

CANADA AND QUEBEC:
DIFFERENT RESPONSES BY LABOUR TO
FREE TRADE

**CANADA AND QUEBEC:
DIFFERENT RESPONSES BY LABOUR TO FREE TRADE**

By

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A Thesis

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ABSTRACT

This study explores the responses of labour in English Canada and in Quebec to the Canada - U.S. Free Trade Agreement [FTA]; to the North America Free Trade Agreement [NAFTA]; and to the neo-liberal agenda of business and (federal) government for whom labour saw free trade as "the centrepiece." The thesis challenges conventional theories, principally that labour's response to free trade is governed by economics. Rather, political outlooks are key to labour's very different responses in English Canada and Quebec.

In the anti-FTA campaign, both union movements adopted positions of opposition, though for different reasons and with important differences in emphasis and approach. In the anti-NAFTA struggle, Quebec labour modified its opposition. It participated in the process of trying to inject a social dimension into the NAFTA's side deals, while English-Canadian labour rejected any accommodation to NAFTA, which it treated as a "conditioning framework". Neither approach worked: the side deals approved were cosmetic. However, following the 1993 election and proposals to turn NAFTA into an hemispheric agreement, English-Canadian labour came

around in 1995 to the Québécois position.

The thesis points to major errors made by English-Canadian labour including: adopting the nationalist outlook of the anti-free trade coalition it helped to build and finance, yet over which labour lost control; de-linking itself from the NDP and undermining it in two federal elections, 1988 and 1993; and limiting its options by posing free trade as a "doomsday" issue.

The thesis also examines the connection between free trade, full employment, and independence in Quebec. The proposition is analyzed that, for Quebec labour, free trade may yet turn out to be a "liberating framework".

The argument is developed with reference to union documents, union newspapers, and interviews with union and political leaders.

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Table of Contents.

<u>Introduction</u>	1
i) Reciprocity, the historical precedent	1
ii) The scope of the thesis	4
iii) The organization of the thesis	12
endnotes	15
<u>Chapter 1. FTA: the English-Canadian response</u>	16
1.1. Economic history - the economic basis of difference.	16
1.1.1. Continental trading patterns	16
1.1.2. Quebec, a low wage area	18
1.1.3. Language discrimination	20
1.1.4. Summary	23
1.2. The politics of difference	28
1.2.1. The Canadian Labour Congress [CLC]	28
1.2.1.1. Origins	28
1.2.1.2. Relationship to Quebec	29
1.2.1.3. Relationship to the New Democratic Party	31
1.2.2. Tracing the English-Canadian view of modern free trade	32
1.2.2.1. The Macdonald Report and <u>The OTHER Macdonald Report</u>	33
1.2.2.2. Labour's Response	39
1.2.3. The Pro-Canada Network [PCN]	45
1.2.4. Labour's outlook on trade	48
1.2.5. The Council of Canadians [COC]	51
1.2.6. From a class to a nationalist orientation	53
1.2.7. Pitfalls for English-Canadian unions	55
1.3. The "Free Trade Election" of 1988	60
1.3.1. The NDP campaign	64
1.3.2. The legacy of the "Free Trade Election"	74
1.3.3. Further Pitfalls for English-Canadian unions	
1.3.3.1. The doomsday approach	78
1.3.3.2. English-Canadian chauvinism	84
Table 1	89
Table 2	90
Graphs 1&2	91
Figures 1&2	92
Endnotes for Chapter 1	93
<u>Chapter 2. From FTA to NAFTA: the neo-liberal agenda and the English-Canadian response</u>	102
2.1. Aftermath of the FTA	102

2.1.1.	The CLC's "morning after"	102
2.1.2.	Lobbying and monitoring	103
2.1.3.	Coalition-building	109
2.1.3.1.	Fightback against the "corporate agenda"	113
2.1.4.	The development of alternative economic and social policies	116
2.1.4.1.	The Canadian Centre for Policy Alternatives	116
2.1.4.2.	The Common Frontiers Project	118
2.1.5.	Internal problems: the national question	120
2.1.5.1.	Pro-Canada Network - more than a name change	120
2.1.5.2.	The 1992 CLC elections - Quebec is snubbed.	123
2.2	The growing struggle against NAFTA and the neo-liberal agenda	125
2.2.1.	Agitation for abrogation	125
2.2.2.	The Charlottetown Accord	134
2.2.3.	The pre-election campaign	139
2.2.4.	The May 15th rally	145
2.2.5.	The 1993 election campaign	153
2.2.6.	The post-election fallout on free trade	159
2.3	Summary and analysis	168
2.3.1.	Toward the future: English-Canadian labour, Coalitions, and the NDP	170
	Endnotes for Chapter 2	174
Chapter 3. FTA: the Québécois response		183
3.1	Introduction	183
3.2.	Background on trade unions in Quebec	187
3.2.1.	Fédération des travailleurs et travailleuses du Québec [FTQ]	187
3.2.2.	Confédération des syndicats nationaux [CSN]	192
3.2.3.	Centrale de l'enseignement du Québec [CEQ]	197
3.3.	Quebec nationalism today	198
3.4.	Quebec unions take up the fight vs. the FTA	204
3.4.1.	The Macdonald Report	204
3.4.2.	Coalition-building	206
3.4.2.1.	Solidarité populaire Québec	207
3.4.2.2.	Coalition québécoise d'opposition au libre-échange	208
3.4.4.	The 1988 election	214
3.4.4.1	The union role in the 1988 election	218
3.4.4.2.	Quebec and Americana	225

3.4.4.3.	The UPA deserts the coalition.	230
3.4.4.4.	The election aftermath	231
3.5.	Summary and analysis	233
	Endnotes for Chapter 3	237
Chapter 4. <u>From FTA to NAFTA: the Québécois response to</u>		
	<u>the neo-liberal agenda</u>	244
4.1.	The background to NAFTA	244
4.1.1.	"The Free Trade Recession	245
4.1.2.	The failure of the Meech Lake Accord	247
4.1.3.	The Bélanger-Campeau Commission	249
4.1.4.	Full employment à la CEQ	251
4.1.5.	Neo-corporatism in Quebec	253
4.1.6.	The Bloc Québécois	261
4.2.	Coalition québécoise sur les négociations trilatérales [CQNT]	265
4.3.	Summary	274
4.4.	Free trade and sovereignty	275
4.4.1.	The October 30, 1995, referendum	276
4.4.2.	Problems of Quebec's admission to NAFTA	278
4.4.3.	Are NAFTA and social-democracy compatible	283
4.4.4.	Is sovereignty in the interest of Quebec workers?	289
	Endnotes for Chapter 4	291
<u>Conclusion</u>		298
5.1.	State-Centric Approaches	298
5.2.	The CLC and Quebec's Right to Self-Determination	305
5.3.	Common Ground - the social dimension	308
5.4.	Trade liberalization and international solidarity	311
endnotes		318
<u>Appendices</u>		
	Appendix A: List of Abbreviations	319
	Appendix B: List of Interviews	324
<u>Bibliography</u>		325

Introduction

i) Reciprocity, the historical precedent

In 1911 as in 1988, Canadian voters were presented with an election fought mainly over the issue of trade. In 1910, the Liberal federal government of Wilfred Laurier had concluded a reciprocity agreement with the United States, the main thrust of which was mutually to reduce tariffs on both sides of the border on agricultural and other commodities.

However, as in 1988, concerns about trade quickly escalated into passions about the future of Canada. In the context of expansionist moves by the United States at that time within the hemisphere in pursuit of its "manifest destiny", these passions were inflamed by jingoistic remarks by U.S. politicians like President Taft who declared, "Canada is at the parting of the ways... It was attached to the Empire only by a light and imperceptible bond!" and like the Speaker of the U.S. House of Representatives who said, "I hope to see the day when the American flag will float over every square foot of the British North American possessions" ¹

In view of these comments, many Canadians took a

strong stand against reciprocity because they felt that it was "'the thin edge of the wedge' for taking over Canada." ² Fears of annexation were blended with anxiety that reciprocity would spell the end of Sir John A. Macdonald's National Policy, adopted in 1879, which had imposed duties on U.S. goods in order to encourage the growth of Canadian manufactures.

Students of Canadian history are familiar with the reciprocity debate. But few are aware of the position taken by Canadian labour and socialists in 1911, a position surprising in view of labour's role in the struggle against modern North American trade initiatives, specifically, the Canada-U.S. Free Trade Agreement [FTA] of January 1, 1989, and the North American Free Trade Agreement [NAFTA] of January 1, 1994.

In 1911, significant sections of the labour movement in both English Canada and Quebec favoured reciprocity. In particular, both the Winnipeg and Montreal Trades and Labour Councils formally endorsed the proposal. According to Lipton, "This was understandable, for the labour and farm movements alike often opposed tariffs as a big business instrument." ³

Some contemporary Canadian socialists also supported reciprocity. For example, R.A. Rigg, a leader of the Trades and Labour Congress [TLC] in Manitoba said,

"Trade unionists are international... and glory in it... We have no conflicting interests with the U.S. workers." A writer in the Winnipeg Voice, part of the labour and socialist press springing up in Canada early in this century, asked, "Why worry about U.S. annexationism? The workers are already annexed in every way!"⁴

These sentiments, expressed by trade unionists and socialists in 1911, were not quoted by labour in its public campaigns against free trade in the 1980's and 1990's partly because the current context is so different from that of 1911. But they were also ignored because the working class internationalism they demonstrated was out of step with the nationalism to which the labour movement (at least in English Canada) turned during a large part of the anti-free fight.

The sentiments are offered here to challenge stereotypes about labour and free trade, such as that labour is, by definition, opposed to trade liberalization; that free trade is inherently inimical to the interests of workers; or that regional economic integration automatically pits workers of one country against workers of other countries.

This thesis will attempt to probe the events of the campaign against free trade in Canada from 1983 (the Macdonald Royal Commission hearings) to the present -

using, wherever possible, the words and quotations of the actual trade union and coalition actors and organizations involved - in order to dispel the myths and expose the dynamics of the class and national tensions that shaped the struggle in English Canada and in Quebec.

ii) The scope of the thesis

The particular focus of the thesis is the reaction to free trade since the mid-80's by organized labour in English Canada (particularly Ontario) and Quebec. The reaction has been markedly different. In English Canada, trade unions and their peak organization, the Canadian Labour Congress, were in the forefront of the anti-free trade forces during the bitterly fought election campaign of 1988. In fact, during that uncharacteristically passionate debate for English Canada, free trade was the central and burning issue. The response to free trade by the three trade union centrals of Quebec was mixed and much more low-key. The *Confédération des syndicats nationaux* [CSN] and *Centrale de l'enseignement du Québec* [CEQ] fought strongly against the FTA but not for the same reasons as their brothers and sisters in English Canada. The reaction against the FTA by the *Fédération des travailleurs et*

travailleuses du Québec [FTQ], which has almost continuously endorsed the separatist Parti québécois [PQ] since 1975, was, by many accounts, more muted.

The reaction to the North American Free Trade Agreement (NAFTA; ALENA, in French) also differed on both sides of the Canadian national divide. In Quebec, what Carla Lipsig-Mummé calls the "wake-up call" of the 1988 election results ⁵ prompted the three union centrals to re-evaluate their official positions on free trade. When Prime Minister Mulroney joined in the negotiations with the USA and Mexico to form NAFTA in 1991, the three union centrals quickly formed a new coalition, not to reject what they knew was a *fait accompli*, but rather to demand an agreement with a social dimension, along the model of the European Union. In English Canada, on the other hand, the CLC and its Action Canada allies kept up a stubbornly rejectionist approach to NAFTA for four full years, only coming around formally to the Québécois view in early 1995.

