those whose fishing gear has been rendered useless under the new licensing regulations. BC Fisheries Minister Corky Evans criticizes Ottawa's plan and says he wants to see control over fisheries put into provincial hands.

10 January 1997
*Industrial
Development*

Ottawa lends Pratt and Whitney Canada Inc. of Longueuil, Quebec \$147 million to enable the US-owned aerospace firm to maintain its engine production in Canada.

17 January 1997
Taxes

Ottawa and three Atlantic provinces try to sort out some of the controversial aspects of a plan to harmonize provincial and federal sales taxes. Under the new plan, the 15 percent levy will be buried in consumer prices but retailers will be able to mark the cost before and after taxes on their price tags. Businesses in New Brunswick, Newfoundland, and Nova Scotia are concerned that the blended tax will put the provinces at a disadvantage because prices will be inconsistent with national advertising.

17 January 1997
Energy

Quebec Premier Lucien Bouchard agrees to "exploratory talks" with Newfoundland Premier Brian Tobin regarding the Churchill Falls power contract. On 19 November, Tobin had warned that if Quebec separates it will lose the contract.

17 January 1997
Sovereignty

Chief Justice Antonio Lamer gives permission for 13 groups to intervene in the federal government's court reference on whether or not Quebec can secede unilaterally. Saskatchewan and Manitoba are the only two provinces that will intervene, along with the territories which will be arguing largely for native rights.

20 January 1997
Trade

Team Canada returns home after a 12-day trade mission to Asia made up of about 400 business representatives and nine premiers, including Quebec Premier Lucien Bouchard. While Bouchard maintains that the mission has not changed his separatist goals, he did keep internal politics out of the trip in order to focus on bringing jobs into the country. But other interprovincial disagreements did arise. Manitoba Premier Gary Filmon and British Columbia's Glen Clark criticized New Brunswick Premier Frank McKenna for attempting to lure business from other provinces into his own. The team signed a total of over \$2 billion in deals with Thailand, South Korea, and the Philippines.

23 January 1997
Education

In an attempt to reflect changing demographics and improve efficiency, Quebec hopes to produce a constitutional

amendment which would allow denominational school boards to be replaced by linguistic boards. The proposal is met with dissent from some sovereigntists who are concerned that by doing so Quebec will be forced to acknowledge the 1982 constitution which the province never signed. Quebec Premier Lucien Bouchard says that Quebec will be amending the 1867 *British North American Act*, rather than the revised *Constitution Act*, 1982.

25 January 1997
Health

A resolution is passed at the Parti Québécois' national council meeting to limit health care in English to those areas in which the anglophone population is over 50 percent. On 31 January Bouchard argues that his government provides satisfactory health-care service in English.

28 January 1997
Social Services

Canada's social services ministers agree in principle to adopt a plan to ensure that child benefits are not limited to those on welfare, but extended to the working-poor. According to the plan, Ottawa will increase its contribution to the child tax benefit and provincial welfare payments for children will be decreased. Money saved by the provinces will be used by them to design and deliver aid to poor families with children in a manner that fosters work incentives through programs such as day care and school lunches.

29 January 1997
Health

Provincial and territorial health ministers release a report titled *A Renewed Vision for Canada's Health System* which says medicare should be preserved but changes should be made to the universal system. The report calls on Ottawa to establish a panel of experts to assist in settling disputes which arise over medicare rules and transfer payments. In addition, the provinces call for a new interpretation of the *Canada Health Act* in order to give provinces a greater role in health-care decisions.

4 February 1997
Health

Health Minister David Dingwall welcomed the report of the National Forum on Health, *Canada Health Action: Building on the Legacy*, which maps out a long-term plan for reforming the health-care system and improving the health of Canadians. The report notes that maintaining the five principles of the *Canada Health Act* are critical to preserving medicare while flexible enough to accommodate organized reforms.

7 February 1997
Infrastructure

Alberta is the first province to sign on to the federal government's new infrastructure offer. Both the provincial and municipal governments will match the \$35 million provided by Ottawa in order to improve roads, sewers, and bridges. It is estimated that the deal will create 1,800 jobs.

12 February 1997
Education

Prime Minister Jean Chrétien says Ottawa needs evidence that there is a consensus among Quebecers to move from religious-based school boards to linguistic boards before a constitutional amendment can be made. Members of Alliance Quebec, an English-rights lobby group, want to ensure that the constitution entrenches the rights of anglophones to their own schools and school boards — a request that Quebec Premier Lucien Bouchard has rejected. A constitutional amendment is necessary because the denomination school boards are protected under the 1867 *British North America Act*.