This thesis attempts to explain the different reactions. In the context of globalization, the conventional view is a) that free trade has tended to minimize the options available to labour; and b) that labour's response is both homogeneous and negative. Free trade, then, according to Ricardo Grinspun and Robert

Kreklewich ⁶ is seen as a "conditioning framework".

The common wisdom also holds that the structures of the union movement are driven primarily by narrow economic interests. One would then have expected union responses to free trade would focus mainly on economic issues: job losses through plant closures and runaway shops, through social dumping ⁷, falling real wages, a decline in real disposable income, and de-regulation. This was actually the thrust of the debate in French Canada. But in English Canada, labour's anglophone reaction to the proposed Canada - U.S. Free Trade Agreement [FTA] contained a significant component of concern over possible loss of sovereignty of the Canadian state *vis-à-vis* the USA and a resulting weakening of the welfare state, inability to maintain cultural and social institutions, and fracturing of national unity. In Quebec, a significant area of concern over free trade was also political but at the other pole: many nationalists within the labour movement accepted the Parti québécois position that free trade provided a vehicle for the achievement of independence from Canada through economic association not only with Canada, but also the US, Mexico, and any other states that joined the hemispheric common market. In other words, free trade was seen by them as a "liberating framework".

The fact that there were different reactions across the national divide to identical free trade packages (proposed in 1985-88 and 1991-93) indicates that the conventional wisdom just does not hold true for Canada. In other words, what drives the different outlooks of labour in English Canada and Quebec is not simple economism but rather broader political concerns. More particularly, on each side of the national divide, trade unionists maintain *state-centric approaches* to politics regarding the place the economy of each holds in the global economy, the political role the state should play in that context, and the role that labour should play within that state.

Trade unionists usually don't formulate their ideas consciously in terms of state-centric approaches. Most probably haven't even heard of a state-centric approach. But the fact is that Quebec workers, on the whole, (who suffer a higher poverty level and an unemployment rate which historically is double that of Ontario) share the nationalist view that the Quebec economy has become marginalized over the years, requires a strong state to stimulate economic development, needs to break into a larger continental market, and, to do all this, requires a new partnership with labour. Free trade - with a social dimension - fits this view.

Ontario workers, by contrast, have more to lose. Historically, Canadian industry, led by auto production, has concentrated in their province. Ontario trade unionists are justifiably proud of their contribution to a provincial economy that has been variously described as the "backbone" or "engine" of the national economy. However, from their relatively privileged position, they have also been justifiably fearful of what harmful effects free trade has or may yet have on the essentially branch-plant nature of much of Ontario industry and of how many decently-paying (union) jobs have been or might yet be shipped off to low-wage Mexico. The fact that the New Democratic Party [NDP], supported by much of organized labour in Ontario, has little chance of forming a national government means that free trade is a lose-lose situation for Ontario labour: not only will the economics of free trade hammer workers' take-home wages but the lack of a sympathetic national government means no protective umbrella for the social wage ⁸ as well. Free trade leaves Ontario workers completely out in the cold. Hence, this scenario accounts in part - but by no means totally - for the stubbornly rejectionist attitude among many trade union leaders in English Canada to free trade until 1995.

This thesis will show as well that many of the same

currents in the ebb and flow of the national question in the broader Canadian society make waves as well in the union movement. Just as the recent unfolding of events in our continuing constitutional crisis (the Meech Lake Accord, Oka, the Charlottetown Accord, and the unilingual cities movement) propelled enormous changes in the federal political scene, so it had a deep resonance in the union movement. It will be shown that, in the course of the fight against free trade from 1983 to 1995, nationalists within the English-Canadian labour movement and the Action Canada Network [ACN] brought about a worsening of relations between English-Canadian workers and their Quebec counterparts that may have contributed to separatist tendencies. Coalition-building for the anti-free trade fight within the union movements of the country's two (European) nations is also scrutinized, with English-Canadian tactics and discourse coming in for some criticism, especially for a doomsday approach to the FTA and NAFTA.

Furthermore, contrary to the conventional wisdom that the Quebec trade union leadership has sacrificed class issues for the national cause during the free trade fight, this thesis will show that it has actually been the syndicalist leadership in English Canada who did so. Free trade presented a unique opportunity for labour to

forge a practical alliance between its English-Canadian and Québécois sections to demand the introduction of a *social dimension* into any regional trade pact in which Canada became a member. The natural vehicle to carry such a demand at the pan-Canadian level would have been the social-democratic formation that labour helped to create in 1961, namely, the New Democratic Party [NDP]. Instead, over the period 1987 to 1994, the English-Canadian syndicalist leadership little by little de-linked itself from leading elements of the NDP and turned more and more towards the nationalism espoused by its coalition partners in the Action Canada Network. Arguably, this change in orientation contributed to the marginalization of the NDP to the point where its survival is uncertain.

A related question will be explored: are Quebec unions making a mistake in signing on the sovereignty project? Professor Carla Lipsig-Mummé, a long-time participant in syndicalist politics in Quebec and now Director of the Centre for Research on Work and Society at York University argues that the three union centrals in Quebec have adopted a position of unconditional support for the Bloc québécois which they may soon come to regret:

Once again they chose to subordinate themselves to a political formation which did not share their world view, in the hopes of playing an influential

role within a broad-based coalition for independence. Such had been their strategy when the PQ was in the ascendant in the early 1970's, such was their strategy again in 1990 vis-à-vis the Bloc Québécois. Only this time the *independantiste* grouping was under the leadership of an avowed conservative, who shared not even a minimal social vision with the unions. This time the three Quebec centrals had hitched their star to entrepreneurial nationalism.⁹

It is the author's opinion, given the particular historical, social, political, and economic context of Quebec, that Professor Lipsig-Mummé is wrong. There are very good reasons to think organized labour could do better in a sovereign Quebec. One reason is that free trade may turn out to be, for Québécois workers, a "liberating framework". Another is that, unique to Canada, Quebec may be the only jurisdiction at present where there are the necessary factors to transcend the liberal model of the state to a higher neo-corporatist or social-democratic model. These factors include a high level of concertation among labour, business, and government; the commitment by government and organized labour to a policy orientation of full employment; and a dense institutional structure. In light of all these reasons, independence might lead to a new and expanded role for labour in a social-democratic state.

The stakes are high. And Quebec labour seems ready to gamble.

iii) The organization of the thesis

This thesis is developed in the course of four chapters, the first two on English Canada, the last two on Quebec.

In Chapter 1, we examine the economic basis of difference between the economy of Quebec with that of Ontario because, we argue, these economic differences give rise to different political outlooks. The examination of "The Politics of Difference" traces English-Canadian labour's reaction to modern free trade from its first proposal in the Macdonald Royal Commission in 1983 to the "Free Trade Election" of 1988. An analysis of the mistakes of the English-Canadian trade union leadership during those five years is offered at the end of that chapter. The mistakes were fourfold: 1) the doomsday approach; 2) English-Canadian chauvinism; 3) undermining the NDP; and 4) adopting the nationalism of the Pro-Canada Network [PCN].¹⁰

In Chapter 2, we continue by tracing, right up to 1995, the struggle of unions in English Canada against NAFTA and indeed the whole neo-liberal agenda, of which free trade was termed "the centrepiece." Here it is shown that the national question continued to bedevil the strategies of the CLC and ACN, specifically regarding protectionism against Mexican workers. The thesis

assesses the shortcomings of the CLC - ACN strategies and presents them as a contributing cause of the current weakness of the federal NDP and the current decline in the level of popular mobilization against the neo-liberal policies of the federal government.

Chapter 3 is the mirror image of Chapter 1 but focussed on Quebec. The trade union players are introduced by means of sketches of their histories. What follows is a brief description of the two main trends in Quebec nationalism today and their partisan expressions. The nuances of the differences in content and intensity in the syndicalist fight against free trade in Quebec from 1983 to 1988 are described as well as the particular method of coalition-building in that province. The question of the relationship of class to nationalist politics within Quebec labour ends the chapter.

Chapter 4 is the mirror image of Chapter 2 in that it deals with the period of struggle in Quebec against NAFTA and the neo-liberal agenda (1989 to 1995). It was during this period that the "free trade recession" and the rise of protectionist agitation in the ranks of English-Canadian labour prompted Quebec labour to re-examine its strategy and plot a new course with regards to regional economic integration. It was also during this period that the resolution of the national question

(specifically, independence) became a burning issue. All three trade union centrals declared themselves for sovereignty. Yet each was careful to take a class-based strategy favouring a social-democratic vision of a sovereign Quebec centred on a policy of full employment.

In the conclusion to this thesis, we sum up the arguments made previously and look past the referendum to what kind of relationship is needed between the English-Canadian and Québécois labour movements for the future, and between Canadian labour as a whole and labour internationally.

Endnotes for the Introduction

¹ Charles Lipton, The Trade Union Movement of Canada, 1827-1959, NC Press, Toronto, 1973, page 157.

² Wittke, History of Canada, quoted in Lipton, op. cit., page 157.

³ Ibid, page 158.

⁴ Ibid, page 159.

⁵ Private communication with Carla Lipsig-Mummé, June 16, 1995.

⁶ Ricardo Grinspun and Robert Kreklewich, "Consolidating Neo-Liberal Reforms: 'Free Trade' as a Conditioning Framework", Studies in Political Economy, 43, Spring 1994.

⁷ Social dumping is defined as competition among jurisdictions to reduce social programs and benefits in order to attract investment.

⁸ The social wage includes many non-wage benefits available as social rights for citizens, such as pensions, unemployment insurance, retraining allowances, medicare, family allowances, student loans and grants, and subsidized daycare.

⁹ Carla Lipsig-Mummé, "Future Conditional: Wars of Position in the Quebec Labour Movement" in Studies in Political Economy, 36, Fall 1991, page 103.

¹⁰ The Pro-Canada Network changed its name to Action Canada Network in 1991.

Chapter 1. FTA: the English-Canadian response.

1.1. Economic history - the economic basis of difference.

Many authors have dealt in depth with the historical, social political, religious, and linguistic differences that separate Quebec from English Canada. For this inquiry into free trade, which is at root an economic issue, a key proposition must be grasped. That proposition is that the economy of each province has developed differently (in three basic ways) and face different challenges under free trade. In turn, these deep underlying economic differences play a large role in determining the outlooks of the provincial governments, the public, and the trade union movements in each province towards free trade.

Because of the limited scope of this thesis, when examining English Canada, we shall refer mainly to its strongest economy, containing half the total Canadian population of anglophones, that of Ontario.

1.1.1. Continental trading patterns

In Quebec, the dynamic that drives contemporary politics, in general, and union politics, in particular, is the marginalization of the Quebec economy:

Marginalization is the basis of François Rocher's

argument in "Continental Strategy: Québec in North America". He begins with historical factors,

When trade between Canada and the United Kingdom was at its height, Québec possessed an advantage of location over Ontario, constituting as it does a gateway to Canada. With the decline of the United Kingdom's trading empire and the increasing trade along the north-south axis, concentrated particularly in the Great Lakes region, Ontario was able to seize the market west of Montréal. This situation contributed to the marginalization of Québec's economy in relation to the principal North American market. The importance of foreign investment, mainly American, increased Ontario's geographical advantage. American investment in the Canadian market was in response to the National Policy adopted by Ottawa in 1879, which imposed significant trade tariff barriers. Moreover, because of Canada's wealth of natural resources, many foreign companies took advantage of the opportunity to assure themselves of a good source of supply. This is not to say that Québec did not receive a share of foreign investment. However, its share was proportionately lower and came from companies in New England, which was itself in decline in relation to the Great Lakes region. In other words, the integration of the Québec economy into the continental economy took place under very different conditions from that of Ontario.

and continues with federal interventions,

Québec's economic development was also influenced by a combination of economic policies adopted by the federal government to accelerate the growth of the Canadian economy. The impact of these policies in the regions, however, was unequal. In fact, they favoured Ontario to the detriment of Québec. Some examples are: the construction of the St. Lawrence Seaway (1959) which had the effect of diminishing Quebec's advantages in transport; the national policy on gas (1961), which eroded Québec's gas industry; the Autopact (1965), which concentrated the automobile industry in Ontario; the federal (government's) regional economic development policy (1969), which did nothing to

modify the structural weaknesses of the Québec economy; restrictive monetary policies, which were adopted at various times, essentially in response to economic conditions in Ontario; and public investment by the federal government, which was primarily concentrated in Ontario.²

1.1.2. Quebec, a low wage area

Coupled with its marginalization in the continental economy, Quebec suffered as well from its status as a low wage region. Alain Noël explains the origin of this problem:

Consider, first, Québec's status as a low-wage region...the gap between Québec and Ontario goes back to the 19th century. At the time, the main economic activity was agriculture. In 1850, about two-thirds of the Canadian population lived on a farm. The farmer's situation, however, differed markedly in the two Canadas. In Lower Canada (now Québec), farmers were poor and pessimistic about future possibilities, while in Upper Canada (now Ontario), they prospered and had every reason to be confident.

Traditionally, the plight of Québec farmers was linked to their conservatism... In fact, Québec and Ontario farmers faced very different agricultural conditions. The land and climate of pre-Confederation Ontario "were admirably suited to the growing of wheat", a commodity that could be profitably exported. By contrast, Québec's climatic conditions did not permit wheat crops abundant for exports. With no obvious commercial substitute, Québec farmers persisted in growing wheat or reverted to "a subsistence level of farming characterized by periodic food shortages, declining living standards, and mounting debt."

Every year between 1850 and 1867, Ontario farmers earned in cash sales from three to five times more than did their Québec counterparts. This early advantage had three major consequences for Ontario. First, it stimulated the province's economic growth and created favourable conditions for industrialization. Second, it best equipped Ontario farmers to make the transition out of wheat

after Confederation. Third, it made Ontario a high-wage labour market.³

Using the research of a number of authors as references, Noël goes on to explain just how the successful raising of wheat as a cash crop in Ontario gave its economy the predominance in Canada that it has maintained ever since. Prosperous Ontario wheat farmers spent their surplus locally, encouraging the rise of local industries, whereas the lack of similar rural prosperity in Quebec caused merchants and artisans to fail and towns, except Montreal, to grow slowly. Confederation, the opening up of the west to Europeans, and soil depletion forced both Ontario and Quebec farmers to switch from wheat as the basic cash crop. Ontario farmers succeeded in diversifying their products because of savings, a large urban market, and proximity to growing US markets. Quebec farmers had a more difficult time.

Noël points out that, though Quebec and Ontario shared highly integrated economies, where business conditions were alike, resources plentiful, and where goods, technology, and capital circulated freely, there was a key difference: "From its past, Québec inherited a low-wage market":

In a predominantly agricultural economy, the income of farmers has a strong influence on the

level of industrial wages. When good land is scarce and farmers are poor, the supply of persons willing to accept poorly paid unskilled industrial jobs is high. By opposition, when good land is abundant and farmers are prosperous, unskilled labour is relatively unavailable and expensive. If workers and industries moved freely from one region to the other, the income differences between the low-wage and the high-wage region could eventually disappear. Labour and capital markets, however, never function perfectly. Between 1830 and 1930, about one million Quebecers left the province to seek a better life in the United States. Others moved west, to Ontario and beyond. Québec unemployment and underemployment nevertheless remained high and, added to low farm income, continued to pressure wages downward.

Québec's situation as a low-wage economy in a high-wage continent favoured investments in sectors such as textiles and clothing, which required an abundance of cheap, unskilled labour. Less productive than sectors using more capital, these industries paid low wages and reproduced Québec's initial disadvantage.⁴

Quebec thus became, according to economist François-Albert Angers, the province of textiles and Ontario the province of iron and steel. In fact, Angers argued that Quebec's economy became a complement to that of its westerly neighbour, handling excess demand in boom times (like WW2) only to lose it again during recessions.⁵

1.1.3. Language discrimination

There is a yet another important factor reproducing the low wage economy in Quebec: language discrimination. Immediately following the British Conquest in 1759, the francophone merchant class was pushed aside. Anglophone merchants took their place, replacing the French imperial

nexus with a British one, and taking over provincial commerce and especially the fur trade. A class cleavage developed in which the ruling class spoke English while those over which they ruled spoke French. The advent of US corporations a century later reinforced, rather than challenged, the existing pattern.

The result in 1961 when the Royal Commission on Bilingualism and Biculturalism made its report was that francophones earned only two-thirds of the annual income of anglophones in Quebec. Bilingual francophones earned less than bilingual anglophones and both earned less than unilingual anglophones. Many immigrant groups (allophones) posted higher incomes than francophones who had lived in the province for hundreds of years. "Ethnic origin appears to have a greater impact on incomes than does linguistic knowledge", the Commission found.⁶ In Quebec, moreover, the language of commerce and work, not to mention advancement, was English though, in 1961, 61.9 per cent of the population was francophone.⁷

The legacy of this language discrimination is, of course, the fierce attachment by Quebec nationalists to measures that protect and enhance the French language and culture in Quebec. Since francophone workers were the main victims of this discrimination, it is to be expected that their trade unions are, in turn, among the most

dedicated sectors in the province to the promotion of the French language and the cause of Québécois nationalism. Just one example of this working class attitude was expressed in an article in a CUPW newsletter by Gerry Deveau, Past President of the Hamilton area Local 548 of the CUPW, describing the long term consequences of the failure of the Meech Lake Accord. He explained:

From this article, you may get the impression that I believe that separation is inevitable. That's because I do. I can trace my ancestry back to the very first French settlers in Nova Scotia, whom the British deported to PEI and parts of the US in the 1750's, confiscating property and splitting families. French Canadians have not forgotten this injustice and many more since then. Each injustice is handed down from parents to children as a folk tale passing from generation to generation. Very deep-rooted feelings exist in my own family that (the) Québécois will never achieve equality without independence. That feeling arose in my parents from the days, not long ago, that in French Canada, a francophone had to learn and speak English to get and hold a job. ⁸

The economic result of Quebec's linguistic discrimination was to reinforce the province's low wage status, a problem that occupied the attention of a succession of Quebec governments in terms of minimum wage, trade union, and language legislation. Yet, only for a brief period, coinciding with the first two terms in office of the PQ government (1976-85) did Quebec wages match and even slightly exceed those in Ontario. ⁹ (Please refer to Figures 1 and 2 at the end of this chapter.)

1.1.4. Summary

In summary, the Ontario and Quebec economies differed significantly in their origins and development with the result that today, of the two provinces, only Ontario (like Alberta and BC) is considered one of Canada's "have" provinces, blessed by the continued infusion of industrial capital, centred on the auto industry, and with good links to US industrial Midwest and southwest. The gross domestic product of Ontario, variously termed the "economic engine" or "economic backbone" of the Canadian economy, was \$277.278 billion at current prices ¹⁰, which amounts to more than the GDP's of British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Prince Edward Island, Nova Scotia, Newfoundland, the Northwest Territories, and the Yukon put together.¹¹ Quebec's was \$153.856 billion. ¹² (Please refer to Table 1 at the end of this chapter.)

In contrast to Ontario, in the context of its north-south trading nexus with the rust-belt of the US northeast, Quebec's economy has become marginalized. The most glaring evidence of the trend is the relative decline of Montreal vis-a-vis Toronto. Montreal used to be larger, more important as a centre of finance capital, and home to more corporate head offices than Toronto. By 1985, however, the Toronto Stock Exchange accounted for

76.5% of the total value of shares traded on Canadian exchanges. Opponents of separatism claim that the spectre of Quebec's independence is the cause of the flight of hundreds of head offices and tens of thousands of business cadre from Montreal to Toronto. In fact, while the prospect of separation may have accelerated the phenomenon, the process began long before the PQ's first term of office. Between 1951 and 1972, the ratio of company headquarters in Montreal and Toronto declined from 124 per 100 to 62 per 100.¹³ Another piece of evidence indicating the peripheralization of the Quebec economy is supplied by the National Council of Welfare. Quebec has become Canada's poorest province, in the sense that it contains the greatest number of the poor of all Canadian provinces, including Newfoundland.¹⁴

There are other differences as well between the two provincial economies. One of them is the significance of interprovincial versus international trade. We can see from Table 1 (at the end of this chapter) that in each province interprovincial exports account for 21% of gross domestic product. However, international exports are more important for Ontario than for Quebec. The same is also true in the relationship between interprovincial imports and international imports. According to François Rocher, "Quebec is the province that is most dependent upon the

internal Canadian market." In the area of intrafirm trade as well, according to Rocher, there are significant differences. Rocher notes that, among developed capitalist economies, Canada has an abnormally high rate of intrafirm trade, which can be attributed to the high level of foreign ownership of our economy. "In 1978," he notes, "72 percent of Canadian exports were effected by branch plants of foreign companies." However, he estimates that "intrafirm trade represents 50 to 60 percent of Quebec's exports" which is a figure lower than that for Ontario's branch plant economy. Finally, Rocher points out that "In 1987... Quebec's exports were clearly more concentrated than those of Canada: the ten principal products represented close to 50 percent of total international exports, and the twenty-five principal products represented more than 68%. For Canada, these proportions were 32 percent and 54 percent respectively." However, while Quebec's exports may be relatively concentrated in few sectors, Table 2 (at the end of this chapter) illustrates that exports from Ontario are concentrated in even fewer sectors and especially in auto industry. Rocher notes, moreover, that Quebec exports, while demonstrating a trend away from a reliance on natural resources and towards finished products, are geographically concentrated. They are directed mainly to

the Atlantic and New England regions.¹⁵

The picture that emerges from this comparison is that, while trade is very important to the Quebec economy, it is the economy of Ontario that is far more integrated into the continental economy. Also, from the figures regarding the balance on interprovincial trade shown in Table 1, it is clear that, although interprovincial exports constitute about the same percentage of GDP in both provinces, Ontario takes much more benefit from interprovincial trade than does Quebec. In other words, Quebec's economy has become marginalized relative to that of its western neighbour.

Part of the picture that also emerges is the economic risk that Quebec sovereigntists are willing to take. As has already been shown by the 1995 Conference of First Ministers (a gathering of the provincial premiers) recently, a vindictive English Canada will probably exclude an independent Quebec from full access to the interprovincial trade that is so important to its economy. Similarly, the negative balance on international trade indicated in Table 1 points to the danger to an independent Quebec, that should Canada refuse to permit it to use the Canadian dollar, of the severe devaluation of the Québécois currency.