18 February 1997
Budget

Federal Finance Minister Paul Martin tables the pre-election budget in the Commons. He announces that while the government plans to focus on bringing down the deficit, an additional \$1 billion a year will be invested in social programs. The deficit is now at a 15-year low and Martin predicts that by 1998-99, for the first time in almost 30 years, Ottawa will not have to borrow money. Martin says there will not be cuts to taxes since he does not want to "jeopardize the basic values of Canadians." He also introduces a new child tax credit for working-poor families, created in cooperation with the provinces, which will cost Ottawa \$600 million. Prime Minister Jean Chrétien comments that this is a "down payment on social justice." Martin also announces that Ottawa will spend \$425 million for an infrastructure program designed to encourage provinces to improve roads, bridges, and sewers. Other highlights include:

- a \$225 million Youth Employment Strategy to create jobs and internships for 139,000 students;
- \$300 million over three years to be invested in improving the delivery of better health services to Canadians; and
- selective tax cuts for low-income families, charities, the disabled, students, and parents saving for their children's future education

- 21 February 1997
Trade
- Quebec Premier Lucien Bouchard announces that he will lead his own trade mission to China in November and to Latin America next year. Bouchard plans to focus on Quebec's economy and on building business connections both with Canadian provinces and the rest of the world.
- 24 February 1997
Aboriginal Peoples
- Native leaders are outraged by Ottawa's failure to act on at least some of more than 400 recommendations set out in the Royal Commission on Aboriginal Peoples' report. The report calls on the government to increase its spending by \$1.5 to \$2 billion annually in order to improve aboriginal housing, health, and employment opportunities over the next two decades. Indian Affairs Minister Ron Irwin says Ottawa has already acted on some of the recommendations and that it would be too expensive to implement any of the others. Native Chief Ovide Mercredi says that in order to be heard, Indian leaders will participate in a one-day protest by slowing traffic on the Trans-Canada Highway.
- 28 February 1997
Sovereignty
- Ottawa presents its argument to the Supreme Court of Canada regarding Quebec's right to separate. The argument, which is the most formal condition Ottawa has ever made in the long-standing sovereignty debate, is that Quebec must use the constitution to take its leave.
- 28 February 1997
Justice
- At a meeting of Canada's justice ministers, federal Minister of Justice Allan Rock says Ottawa will not provide Quebec with the \$77 million it has requested in order to retroactively fund its young offender services. The program reflects Quebec Justice Minister Paul Bédard's belief that through rehabilitative measures, young offenders can be returned to society rather than being put in jail.
- 7 March 1997
Immigration
- Ottawa announces that most provinces will receive more immigrant resettlement payments from a new fund of about \$63 million a year. The new money has been introduced to correct an imbalance in the allocation of federal immigration funds. Under the new program federal dollars for immigration services will be allocated more appropriately, according to the immigration rates of each province. The announcement followed a meeting on 6 March in which Citizenship and Immigration Minister Lucienne Robillard

promised British Columbia an additional \$22.4 million for services to assist BC-bound immigrants. The promise prompted Premier Glen Clark to end the province's controversial welfare-residency requirement.

11 March 1997
Elections

Premier Ralph Klein and his Conservative government return to power after a landslide victory in the Alberta election. The Tories formed another majority government with 63 of the 83 seats in the legislature. The Liberals won 18 seats and the NDP won two.

15 March 1997
Elections

Gilles Duceppe is elected as the new leader of the Bloc Québécois.

20 March 1997
Taxes

Legislation for a new blended sales tax is passed in the House of Commons. The BST, which merges the federal GST and provincial sales taxes into one, will go into effect 1 April in Newfoundland, New Brunswick, and Nova Scotia. The single 15 percent levy will make those items formerly taxed at both the federal and provincial level less expensive, while making goods and services which were previously exempt from provincial sales taxes more costly.

20 March 1997
Premiers

John Savage announces his resignation as Nova Scotia's premier. During his time as premier, Savage and his Liberal Party introduced a number of unpopular changes in the province including drastic health reforms, a wage freeze for civil servants and the blended sales tax. Savage hopes that by electing a new leader the Liberals will have a better chance at maintaining their popularity.