Oswaldo Núñez, Bloc MP from the riding of

Bourassa in Montreal North and a former organizer with the FTQ, focusses on what he describes as three economic characteristics, which, he says, explain and shape the Québécois attitudes to free trade:

First, Quebec's economy is one of the most open in the world. Today its exports make up more than 40 per cent of its GDP, higher than most industrialized countries. It follows that Quebecers' standard of living depends on its access to foreign markets. Second, this openness to the outside is not very diversified: almost 90 per cent of those exports go either to the rest of Canada (48 per cent) or to the United States (41 per cent). So the fact that Quebec favours the greatest possible access to Canadian and American markets should come as no surprise. Quebec's dependency, and vulnerability, are largely counterbalanced by its own importance as a market for its main neighbours. The Quebec market is the second largest export market for the rest of Canada and is the United States' eighth-largest trading partner, far ahead of any other country in the hemisphere with the exception of Canada and Mexico. Thirdly, Quebec's industrial structure is rapidly evolving towards a more value-added one. Traditional industries with high labour content, although declining, remain of considerable importance.¹⁶ (Please see table four at the end of this chapter)

So it is the perception of peripheralization among Québécois - the fear that their province may follow the history of the Maritimes into economic oblivion under Confederation - that drives Quebec politics and has resulted in a unique (to North America) pattern of governmental intervention:

Successive Quebec governments used state power to compensate for the impact of peripheralization. This, in turn, produced dramatic growth in Quebec's

public sector and considerably strengthened the province's technocratic middle class - the class most closely linked to nationalist causes. Demand for greater jurisdictional scope for Quebec was the direct result of its peripheralization, as well as a response to efforts to allay this trend. Indeed, much of the nationalist orientation in Quebec public policy, especially in the 1960's and early 1970's, can be seen in terms of provincial efforts to cope with the economic marginalization of Quebec within the restructured continental economy. Economic marginalization, of course, has persisted well into the 1980's, and is of continuing concern to both levels of government. ¹⁷

In short, the economies of Ontario and Quebec are more dissimilar than similar. Moreover, marginalization is the chief economic concern in Quebec. Let us now examine how this economic reality colours trade union opinion on free trade, first in English Canada (primarily Ontario) in Chapters 1 and 2 and then in Quebec, in Chapters 3 and 4.

1.2. The politics of difference

In order to describe the politics of difference, it is first necessary to describe the main players. In English Canada, the main trade union actor is the Canadian Labour Congress, whose Ontario affiliate is the Ontario Federation of Labour. The third chapter will contain a description of the three trade union centrals of Quebec.

1.2.1. Canadian Labour Congress [CLC]

1.2.1.1. Origins

The Canadian Labour Congress was formed in 1956 out of the merger of the Trades and Labour Congress [TLC], a collection of craft unions (which tended to organize workers within plants on the basis of trade), and the Congress of Canadian Labour [CCL], an organization of industrial unions (which organized all workers within industries irrespective of trade). Despite occasional infighting among these two groups within the Congress, the CLC has normally spoken as the official voice of labour within Canada for four decades. With a present membership of 2.6 million, it is the largest organization representing 60% of unionized workers in the country. Yet, the CLC does not bargain collectively for workers as a rule. Rather, it is a peak organization of affiliated Canadian and international unions (operating in Canada). Within each province and territory, there are federations of labour affiliated to the CLC, likewise composed of Canadian and international unions (operating in the province).

1.2.1.2. Relationship to Quebec

Over the years, the CLC developed a special relationship with its Quebec affiliate, the Fédération des travailleurs et travailleuses du Québec [FTQ - Quebec Federation of Labour]. In 1974, the FTQ, alone of all CLC

affiliates, was given the authority to run its own educational and labour councils. In 1978, under the new leadership of Dennis McDermott of the UAW, the Congress took the historic step of recognizing the right of national self-determination of the Quebecois. It did so, according to the "Policy Statement on Quebec-National Solidarity", because "we, as working people, are committed to maintaining the solidarity of our labour movement and to respecting the historical reality that our roots are founded in two nations." The impetus for the Policy Statement no doubt originated in the FTQ in anticipation of the 1980 referendum on sovereignty-association put into motion by the Parti québécois government. Those FTQ members of the CLC declared in the 1978 Policy Statement that "we, the workers of Quebec, who are members of the Canadian Labour Congress, assert the right to determine our political and constitutional future". Conversely, the English-Canadian membership promised to

respect the fundamental right of Quebec workers to exercise that responsibility. In so doing, we express the hope that a continuing dialogue will lead to the restructuring of the relationship between us which will serve the interests of our two communities of people in a vibrant and new Canadian society.

Relations between English-Canadian and Québécois sections of the CLC did not remain always so harmonious,

however. As a result of the snubbing of the FTQ candidate for CLC Vice-President in 1992 (described in detail later in this chapter), the FTQ demanded a new constitutional arrangement with the CLC giving it more autonomy. The result was a restructuring of the relationship between the CLC and FTQ, carried at the CLC's 1994 convention, and granting the autonomy to the FTQ to act virtually as an independent central in Quebec.

1.2.1.3. Relationship to the New Democratic Party [NDP]

Until the fight trade struggle, the Canadian Labour Congress consistently followed a social-democratic orientation derived from its European origins; that is, it sought to exercise political clout through the existing parliamentary system. To this end, in 1961, the CLC was instrumental in launching the New Democratic Party as its political voice and arm. Though that party, in power or in opposition, does not always reflect the views of organized labour and though organized labour cannot always deliver unionized votes to it, the NDP cannot ignore labour's point of view: like many social democratic parties, there are organic ties between the CLC and the NDP.

CLC unions are under-represented in the NDP in several ways. First, unlike many European union

federations, only about a tenth of the CLC membership is directly affiliated through their unions to the NDP. Across Canada in 1987, some 692 local unions, representing 276,128 members were actually members of the party. In these unions, part of the dues checkoff went to support the NDP. Of the 692 affiliated locals, a whopping 516, representing 209,748 workers, were from Ontario. Only 28,874 union members are so affiliated from British Columbia and only 3983 from twelve locals in Quebec.¹⁸

Secondly, the NDP gives greater weight to individual memberships than trade union memberships. In Ontario in 1987, individual memberships were relatively low (33,036) while, in the West, they were comparatively high (38,086 in Saskatchewan alone). The result is that, at the 1983 conventions of the federal party, constituency associations constituted 74.1% of voting delegates, while labour accounted for only about 12.4% of the total representation.¹⁹

For the purposes of this thesis, it is important to re-emphasize that the representation of labour, such as it is in the NDP, is primarily the voice of unions in Ontario.

1.2.2. Tracing the English-Canadian view of contemporary free trade

The first inkling that Canadians might have had of the current US drive towards a hemispheric free trade zone was a reference in President Ronald Reagan's first inaugural address in 1980, calling for a North American trade accord including Canada and Mexico. As early as the fall of that year, two of Canada's most important business associations, the Business Council on National Issues (BCNI) (footnote: which represents the chief executive officers of Canada's largest 150 corporations) and the Canadian Manufacturer's Association (CMA), indicated their intention to initiate discussions with the Business Roundtable (the US counterpart of the BCNI) on an agreement for trade liberalization between Canada and the US. ²⁰

1.2.2.1 The Macdonald Report and

The OTHER Macdonald Report

The following year, on November 5, the Liberal federal government of Pierre Trudeau set into motion the (Macdonald) Royal Commission on the Economic Union and Development Prospects for Canada. Freer trade with the USA was not specifically included in its very broad mandate. However, even before the Commission had finished its tour of hearings in 1983, Macdonald took the unprecedented step of declaring (before a US audience)

that he was personally committed to a Canadian-U.S. comprehensive trade deal. After the Commission delivered its interim report in 1984, he made his famous remark that acceptance of free trade by Canadians needed "a leap of faith" but in the end would be good for the country.²¹

One of the groups making a presentation before the Commission was the Canadian section of the United Auto Workers [UAW] (which shortly afterward became the independent Canadian Autoworkers Union [CAW]). Its brief states that the most important economic development since WW2 has been "the erosion of the undisputed dominance of the U.S. in the world economy". The agents of this erosion were "new competitors in the form of other multinationals who would challenge US corporations, and new competitors in the form of other countries who could compete with North America for jobs". The intensive competition "meant a widespread and massive restructuring of the world economy" which left Canada relatively vulnerable: "We are linked to the U.S. economy, an economy that has lost much of its historical competitive edge; we face this competitive future with a relatively weak manufacturing base; we are especially weak in those manufacturing sectors that are key to future strength - the machinery sector and the high-tech sector; and we do relatively little research and development."

For the UAW, the solution was neither free trade nor protectionism but rather "planning our international trade" because

the problem with encouraging the internationalization of production is that it increasingly limits the autonomy of a particular nation. In Canada's case, where internationalization means increased integration with the U.S., the issue is not just limits on our sovereignty, but our survival as a political entity. We already face severe regional tensions; to the extent that Alberta sees its economic future tied to a North-South flow of resources and goods, or Quebec defines its economic sovereignty in terms of attracting investment from the U.S. and gaining more access to the markets of the American East, or British Columbia looks more and more to the Pacific Rim, what happens to the economic rationale for keeping the nation together? And what subsequently happens to the cultural and political rationale?

We shall soon see that this concern about Canada's survival as a political entity became a dominant and recurring, nationalist theme in the trade union agitation against free trade in English Canada.

Examples of planning trade, given in the brief, are increasing the role of government in planned trade, bilateral deals with Third World countries, and sectoral agreements like the Auto Pact. ²²

Even before the Macdonald Commission issued its report, it became clear that the federal government was pre-occupied with a US trade deal. In March 1985, at the famous "Shamrock Summit" in Quebec City, President Reagan and Prime Minister Mulroney issued a joint "Quebec

Declaration" on a new bilateral trade accord.²³ Those opposed to such a deal were incensed by the facts that Brian Mulroney had personally opposed free trade with the US during his campaign for the leadership of the federal Progressive Conservative Party in 1983 when he declared, "Free Trade with the United States would be like sleeping with an elephant. If it rolls over, you're a dead man. And I'll tell you when it's going to roll over. It's going to roll over in a time of economic depression and they're going to crank up those plants in Georgia and North Carolina and Ohio, and they're going to be shutting them down up here."²⁴ He added, "Don't talk to me about free trade. Free trade is a threat to Canadian sovereignty. You won't hear any more from about free trade during this leadership campaign or anytime in the future."²⁵ Mulroney also did not make free trade an issue in the federal election of 1984, when his rallying cry was "Jobs, Jobs, Jobs!". The CLC communicated its concern with James Kelleher, Minister for International Trade, on two occasions in May of 1985 and published a position paper adopted by the CLC Executive Council that July, opposing the momentum toward a trade deal.

The two main areas of concern in the brief were jobs and sovereignty. Regarding jobs, the brief notes,

Without providing detail, the government predicts a

massive adjustment for nearly 1 million Canadian workers concentrated in the manufacturing sector. At a time when our unemployment rate is still over 10 per cent (and probably 15 per cent when the "hidden" unemployed are counted) and when the level of unemployment is not expected to decline appreciably for several years, it is difficult to understand how any government could countenance such an impact on a significant proportion of the workforce. This is especially true given that there are no guarantees of comparable job increases in the sectors that *might* {original emphasis} survive in a free trade environment. ²⁶

The brief observes that "the push toward free trade between Canada and the US has both ideological and pragmatic roots":

Nothing is more central to orthodox economic theory than the case for free based on comparative advantage without impediments from tariffs or other barriers, and relatedly, the case for free mobility for capital with no discrimination based on nationality.

Free trade is therefore viewed as reliance on the market to determine economic reality. It is part and parcel of the same philosophy that lends support to the "downsizing" of government, privatization, deregulation; in short, the package of "remedies" that place priority on the enhancement of business confidence. ²⁷

Regarding sovereignty, the brief argues that "the implications of free trade are troubling indeed":

... a comprehensive free trade arrangement with the U.S. would undoubtedly give rise to a significant loss in Canadian economic sovereignty. Canada would likely be forced to abandon such tools of national economic management as tariffs, quotas, discriminatory procurement (endnote: governmental purchases that favour local suppliers) and subsidies.

Growing pressures from Canadian businesses to ensure that the environment in which they operate does not put them at a disadvantage in the

competition with U.S. businesses, should be anticipated. Thus, U.S. tax rates, health and environmental regulations, etc., would be imposed on the Canadian scene as the appropriate level of "burden" for business to bear. The use of such tools required to implement economic policy in Canada is already tightly constrained by the presence of our powerful neighbour.

Given the unequal size of the parties to a Canada-U.S. free trade arrangement, there will also be ample scope for the U.S. to use its economic leverage to extract "co-operative" behaviour from Canada in non-economic areas (e.g. foreign policy)...

In short, the U.S. will be striving to achieve "commercial balance," which is a euphemism for extracting concessions in Canadian economic development strategies.²⁸

On the two central points of jobs and sovereignty, the CLC concluded that "before we are stampeded into some kind of free trade arrangement with the U.S., many serious questions concerning our industrial and employment base, our very integrity as a nation need to be addressed and resolved."²⁹ As an alternative, the CLC called for a strategy of planned (managed, or fair) trade including measures to deal with Canadian content, import replacement, domestic procurement, industrial offsets, and research and development.

Gérard Docquier, Canadian Director of the United Steelworkers of America and the only representative of labour on the Commission (indeed, the only non-establishment representative), issued his own dissenting comments after the Macdonald Report was made public on Sept 6, 1985. He described free trade as "a blind and

imprudent act" and not a panacea for Canada's economic problems. The Report he dismissed "for having endorsed market-based fantasies as a solution to (Canada's) nearly two million unemployed." Docquier declared the Commission was "obsessed with Canada's competitiveness" rather than "full employment and social justice".³⁰

Nonetheless, on Sept 26/85, Prime Minister Mulroney announced in the House of Commons, "I have today spoken to the President of the United States to express Canadas {sic} interests in pursuing a new trade agreement between our two countries."³¹

1.2.2.2. Labour's Response

Trade unions and their federations reacted by trying to mobilize their own members as well as the general public against the coming accord. It is important to note that, in doing so, the tenor of the written and oral material changed. We have already seen examples of the unusual concern expressed by English-Canadian labour (given its official social-democratic and class orientation) about the survival of the Canadian state. We shall now see that the more rank and file (or public) the audience and the closer approached the 1988 election, the more strident, nationalist, and apocalyptic became the message.

One of the first to make free trade a rank and file issue was the Ontario Federation of Labour. At its 29th Annual Convention, November 11-14, 1985, in Toronto, the OFL passed a position paper entitled "Free Trade And The Market Mentality". Its thesis introduced the paper:

Late in September, 1985 Prime Minister Mulroney launched discussions on a free trade pact with the United States. These plans represent a serious attack on Canadian working people and on the survival of Canada as an independent nation {my emphasis}.³²

Jobs were taken by the position paper as a central concern in the branch plant economy of Ontario:

Branch plants dominate the Canadian industrial picture and we should expect that under free trade there would no longer be any need for most American multi-nationals to produce anything at all here in Canada {my emphasis}. In most cases they would be able to step up production in the U.S. in order to supply our market... Even free market economists admit that many industries in Canada would probably shut down as a result of free trade. Their conservative estimates suggest that at least seven per cent of the entire Canadian labour force would have to go through some period of adjustment... If we turn the phrases of economists into real language, this means that more than two million will lose their jobs, will probably have to leave their communities and will all be out chasing the jobs that still exist {my emphasis}.³³

The question of fringe benefits and working conditions were also addressed:

Further massive effects would be felt in the area of wages, benefits and working conditions. Canadian manufacturers who want to stay alive in the free trade environment will be faced with few

options other than those which seek to cut the cost of labour to the bone and to the levels which now exist in the American South.

Demands for concessions will accelerate and employers will be able to point to the vast numbers of the unemployed when making their demands. Without a doubt real wages will decline in Canada. Similarly, working conditions and benefits will come under severe attack since they are part of the general cost of labour.

Benefits such as medicare might also be attacked since the publicly operated medicare system in Canada is much cheaper than the systems in the U.S. Americans might well argue that medicare is a non-tariff barrier and demand our governments scale it down or dismantle it. ³⁴

"The Attack on Canadian Sovereignty" was another of the paper's major concerns:

The economic impact of free trade on workers and their lives will be enormous, but the impact on Canada as a free and sovereign nation will be insidious, yet just as enormous in the longer term. Canada is already forced into the positions of supporting American initiatives in many areas, and we should expect that under free trade this will increase.

Free trade will increase the dependence of Canada on policy made in the United States. Already three-quarters of our exports go there and almost as large a proportion of our imports come from the U.S. Free trade will increase these proportions and further turn us into a complete dependency of that country...

Our tax policies would fully have to mesh. Our social service systems would have to be similar. Our investment policies would have to be theirs. The list is endless, and it would leave us with a country very different from what we now have and from what we might wish for our children. We could well end up as the 51st state {my emphasis}. ³⁵

Finally, the document proposed a "Program of Action" which included the building of "a coalition with like-

minded groups across Ontario to mobilize public support for labour's position...for fair trade and against free trade" and "a series of public forums across the province to discuss the issues of free trade and jobs." ³⁶

Under the leadership of its president, Cliff Pilkey (of the CAW), the OFL did in fact organize a series of twenty public meetings around the province in 1986, beginning with one in St. Catharines on February 18 and culminating in a large rally, co-sponsored by the CLC, in front of the Ontario Legislature at Queen's Park in Toronto, on April 26.

Part of the educational materials developed for the campaign were two leaflets, one directed to private sector workers entitled, "Free Trade. It's NOT Free!", and another directed to public sector workers entitled, "Why 'free' trade would be disastrous for public employees." Both continued in the strident nationalist and apocalyptic vein of the OFL paper.

The first began with the statement that "Canada could pay a big price for a big disaster called free trade with the United States." Most of the following text described the "disaster" in terms of projected job losses: "Buying into such an arrangement could take jobs away from nearly a million Canadians... An Ontario Government study shows at least 281,000 Ontarions will

lose their jobs... Electrical appliances: as many as 45,000 jobs are at stake... Furniture: 10,000 jobs will be lost... Printing and publishing: 25,000 jobs are immediately threatened... Paper products: Canadians won't even be able to make a cardboard box... Breweries: Half the jobs in this industry will vanish."

The leaflet referred as well to social programs: Medicare, unemployment insurance, workers' compensation, pensions, and our entire range of social programs would come under fire. We've taken a different social and political approach in Canada from the U.S. But under free trade, there will no longer be room for the Canadian identity {my emphasis}.

The second leaflet continued in the same vein: "Our country would soon become a powerless satellite {my emphasis} of the U.S., losing its independence and the last shreds of its distinctive way of life {my emphasis}." Discussing "the threat to Canada's public sector", the leaflet went on to describe the inevitable pressures to shrink the public sector through loss in revenue (due to unemployment and deindustrialization, privatization, and pressure to reduce tax levels. On wage levels, it noted that "the price of preserving industrial jobs in Canada would be to reduce Canadian wages to levels prevailing in the largely unorganized U.S. sun-

belt states - or lower." It ended with a section subtitled, "Good-Bye, Medicare."

The hyperbole, overstatement, and generally apocalyptic approach to the subject of free trade did not diminish as labour reached out to other sources of popular opposition to the free trade deal. On the contrary, it increased.

It is worth noting an element of irony here. English-Canadian labour's uncharacteristic concern about the preservation of the Canadian state gives the impression that this state had some sort of "favourable prejudice towards workers"³⁷ and that its social programs were models of social-democratic achievement. Canadian labour had struggled hard in alliance with rural and social-democratic allies for almost a century to achieve what social programs we have. However, in comparing social programs among eighteen member countries of the Organization for Economic Cooperation and Development (OECD) in 1980, Gosta Esping-Anderson noted that Canada rated the fourth poorest performance. His criterion was de-commodification, a concept used to measure the degree to which a country's social welfare regime insulated individuals from reliance solely upon the market for survival. Esping-Anderson classified the advanced capitalist, OECD states into three clusters of

welfare state regimes, the least advanced of which was the liberal. It was in the liberal cluster that he firmly classified the Canadian state. While it is true that the U.S. fared even worse in Esping-Anderson's typology (with the second worst standing), the irony derives from the uncharacteristic, passionate, and nationalistic attachment, during the free trade debate, by English-Canadian labour to the Canadian state, which had come under intense criticism by labour for years for its miserly efforts to shield the working population from the vagaries of the market. ³⁸

1.2.3. The Pro-Canada Network [PCN]

On April 5, 1987, a three-day conference, billed as the "Maple Leaf Summit" ³⁹, took place in Ottawa. It was organizing event for a popular coalition to oppose the free trade deal (which was finalized on December 10/87). Thirty two groups were represented including sixteen from the ranks of labour: the CLC, representing provincial affiliates as well; the CSN; the CEQ; the CAW; the Canadian Brotherhood of Railway, Transport, and General Workers [CBRT]; the Canadian Teachers' Federation [CTF]; the Canadian Union of Postal Workers [CUPW]; the Communications and Electrical Workers of Canada [CWC]; the Confederation of Canadian Unions [CCU]; the Graphic

Communications International Union [GCIU]; the United Electrical, Radio, and Machine Workers of Canada [UE]; the United Food and Commercial Workers [UFCW]; the United Steelworkers of America [USWA]; the Public Service Alliance of Canada [PSAC]; and the National Federation of Nurses' Unions.

Labour's participation in the building of this coalition was based on policy and past practice. The policy was contained in the CLC's New Year's Declaration for 1983. According to Nancy Riche, Executive Vice-President of the CLC, "We called for the building of a people's agenda of alternative economic and social policy directions for Canada. At that time we said,"

As a country, we have the resources, the capital, the technology and, above all else, the aspirations and skills of working men and women required to build an alternative economic future. Yet, the people of this country have seldom been challenged to envision and develop alternatives to the dominant economic model that governs our society... In order to forge a true community out of the present crisis, people must have a chance to choose their economic future rather than have one forced upon them. What is required, in our judgement, is a real public debate about economic visions and industrial strategies.⁴⁰

The past practices were manifold: The OTHER Macdonald Report, an important English Canadian union experience of uniting with social organizations in opposing the Macdonald Commission Report; the Solidarity Coalition of

British Columbia formed in the summer of 1983 to fight the right-wing policies of Social Credit Premier "Wacky" (Bill) Bennett; the Working Committee on Social Solidarity formed to oppose the cutbacks to social programs by the Conservatives after their landslide federal election victory in 1984 (whose booklet, "A Time To Stand Together: A Time for Social Solidarity", provided the ideological basis for the establishment of a coalition like the Pro-Canada Network)⁴¹; and Dialogue '86, which was a pan-Canadian conference of popular organizations organized by the CLC in 1986 to develop a common outlook and response to the economic crisis.

Among the other Maple Leaf Summit participants were the following: the National Action Committee on the Status of Women [NAC]; GATT-fly (the Ecumenical Coalition for Economic Justice); the Alliance of Canadian Cinema, Television, and Radio Artists; the Assembly of First Nations; the Canadian Environmental Law Association; the Canadian Peace Pledge Campaign; Council of Canadians; Friends of the Earth; National Anti-Poverty Association; National Farmers' Union; One Voice Seniors' Network; Organized Working Women; Playwrights' Union of Canada.