24 March 1997
Budgets

Quebec's budget for 1997-98 is announced by Finance Minister Bernard Landry. Landry says his government plans to cut \$2 billion of its provincial deficit and to eliminate it entirely by 1999-2000. In his budget, Landry announces a 15 percent personal income tax cut for households that earn under \$50,000. The cut is financed mainly by raising the provincial sales tax one percentage point to 7.5 percent. Other highlights of the budget include: raising vehicle-registration fees, increasing the cost of cigarettes, spending half a billion dollars to stimulate private sector investment and cracking down on black

market activity — specifically construction, alcohol, and tax evasion.

24 March 1997
Social Programs

At a meeting in Ottawa, Prime Minister Jean Chrétien and Newfoundland Premier Brian Tobin sign a \$308 million labour-market accord. Newfoundland is the third province to sign onto the deal, but unlike the devolution agreements with Alberta and New Brunswick, Newfoundland's program will be co-managed with Ottawa.

25 March 1997
Budgets

BC's Finance Minister Andrew Petter introduces the 1997-98 provincial budget. Petter promises to increase spending on health and education while cutting last year's \$395 million deficit in half. A balanced budget is predicted for 1998-99 and surplus of \$110 million for the following year. In order to avoid raising taxes, Petter has proposed a series of fee hikes on such things as fishing licences, cellular phones, and safety inspections.

25 March 1997
Agriculture

Federal Agriculture Minister Ralph Goodale announces that 62.9 percent of barley growers voted in favour of keeping the Wheat Board and asks farmers to respect the outcome of the survey.

26 March 1997
Education

The Parti Québécois tables a resolution in the provincial legislature requesting the amendment of section 93 of the *British North America Act* to allow a change from religious to linguistic school boards. Premier Lucien Bouchard hopes that the amendment will be passed at the federal level before the next federal election, in order to put the reforms into motion by September 1998.

14 April 1997
Unity

Only a day before the Liberals are expected to call a federal election, the party is bombarded with criticism for the way it has handled national unity. Lawyer Guy Bertrand, granted intervenor status in Ottawa's constitutional reference on Quebec separation, says the Liberal government has failed to maintain the country's constitutional rights and wants the government to put up a stronger fight against separation. Meanwhile, former Prime Minister Brian Mulroney tells an audience in Toronto that the Liberals have failed to deal with Quebec's historic grievances and says constitutional talks must be reopened. By

ensuring the province's language and culture in the constitution, Mulroney says a vote in favour of independence will be avoided. But the premiers of Ontario, British Columbia, and Alberta disagree with Mulroney and say they have no plans to reopen constitutional talks.

15 April 1997
Education

The Quebec National Assembly votes unanimously in favour of a motion which asks Ottawa to amend the constitution to allow the province to move from religious to linguistic-based school boards. The opposition supported the motion after it was adjusted to allow the English-speaking minority to govern their own schools. The motion stipulates that the constitutional change is being made to the original *British North America Act*, rather than the *Constitution Act*, 1982, which Quebec has not signed.

17 April 1997
Fisheries

Fisheries Minister Fred Mifflin announces that 1 May will see the reopening of a small east coast cod fishery. In 1993, about 40,000 fishermen were put out of work when Ottawa closed the ailing groundfishery. It is estimated that the reopened fisheries will bring in \$10 million to Newfoundland's fishers and provide thousands of them with jobs.

18 April 1997
Aboriginal Peoples

First Nations Chief Ovide Mercredi is told that Prime Minister Jean Chrétien will be unable to meet with aboriginal leaders before the federal election. Chrétien assures Mercredi that the recent report of the Royal Commission on Aboriginal Peoples is being studied, but Mercredi wants to see action on the commission's recommendations and says that native leaders will keep after Chrétien throughout the election period. On 17 April natives across Canada rallied on streets and highways to protest poverty on native reserves and the government's failure to respond to the royal commission recommendations.

21 April 1997
Social Programs

Prime Minister Jean Chrétien and Quebec Premier Lucien Bouchard sign a labour market agreement, in which Ottawa agrees to provide Quebec with almost \$3 billion over five years from the Employment Insurance Account.

21 April 1997
Budget

Treasurer Stockwell Day introduces Alberta's third consecutive surplus budget. Cuts to social spending and a booming economy have enabled the reelected Conservatives to cut \$3.45 billion from the debt over the past three years. It is expected that the province will reap a surplus between \$154 million to \$744 which will go toward increased social spending.