The meeting had been organized by the Council of Canadians, and, according to Tony Clarke, Pro-Canada

Chair from 1987 to 1993, brought together two alliances: "the labour movement led by the CLC, and the nationalist movement led by the Council of Canadians... The great Free Trade Debate galvanized coalition politics on the left. As the centrepiece of the corporate agenda, the Canada-U.S. Free Trade Agreement [FTA] was expected to affect many sectors and regions. The need for a comprehensive critique of the FTA turned the job of analyzing the deal and its impacts into a project of national coalition-building."⁴²

1.2.4. Labour's outlook on trade

The above is not to say that there weren't disagreements among labour and its coalition partners. Peter Bleyer, PCN Co-ordinator from 1988 to 1990, writes:

The absence of a consensus is probably best exemplified by contrasting the positions of the CLC and GATT-Fly on international trade. The Canadian Labour Congress had traditionally supported the principle of free trade, and despite its strong stand against a bilateral FTA it initially supported a continuing liberalization of trade within the multilateral GATT framework. GATT-fly..., firmly rooted in ecumenical development and solidarity work, was, as the organization's name implied, among the most visible and active exponents of trade self-reliance in Canada... Through a process of discussion and negotiation a working compromise was nonetheless fashioned between these divergent perspectives, as was later to happen between other coalition partners on other issues such as taxation and the constitution.⁴³

Bleyer's article does not really explain how the compromises over divergent perspectives were worked out. Labour certainly never changed its mind about its preference for trade liberalization through GATT nor did it hesitate to make its views known. For example, as late as January 1993 (i.e., before the Uruguay Round brought GATT rules in line with NAFTA rules in 1994), the CLC still took the position that trade liberalization should occur under the multilateral umbrella of GATT rather than the bi- or trilateral FTA and NAFTA arrangements:

But even the existing GATT is vastly preferable to the NAFTA because it provides greater space for governments to shape industrial development and trade, and because it does provide an -admittedly imperfect - means to resolve trade disputes between ourselves and the United States and others. GATT procedures have in practice proved to be reasonably effective in dealing with US violations of GATT rules. ⁴⁴

In June of 1993, the OFL was still calling for "a fair or managed trade policy" including such elements as "the application of production and investment guidelines on a sectoral basis similar to the Autopact" and diversification of trade away from the U.S.A. and towards Europe. ⁴⁵ In March of 1995, Andrew Jackson, Senior Economist of the CLC, argued that,

though the Uruguay Round has made GATT more constraining on us (on issues like intellectual rights and the regulation of investment) than in the past, I guess I would still make the point that there are aspects of NAFTA and FTA which are

potentially more constraining on us than the World Trade Organization [WTO] (created by the Uruguay Round of GATT). My understanding is, for example, in the new GATT agreements you can't be hit with a countervailing subsidy for support for areas like trading or for support for free competitive research and development. In other words, reflecting the views of the Europeans... there are certain areas of government intervention (allowed) in the economy, ... There is a certain subsidies code within that agreement. In some respects the WTO is marginally better... But we are still working towards a social clause in GATT to protect labour rights.⁴⁶

Bob White, CLC President, prefers GATT simply because

it gives us the ability to trade with many more partners around the world. And, of course, (though) some of the rules in GATT wouldn't be of benefit to us, they are the rules that everyone must play by. The problem with the FTA that was a detriment to us was that though the U.S.A. is our major trading partner, we still have enormous trade actions being taken against us even though we have an FTA.⁴⁷

Clearly, in the supposed compromise of divergent perspectives on international trade within the PCN, either something went wrong, because labour did not change its philosophy on trade, or the method of compromise practiced in the PCN allowed all parties to do their own thing if no common agreement could be reached. In view of the policy of strategic voting carried on by the Council of Canadians during the election of 1993 (which was harmful to the interests of the NDP and is described in Chapter 2), it appears the latter course must have been the modus operandi within the coalition.

1.2.5. The Council of Canadians [COC]

The group that initiated the summit, the Council of Canadians, "was established in 1985", according to the masthead of its publication, Canadian Perspectives, "as an independent, non-partisan organization."⁴⁸ In a flyer distributed just before the Maple Leaf Summit, in answer to the question: "WHO STANDS ON GUARD FOR CANADA?", the COC explains,

The Council of Canadians is made up of men and women from across Canada and from all three major political parties, who are concerned about the dangerous erosion of our political, economic, social and cultural sovereignty. We are proud citizens who feel fortunate to live in Canada. We are {original emphasis} opposed to the sellout of our country and the narrow, continentalist mindset of the current government. We're the people who dropped the flag on the U.S. icebreaker *Polar Sea* (footnote: A U.S. warship attempting the Northwest Passage through Canadian Arctic waters without the diplomatic nicety of its government having first applied for permission.) and forced a reluctant Canadian government to take steps towards Arctic sovereignty. We co-sponsored Canada's largest ever conference on foreign and defence policy. We fought the takeover and giveaway of de Havilland (footnote: an aircraft manufacturer) and we're now fighting the takeover of the West Kootenay Power and Light Company and four hydro-electric dams in southeast British Columbia. We're opposed to U.S. intentions to drill for oil and gas in Canadian waters of the Beaufort Sea and to the recent suggestions that we allow the U.S. to take over responsibility for guarding and patrolling part of the Canadian North. We're now organizing "The Canada Summit" in Ottawa on April 4th (to coincide with the next "Shamrock Summit") to seek positive alternatives to the bilateral negotiations...⁴⁹

The Council boasted some of the most famous names in

Canadian politics and arts: Pierre Berton, David Suzuki, Margaret Atwood, Mel Hurtig, Norman Jewison, Farley Mowat, Walter Gordon, Eric Kierans, and Marion Dewar. Its view was clear:

During the past two years over 1,200 Canadian companies have been taken over by non-Canadians who have already captured 44% of all non-financial industry profits made in Canada. Now the financial sector is up for sale too. When Brian Mulroney announced that Canada was "open for business" our country already had *by far* the greatest degree of foreign ownership and control of any developed nation in the world...The Council of Canadians believes there is growing evidence that the so-called "free trade" agreement our federal government is actively pursuing will, *at best*, seriously compromise Canadian sovereignty and could eventually force Canada into union with the U.S. {original emphases} ⁵⁰

Maude Barlow, the Council's chairperson and someone associated at that time with the Liberal Party, became a leading figure in the anti-free trade campaign.

The participants at the Summit resolved to establish a coalition they called the Pro-Canada Network [PCN] and drew up a five-part campaign strategy on the specific issue of free trade:

- detailed critiques of the Free Trade Agreement and its impacts
- a petition drive calling for a general election on free trade
- a summit meeting of popular organizations and the opposition parties
- a National Day of Protest against the deal
- the distribution of over 2 million copies of the educational cartoon booklet, "What's the Big Deal?" during the election campaign ⁵¹

A slogan was adopted: "Let Canadians Decide!".

1.2.7. From a class to a nationalist orientation

Unions like the CAW and CUPE were quick to implement parts of the PCN program. Petitions were circulated. Union research departments collaborated on detailed critiques of the FTA. Calls to let Canadians decide on free trade were published, for example, as a full page ad by the CAW in Our Times:

CANADA DOES NOT BELONG TO THESE TWO MEN

(drawings of Reagan and Mulroney)

CANADA BELONGS TO ALL OF US

Why we need an election.

Brian Mulroney does not have a mandate from the Canadian people to implement a free trade deal with the United States.

Free trade is not a single issue. It encompasses our culture, economy, resources, trade, regional development, social programs - the very issues that define a country as a sovereign nation.

It would be contrary to the principles of a democracy for a government to change our society so fundamentally without first receiving a mandate from the people.

Nothing less than a full federal election, where politicians of all political parties have to put their jobs on the line, is what is required.

This election must take place immediately - before the deal is ratified by the U.S. Congress or is put in to (sic) place in Canada...

Join the movement demanding an election on free trade. ⁵²

The Facts, a CUPE periodical, published an editorial with a similar call. Notably present in both articles was an apocalyptic view of free trade. Notably absent from both was even a single mention of the New Democratic

Party, the party of labour.

The editorial was entitled "Canada's distinctive way of life is endangered" and concluded:

The Free Trade Threat... Preventing this ultimate betrayal {my emphasis} is the overriding priority for all Canadians today...

Fighting Back... Led by the labour movement and our allies in the churches, the women's movement and social action groups, more and more Canadians are fighting back. CUPE has played an important role in this fundamental struggle, involving our members, raising awareness among the public, advocating labour's alternative economic policies of job creation, multilateral trade, and better planning, and demanding that the Mulroney government seek a democratic mandate for the drastic, irreversible step {my emphasis} of a free trade deal with the U.S.

Free trade was not part of the Tory (Conservative) platform in the last federal election, and without that specific mandate they have no right to sign any deal, regardless of their huge (though shaky) majority in Parliament.

CUPE must continue to work with the CLC, the federations of labour, the labour councils, and all our allies to *stop free trade* through increased public pressure, mobilization of our membership, and by pressuring the government to call a general election before any free trade agreement is submitted to Parliament for approval.

Every Canadian citizen deserves the right to vote on one of the most crucial political and economic questions which we may ever face. Democracy and the future of our country demand nothing less. ⁵³

The same comments could be made about the educational cartoon booklet, "What's the Big Deal?", of which 2.2 million copies appeared as a paid supplement in twenty-three daily newspapers. The text was by noted Canadian author, Rick Salutin; the cartoons by Terry

Mosher, a.k.a. Aislin, of the Montreal Gazette. The following is a sample of the conclusion to the booklet:

THIS DEAL MEANS WE GIVE UP BEING AN INDEPENDENT COUNTRY.

- *Isn't that a little extreme?*

- Is it? Think about this. Ever since Canada became a country, federal and provincial governments have fought each other for certain powers. Now they'll both give up their powers - to American businessmen! This deal lets American businessmen block almost any kind of action by Canadian governments. And our federal government is obligated by the deal to force provincial and local governments to go along.

- *That's ridiculous. It's like the free trade deal becomes our new constitution.*

- That's exactly what it is...

THIS DEAL SOUNDS LIKE A NIGHTMARE! IT'S A MONSTER!

- *I can't think of a single good thing about it!*

- I can.

- *What?*

- It hasn't happened yet.

1.2.7. Pitfalls for English-Canadian unions

From a labour perspective, there were several problems with the approach taken by the PCN. First, though working through coalitions immeasurably increased the scope of opposition to the free trade deal, labour surrendered a key element of its ideological leadership. As mentioned at the beginning of this chapter, the CLC had always maintained a social-democratic political outlook, that is, that labour needs a political party through which to advance its social and political agenda. However, the Pro-Canada network never formally shared that outlook. The paper prepared by the Canadian Union of

Public Employees and entitled, "The Development of Coalition Politics in Recent Years", attempts to explain why:

While the ACN is a progressive coalition organized around promoting social and economic justice, it is explicitly non-partisan. Political parties are not allowed to join... The absence of individual memberships has also ensured that the ACN is not viewed as a 'party in the making...' The ACN can - and does - recommend to its member organizations that they should support parties which take a progressive position on issues of central concern to the network, such as opposition to free trade. Because it was formed initially to fight Prime Minister Brian Mulroney's Canada- U.S. Free Trade Agreement, the ACN has been explicitly anti-Tory...

The progressive, but non-partisan approach of the network is a reflection of the non-partisan character of many of the national organizations represented. While the CLC based trade unions are formally affiliated with the New Democratic Party, such an affiliation is simply not possible for other national organizations which form part of the network, such as the churches, the National Action Committee on the Status of Women, the National Farmers Union and others.