22 April 1997
Education

Ottawa tables a motion put forward by Quebec to move from religious to linguistic-based school boards in the province. While it appears that Ottawa is working to give Quebec the constitutional change it has requested, critics have charged that the motion is nothing more than an empty gesture since Parliament will be dissolved when the election is called.

25 April 1997
Unity

Prime Minister Jean Chrétien makes unity the priority in his election campaign. In a speech at the Canadian Club in Toronto he says, "Keeping Canada united is the single most important duty and responsibility of a national government and of a prime minister." Chrétien says he plans to use step-by-step measures to improve relations with all provinces.

26 April 1997
Election

The Bloc Québécois unveils its party platform which attacks the Liberals for failing to bring down unemployment rates, promises to press Ottawa to compensate Quebec for its blended sales tax, and calls for the end of funding directed toward the promotion of Canadian unity.

26 April 1997
Justice

A bill aimed at easing Quebec's motorcycle gang wars is rushed through Parliament and given royal assent. Over the past three years, battles between the Hell's Angels and the Rock Machine over Quebec's fruitful drug trade have resulted in at least 48 deaths.

27 April 1997
Election

Prime Minister Jean Chrétien calls a national election. Chrétien and the Liberals face criticism from other party leaders for calling the 2 June election after being in office for only three and a half years.

30 April 1997
Flood Relief

Manitoba braces for a major flood as residents of Winnipeg upgrade their defences against the looming natural disaster. About 2,000 soldiers have come from across Canada to help communities build dikes and evacuate the threatened areas. Reform Leader Preston Manning criticizes Prime Minister Jean Chrétien for going ahead with his federal election call while Manitoba is in a state of emergency. Chrétien says that according to a previously-unused election rule, the 2 June date could be postponed for 90 days if the Chief Electoral Officer believes it is necessary. Meanwhile, candidates in Manitoba are postponing their campaigns in order to help their communities build sandbag dikes.

6 May 1997
Budget

Ontario's Conservative government releases its \$57 billion budget for 1997-98. The budget reduces spending by \$2.3 billion and brings the deficit down to \$6.6 billion from last year's \$7.5 billion and is expected that the books will be balanced by 2000-2001. Ontario Finance Minister Ernie Eves introduces phase two of his three-year plan – which cuts provincial income taxes by 22.5 percent and says the federal government should follow suit. The tone of the budget suggests serious strains in the relations between Queen's Park and Ottawa, reflected in Eves's statement that his government will explore the possibility of setting up its own income tax collection system independent of Ottawa. Other budget highlights include:

- a \$124 million drop in education spending, but \$650 million available for building and renovating schools;
- \$250 million raised by universities and colleges will be matched by the government for tuition assistance; and
- \$40 million promised last year for child care will not be spent, but will be used for a low-income tax credit.

7 May 1997
Sovereignty

A Quebec City journalist reports that, in his new book, Jacques Parizeau says he had planned to separate his province from Canada only days after a yes vote in the 1995 sovereignty referendum. Parizeau quickly denies the report and claims that the journalist twisted his words. Regardless of Parizeau's actual intentions, the release of his book has done nothing to help Bloc Québécois leader Gilles

Duceppe's already faltering election campaign. The book is ammunition for other leaders who are using it as evidence that separatists cannot be trusted.

12 May 1997
Election

Party leaders participate in the English federal election debate. National unity is a major issue, but discussion also covers tax cuts, health care, unemployment, and the effectiveness of Parliament. On 13 May, the French election debate is cut short when moderator Claire Lamarche collapses and is taken to hospital. The discussion ends just as Prime Minister Jean Chrétien is asked what he would do if, in another referendum, Quebec voted by 50 percent plus one in favour of sovereignty. On 15 May it is announced that party leaders will have another opportunity to participate in the French-language debate which will focus solely on the issue of national unity.

13 May 1997
Emergency Aid

The Globe and Mail reports that as Manitoba's devastating flood waters recede, the province faces over \$150 million in damages. Manitoba is paying flood claims of up to \$100,000 and Ottawa has sent \$25 million in aid. In addition, citizens across the country have donated over \$12 million to local charities.

15 May 1997
Health

Federal Health Minister David Dingwall threatens to amend the *Canada Health Act* in order to prevent the opening of a private health-care clinic in Alberta. The new facility, expected to be opened in July, will cater its private medical services to the Workers' Compensation Board, Americans, native groups, and private corporations. Dingwall is surprised the facility has not met with dissent from the Alberta government, which has been penalized by Ottawa for charging patients extra fees.

2 June 1997
Election

The Liberals win a slim majority in the federal election, marking the first time the party has won successive majorities since the 1950s. The Liberals took 155 of 301 seats, owing a large part of their success to overwhelming support from Ontario, where the party captured 101 of 103 seats. Both the NDP and Conservative Party regained party status with 21 and 20 seats respectively; many of which were won in Atlantic Canada. Meanwhile support for the Bloc Québécois slipped from 54 to 44 seats. As a result,

the Bloc lost its status as official Opposition and was replaced by the Reform Party, which won 59 seats in the west.

Members elected by province/territory and party:

	<i>Lib</i>	<i>Ref</i>	<i>BQ</i>	<i>NDP</i>	<i>PC</i>	<i>Ind</i>	<i>Vac</i>
Newfoundland (7)	4	0	0	0	3	0	0
PEI (4)	4	0	0	0	0	0	0
Nova Scotia (11)	0	0	0	6	5	0	0
New Brunswick (10)	3	0	0	2	5	0	0
Quebec (75)	26	0	44	0	5	0	0
Ontario (103)	101	0	0	0	1	1	0
Manitoba (14)	6	3	0	4	1	0	0
Saskatchewan (14)	1	8	0	5	0	0	0
Alberta (26)	2	24	0	0	0	0	0
BC (34)	6	24	0	3	0	0	1
Yukon/NWT (3)	2	0	0	1	0	0	0
<i>Total (301)</i>	<i>155</i>	<i>59</i>	<i>44</i>	<i>21</i>	<i>20</i>	<i>1</i>	<i>1</i>

	<i>1997</i>	<i>1993</i>	<i>1988</i>
Liberals	155	177	83
Reform	59	52	0
Bloc Québécois	44	54	0
New Democrats	21	9	43
Progressive Conservatives	20	2	169
Independent	1	0	0
Vacancies	1	0	0
<i>Totals</i>	<i>301</i>	<i>295</i>	<i>295</i>

6 June 1997
Language

The Quebec National Assembly votes 63-24 to bring back the Commission de protection de la langue française. The bill was introduced last year by Language Minister Louise Beaudoin in order to reestablish the commission, which ensures that everything in Quebec meets the stipulations of Quebec's French Language Charter. The commission was established by the first Parti Québécois but abandoned in 1993 by the late Premier Robert Bourassa.

11 June 1997
Cabinet

Reelected Prime Minister Jean Chrétien names his new Cabinet. He announces that the emphasis of this Cabinet will be on balancing the budget, improving and expanding

the health-care system, and providing for Canada's children. A number of the positions went to left-of-centre Liberals including Sergio Marchi in international trade, David Collenette in transport, and Allan Rock as health minister. Paul Martin was reappointed as finance minister. Sheila Copps maintained her heritage portfolio but lost her position as deputy prime minister to MP Herb Gray.

19 June 1997
Unity

Premier Lucien Bouchard says that Canada would inevitably accept a partnership with an independent Quebec in order to ensure payment of the debt and trading opportunities. Members of the Parti Québécois agree in general that if another sovereignty referendum was cast in their favour they would proclaim sovereignty regardless of whether or not Canada agrees to a partnership. Bouchard predicts that the federal election, which displaced the Bloc Québécois as official Opposition, will further the sovereignty movement.

19 June 1997
Infrastructure

At a meeting of transportation ministers, the federal minister, David Collenette, tells his provincial counterparts that there will be no money to improve Canada's highways until the federal budget is balanced. For each of the past two years Ottawa has provided \$300 million in order to improve efficiency and safety on Canada's roads.

24 June 1997
Unity

The new federal justice minister, Anne McLellan, tells the *Sun* that Canada can no longer be held "hostage" to separatists and that Quebec must clarify the process and implications of independence. McLellan adds that in the instance of a yes vote, Quebec could be partitioned to allow certain areas to stay within Canada. Separatists, in reaction to her statement, accuse McLellan of pandering to the west.

Note: The principal source for this chronology was *Canadian News Facts*. Other sources included *The Globe and Mail* and federal web sites.

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