The fact that the network has no formal political connection with any political party is one of its key strengths. For it is able to carry out campaigns on key social and economic issues which reach a much larger constituency than would be the case if the campaigns were run on a partisan basis. Broadly-based, non-partisan campaigns also provide an important vehicle for bringing people into the political process and for carrying out popular education on key issues. ⁵⁴

Informally, promoting the NDP was part of the agenda only when staunch members or allies of the party forced the issue at specific forums, meetings, and activities of the Network. At other times, many trade unionists were

nervous about the agendas of some of the widely-known Liberals associated with the Network, like Mel Hurtig or Maude Barlow:

Another concern initially raised was that because the ACN included delegates who might be members of other Parties (really only one other Party - the Liberals), it was being manipulated in a partisan way. While several individuals, known publicly as fairly high profile Liberals, have been involved at different times with the ACN, they have always come as representatives of member organizations... Ironically, given the criticism of support for the Liberals, virtually all the policies adopted by the ACN sit more comfortably with the NDP. ⁵⁵

While the CUPE paper is confident of the non-partisan nature of the coalition, it misses the main point: the popular anger at the Tories did not translate, in two federal elections, through the work of the Network into large blocs of votes for the NDP. In fact, the Network may have turned into something of a Frankenstein, manipulating the NDP:

Another concern has been that the coalition may put issues on the national political agenda which are different from those which NDP strategists wish to promote. This criticism may, at times, be true. Certainly the NDP was very unenthusiastic about making free trade the central issue in the last election. It was the coalition which forced this issue to the centre stage. ⁵⁶

The end result of the policy on non-alignment to the NDP was the policy of strategic voting (footnote: voting in some ridings for the Liberal candidate and in others for that of the NDP, depending on the estimation of which

party had the best chance of defeating the Conservative candidate) that some people in labour and the PCN followed in the 1993 federal election, which was, in part, a referendum on the North American Free Trade Agreement [NAFTA].

Secondly, unlike in Quebec, the union movement did not have de facto control over the coalition opposed to free trade. The Coalition québécoise d'opposition au libre-échange [CQOLE] (The Quebec Coalition Against Free Trade), like its two successors in the struggle over NAFTA and the proposed Free Trade Agreement for the Americas [FTAA], were firmly led by the three Québécois labour centrals.⁵⁷ By 1988, there was a second coalition in operation in Quebec, the Solidarité populaire Québec [SPQ]. According to Marianne Roy, its co-ordinator, the SPQ was formed in 1985 "out of a coalition initiated by the Confederation of National Trade Unions (CSN) to fight to preserve universality of social programs shortly after the election of the Conservative government in September 1984."⁵⁸ However, it appears that the SPQ did not play a major independent role in the anti-free trade fight since it was not listed by the Pro-Canada Network among its eleven regional networks in the mass-distribution cartoon book, "What's the Big Deal?"

By contrast, in English Canada, the reins of top

leadership of the Pro-Canada Network were in the hands of people outside of the labour movement. Tony Clarke was the PCN Chairperson from its founding in 1987 until 1993. He was, at the same, co-director of Social Affairs at the Canadian Conference of Catholic Bishops. Maude Barlow of the Council of Canadians made many public pronouncements on behalf of the Network. She had previously been associated with the Liberal Party, though several years later took out a membership in the NDP.

Thirdly, the doomsday approach to free trade, adopted by the PCN, including labour, served to blind English-Canadians and English-Canadian labour in particular to the fact that they might lose a free trade election and have no platform on which to fall back. As we shall see, the campaign in Quebec leading towards the 1988 federal election was much more low key. Free trade was never a do-or-die issue there. After 1991, Quebec labour took a different approach to the question. But, as we shall also see, when the smoke had cleared over the 1988 election battlefield, the losers in English-Canada looked around to see who had failed in "preventing this ultimate betrayal (which was - according to the CUPE and PCN view above) "the overriding priority for all Canadians today."

As we shall see at the end of this chapter, it was

the Québécois who were blamed. And not just the Québécois who voted Conservative but all Québécois, including the three centrals who opposed the deal. This blame added to the ill feelings between French and English over the Meech Lake and Charlottetown Accords, the Oka crisis, the unilingual cities movement (in Ontario) and contributed to disharmony in the labour movement.

1.3 The "Free Trade Election" of 1988

According to the CUPE document on coalition-building, "the PCN pushed the New Democratic party [NDP] and the Liberal Party to build their campaigns around the issue in the 1988 election. This was not easy because both parties were forming their election strategies on more traditional lines."⁵⁹ As it turned out, the PCN may indeed have had some influence on the decision, because it was the Liberal Party that precipitated the 1988 federal election. With its huge majority, the Conservatives easily passed the FTA through the House of Commons. However, the legislation "was held up by the Liberal-dominated Senate on instructions from Liberal leader John Turner, who wanted to force an election on the issue."⁶⁰ The election was called by the prime minister on October 2, 1988.

Peter Bakvis, Assistant to the Executive Committee

of the Confédération des syndicats nationaux [CSN], draws some significant differences between the election campaigns in English Canada and Quebec:

The Canadian federal election of 21 November 1988 came to be known in English-speaking Canada as the "referendum election", because of the overwhelming importance of that one single issue, the FTA with the United States, assumed in the two-month long election campaign leading up to the election. According to this view that the 1988 election was a referendum on the FTA, free trade was defeated in English Canada but victorious in Québec to such an overwhelming degree as to compensate for the English Canadian rejection. From there has developed the conclusion made in some circles that Québec imposed free trade on Canada and therefore deserved the recriminations that some anti-free trade forces subsequently expressed.

A more in depth examination leads to much more nuanced conclusions. While it is true that the Conservatives won a strong majority of parliamentary seats in Québec in 1988 - 63 out of 75 - the size of the majority is explained by distortions from the simple plurality voting system that Canada has inherited and the fact that three major parties vied for voters' support, rather than being a reflection of overwhelming support for the Conservatives. The level of popular support for the Conservative Party in Québec was 49 per cent as compared to 41 per cent in the rest of Canada, where the Conservatives picked up 106 out of 220 seats. In both regions less than a full majority of voters supported the party proposing ratification of the FTA. ⁶¹

As we shall see again in the next chapter, there were other issues on the minds of Quebec voters during the campaign, including the environment and, most important, constitutional issues, notably the future of the Meech Lake Accord. ⁶²

While the Quebec unions formed their own coalition

to fight free trade called the *Coalition québécoise d'opposition au libre-échange [CQOLE]*,⁶³ the division of both Québécois and English-Canadian society into anti- and pro-free trade camps was almost identical. Bakvis notes:

Labour, community-based organizations and political progressives led the ranks of the anti-free trade contingent. On the pro-free trade side were to be found business, both small and large, political conservatives (including the Conservative Party but also some provincial wings of the Liberal Party) and most academic economists. Big business not only endorsed but actively campaigned in favour of the Mulroney government line that the FTA, by guaranteeing Canadian goods and services access to the huge U.S. market, was Canada's key to instant prosperity. A special business lobby that was set up to mobilize support for the treaty financed full-page newspaper and television advertisements and, perhaps even more importantly, managed to convince dissident elements among the business community to keep their apprehensions to themselves. Canadian and Québec business, therefore, presented an almost flawless united front in favour of a deal endorsed not only by the federal government but by eight out of ten provincial governments, and by the vast majority of the country's professional economists and newspaper editorial boards. Everybody from the prime minister on down in this pro-FTA alliance repeated the Economic Council of Canada's predictions that free trade with the United States would, shortly after its introduction, lead to accelerated growth, higher productivity, lower prices and, within the first five years of free trade, 250,000 new jobs.⁶⁴

Bakvis argues that, while the FTA was debated in a low-key fashion and basically upon its own economic merits in Quebec, the fight against it in English Canada took on the aspect of a crusade:

What gave the anti-FTA campaign a significant boost and allowed it, in English Canada, to spread its influence beyond labour and its popular sector allies was the very active participation of leading members of the Canadian artistic and entertainment community and of prominent Canadian nationalists. These individuals perceived free trade as a direct threat to Canada's national identity, not only because of the impact on Canada's economy and social programs but also because of the fact that free trade would weaken Canada's capacity to maintain strong support and protection for the country's cultural institutions, including government-financed broadcasting and strict Canadian content rules for both public and private broadcasters... Having prominent Canadian artists and nationalist (sic) join the anti-free trade fight proved to be successful in heightening the profile of the campaign significantly, but only in **English-speaking Canada**. The conditions under which English Canadian artists and entertainers work led many of them to develop a siege mentality towards the American onslaught, and the idea that the FTA would be the ultimate decisive battle in defence of Canadian identity proved to be infectious among many English Canadians... The campaign against the FTA was able to appeal to this latent fear of assimilation to the United States which is present among many English-speaking Canadians. {my emphases} ⁶⁵

The Pro-Canada Network went so far as to take English Canadian nationalist artists and trade unionists on tour in Quebec in order to drum up the kind of apocalyptic, anti-free trade fever with which they themselves were infected. According to Daniel Latouche, constitutional advisor to former Premier René Levesque, the reception they received was cool:

There was simply no room for us in the "Save Canada" movement of the Anti-Free Trade Coalition. I am being too polite again. The more we listened to some of the arguments of the coalition, the more

we felt a sudden urge to join the Mulroney campaign. I am not talking here of the "If it's bad for Ontario, then it must be good for Québec" argument. No, I am referring to the constant references to the inevitable demise of Ottawa's control over the provinces which would follow free trade. I sat through a number of evenings where sober-looking artists and union members from English Canada tried to persuade me that free trade could mean a new surge of decentralization in favour of the provincial barons, a degradation in the quality of Canadian culture and a threat to our great Canadian institutions.

Not once did I hear a "dump free trade" advocate point out that free trade was dangerous because it posed a special menace to the originality, dynamism, and distinctiveness of the Québec culture. Not once was I told of the dangers to the bilingual and bicultural nature of this country. Did anyone ever mention that the free trade deal could cause havoc in Québec-Canada relations or that it would make it impossible for these relations to evolve towards greater equality. No, you were not interested in these questions. What suddenly worried you was the possibility that you might lose your Québec market. I even had to listen to the argument that free trade and Meech Lake were a Québec conspiracy... English Canadians of the liberal and progressive school should consider themselves lucky that Québécois did not pay much attention to the free trade debate. If they had, their support would have been real and unanimous.⁶⁶

1.3.1. The NDP campaign

One federal party that surprised Canadians during 1988 by not turning its opposition to free trade into a crusade was the New Democratic Party [NDP]. Especially surprised were affiliates of the Canadian Labour Congress who had especially funded the party for just this purpose.⁶⁷ Its leader, Ed Broadbent, kicked off the 1988

campaign in St. Basile-le-grand without even referring to the issue. He picked St. Basile because an environmental catastrophe involving PCB's was unfolding at that site. In fact, during the first two days of campaigning, Broadbent did not once mention free trade.⁶⁸ It was only on the fourth day of the campaign, during a speech in Alberta that the party leader finally lambasted the trade deal as a "sellout of Canadian sovereignty."⁶⁹ An analytical piece by Martin Cohn described the place that opposition to free trade played in the campaign:

Free trade will tie it all together. The NDP believes the Canada - U.S. Free Trade Agreement inhibits the ability of future governments to deliver fairness in taxes, the environment, and other areas. But fairness, not free trade, will be the main message.⁷⁰

The same article noted that " the powerful Quebec Federation of labour delivered its first ever endorsement of the NDP."⁷¹

There were several reasons for the NDP's avoidance of free trade as its number one election plank. Most important of these was the fact that, for the first time, the NDP believed it had a chance of making a breakthrough in Quebec. According to Lipsig-Mummé, the mid-80's were a period of demoralization among the militants of the CSN and CEQ. The 1980 referendum on sovereignty-association had been lost. The Parti québécois, which many had

regarded as the party of labour, clawed back civil servants' salaries in 1982-3 and defeated the three-labour federation Common Front with back-to-work legislation. And it seemed that the unions had lost the political leadership of the nationalist movement to the rising francophone bourgeoisie. The nationalist movement was at a low ebb. In this context, she noted that the militants began looking for allies in English Canada; that trade unionists, completely unaffiliated to the CLC, sought to become observers at CLC conventions; while others, previously uninterested in the parliamentary process, began to take an interest in the NDP.⁷² One of the latter was Michel Agnaïeff, a top official of the CEQ, who became leader of the NDP in Quebec at about that time and is now the General Director of the CEQ.

Ed Broadbent understood the importance of the national question for Quebec. Under his leadership, the NDP had finally broken with the party rule that a Quebec NDP member had to support both the federal and provincial parties. According to Ed Broadbent, the change in structure merely "put our party on the same basis as the other parties in Quebec" where the Liberals and Conservatives maintained completely separate federal and provincial party structures.⁷³ In practice, the new NDP procedure allowed Quebec members to support the social-

democratic NDP federally and the social-democratic Parti québécois [PQ] provincially. In the face of internal opposition ⁷⁴, Broadbent also brought the NDP on side in support of the Meech Lake Accord, which, for Quebeckers at the time, was the question that separated their friends from their enemies. The NDP had some well-known candidates in Quebec, such as consumer advocate Phil Edmonston, author of Lemon Aid, the popular handbook exposing faults of new cars, who had won the NDP's first-ever seat in Quebec in a by-election in 1990; Paul Vachon, the wrestling star; bank executive, François Beaulne; Paul Cappon, a prominent doctor and professor; Pierre Hetu, orchestra conductor; and Maria Peluso, regional director of the Canadian Council of Christians and Jews. ⁷⁵ The party executive looked at the public opinions polls that showed support for free trade was highest in Quebec of any other province or territory and prudently decided not to focus the campaign on that one issue. They also feared that, because of the three party nature of Canadian politics, any agitation waged by the NDP against free trade would translate into votes for the Liberals, which would be seen by most voters as the only party capable of actually replacing the Conservatives in office. Moreover, the decision by the Pro-Canada Network, which included the NDP's traditional base in labour,

formally not to endorse any party meant that the NDP could not necessarily count on the votes of the popular movement against free trade. Furthermore, according to the CUPE document on coalition building ⁷⁶, "The NDP, in particular, was reluctant to make an economic issue, such as free trade, its number one priority. Its opinion polls revealed that voters questioned its credibility on economic issues, while supporting its social concerns. Ironically, it was the Liberals who took up the (PCN) coalition's focus on the FTA during the first weeks of the election, forcing the NDP to revise its electoral strategy and make free trade its central issue as well."

Finally, Broadbent's campaign had some elements of the US-style of focussing on the leader. Repeated polls had shown him to be far and away the most popular of Canadian federal political leaders and the party to be most trusted by the people. ⁷⁷ In fact, the party went into the election in second place in the Gallup poll with 31% of decided voters, over three times the percentage of its starting position in 1984. The poll showed the Tories on top with 40%, the Liberals on the bottom with 26%. ⁷⁸ For all these reasons, then, the NDP decided not to put all of its eggs into the free trade basket.

Instead, Broadbent espoused his party's commitment to "A Fair Deal for Canada", calling for the maintenance

and improvement of social programs in the interest of "average Canadians and their families". In a recent interview, he explained his approach:

The campaign was to present to the Canadian electorate a social-democratic alternative to the government. Within that framework, it was not to be a campaign focussed on the nationalist theme which underlay a strong emotional appeal for a lot of people on the free trade issue in English Canada but to put the free trade issue in the context of the broader framework - whether it was tax policy, trade policy, the issue of gender equality, or the environment. They were specific illustrations of the thrust to create a better, more fair, more just Canada... Whether in Halifax, Jonquière, Hamilton, or Vancouver, the trade issue was put in that context, if you like, as the most important illustration of conceptually broader approach of the social-democratic alternative... It was the leading issue in (virtually) every speech but not THE issue.

Broadbent wished to avoid falling into a nationalist cul-de-sac:

We didn't want it to be just a nationalist appeal. Nationalism fits into the Liberal campaign so well. To just run a nationalist campaign, as was confirmed by the '88 election, the Liberals can wave the Canadian flag just as well as the NDP (but) they have many more and stronger roots in many regions of Canada than the NDP does... We had every reason to believe that John Turner and the Liberals would try to revive their fortunes and would focus on the trade issue, which is what they ended up doing. The Liberal campaign will invariably seize on the issue that can win them the election. If (free trade) became THE central issue of the campaign instead of one issue, an illustration of the need to create a more sovereign, more just Canada from the social-democratic point of view, this could force the voters to choose the party most likely to win. For us, if it became a free trade campaign, we would lose our advantage rather than in a broad-ranging

campaign that would have an appeal to greater numbers across the country.

Unfortunately for the NDP, it did become a one-issue election in English Canada:

In fact, in the first few weeks of the campaign, we went steadily up in our support. After the issue became free trade, our support declined except where we were strong in Western Canada. Ontario decided on the Liberals. When it became up or down on the question of free trade in the province of Ontario, people went for the Liberals. It's both as simple and as complex as that.

In Quebec, where other issues were in play, Broadbent still pressed the social-democratic aspect:

The general attitude of Quebec was pro-free trade... (Yet), there was a big and one of the most moving rallies in my whole political life (that) took place in Montreal in that campaign. Major trade union leaders were there and free trade was the focal point of my speech. It was the same kind of speech given in Toronto.

When it became clear that the NDP was losing support at the end the campaign, Broadbent describes the party as turning towards "a strict and narrowly-based class focus on the theme of "Main Street versus Bay Street." ⁷⁹

The promise "to stop the Mulroney-Reagan trade deal" comes along with a list of proposals regarding the National Film Board [NFB], Canadian Broadcasting Corporation [CBC], and other matters relating to the arts under the subtitle, "Preserving our culture" on the fourth and last page of a summary of the NDP election program, written by federal NDP research staff for

Canadian Labour, a periodical of the CLC.⁸⁰ By relegating the free trade issue to a secondary target of NDP campaigning, Broadbent had to endure constant sniping by angry well known trade unionists,

I am told that there was (criticism). Normally these things, as was the case, are kept from the leader... It is the case that some people were calling for a different kind of emphasis in different parts of the constituency of the party, including part of the trade union movement. But the Election Strategy Committee, on which the labour movement was sufficiently represented, was making its weekly decisions. They were full party to the strategy of the campaign, going into and during the campaign. They had a very important role.⁸¹

In the aftermath of the Mulroney's re-election, pressure from Bob White and other trade unionists (as well as nationalists in the party), who felt that Broadbent's strategy had cost them the election and the imposition of free trade, caused both the leader and his chief adviser to step down:

The main vehicles of early post-election criticism were a pair of stinging letters from the heads of two of the largest unions affiliated with the NDP: a 7-page letter, dated 28 November 1988, from Canadian Auto Workers president Bob White, and a 12-page letter, dated 5 December, from Steelworkers executive officers Leo Gerard and Gérard Docquier.

Describing the election as 'disastrous', a 'disintegration of what should have been the New Democratic Party's finest hour', White observed the profound 'disappointment and anger' within the ranks and expressed dismay that labour's 'financial and people support is accepted gratefully, but its ideas are completely ignored'. He condemned the inadequate attention to free trade and questioned the wisdom of the 'small group running the

campaign' - particularly the party's American pollster who had labelled free trade as merely an economic-management issue - and concluded: 'This party doesn't belong to a handful of people who ultimately think they have all the answers...' Although White stopped short of criticizing Broadbent directly or asking for his resignation, he did call for a thorough post/mortem on the campaign.

The Steelworkers' letter, which described the election as perhaps the 'most important of this century' - and a 'watershed' regarding the Americanization of Canada - suggested that the party's lack of success was rooted in a 'highly suspect plan' filled with 'fundamental errors in tactics and strategy'. It questioned NDP strategists who had believed that the Liberal Party would collapse, that the anti-free-trade position would not help the NDP, and that the issue could be given a low profile. Characterizing the central operations as dominated by the paid employees of the party, Docquier and Gerard condemned the planners' 'betrayal' of principles and reliance on polls, which they allowed to 'dominate our strategy'. They criticized the planners' inability to adjust to the strategy as events warranted and cited examples of 'ineptitude' that contributed to Broadbent's being 'unprepared' for the free-trade debate. Overall, they concluded that the 'link between the trade union movement and the party at the strategic level failed completely'; in short, 'Communication just wasn't there.'⁸²

Bob White further declared, at the time, that, if he were elected leader of the CLC, he would support no candidate for NDP leader except one who would "tear up the free trade agreement".⁸³

Broadbent was hurt by these remarks:

I was frankly disappointed that some very old friends and colleagues in political life took the attitude that they did. (Even though) the Liberals turned it into a one-issue campaign, we did have the best showing in our history. Where we were

strong, in Western Canada, we did very well. I understand, with the advantage of 20/20 hindsight, many trade union leaders in Ontario annoyed my labour friends in Western Canada for what (the latter) regarded as unwarranted reaction to the campaign. Jack Munro of the IWA, for example, said to me it was the best election campaign we ever had in our history... One of them, Leo Gerard, a good friend, apologized to me very sincerely after that to me and regretted what the Steelworkers had done and said, in effect, that this was the kind of emotional response on their part and, in retrospect, for his part, he found it unfair. I accepted that apology.

That is political life. ⁸⁴

In retrospect, however, Broadbent's performance during the 1988 election helped the party to win the largest number of seats it ever held federally ⁸⁵: 43, and its largest ever percentage of the popular vote: 20.4%. Furthermore, in Quebec, though it did not win any seats, the party garnered its best ever showing with 487,971 votes or 14% of the popular vote ⁸⁶. This percentage compares favourably with the 57,339 votes cast for the NDP in Quebec in 1993 which amounted to 1.53% of the popular vote, and which had been the average percentage of the popular vote garnered by the NDP in previous elections in Quebec ⁸⁷. Contrast the above with the NDP's showing in the 1993 federal election with Audrey McLaughlin, the only leader that promised unequivocally to "tear up the agreement". As a result of that election, the NDP was reduced to nine seats in the House of Commons.

The final election results were PC's 169 seats, Liberals 83, NDP 43. The popular vote was 42.9% for the PC's, 32% for the Liberals, and 20.4% for the NDP.⁸⁸ A number of observers noted that more people voted against the party promoting free trade than voted for it. Some argued, subsequently, such as Reg Whitaker of Canadian Forum that an election coalition against free trade involving the Liberals and NDP should have been cemented before the federal election.⁸⁹ However, such an alliance never appeared as a serious possibility.

The Free Trade Agreement with the United States of America was passed into Canadian law on January 1, 1989.

1.3.2. Legacy of the "Free Trade Election"

The election had not even called before the recriminations against Quebec began.

Our Times, an "Independent Canadian Labour Magazine", carried an opinion piece printed in October 1988 entitled, "Vive le Quebec Libre-Echange: What Does Quebec Want Now" by George Ehring, a legislative assistant to the New Democratic Party caucus in the Ontario legislature. He wrote:

The federal election hasn't been called yet... and already I'm despairing of the outcome... The outcome of this election will be determined in Quebec. That's where Mulroney has the chance to win enough seats to get his majority back - something

one did not think possible two years ago... The issue, tragically, is free trade.

A few years ago, the rallying cry in La Belle Province was "Vive le Québec Libre". Now, it's "Vive le Québec Libre-Echange." Long live a free trade Quebec. Even the once-again separatist Parti Québécois (sic) has jumped on the free trade bandwagon...

This continentalist vision is not new to Quebec, but it is now even more difficult to understand. Surely Quebecers should realize that they don't have a hope of holding on to their cultural and linguistic identity if they become part of the American family. The U.S. melting pot will treat Quebecers (sic) like maple syrup in the spring, and, in the face of the free trade deal, no provincial legislation or opting-out formulas will do them any good.

If Quebec thought it had problems trying to make English Canada sensitive to its unique identity, just wait until they re-elect their boy Brian and the deal goes through {my emphasis}. At least across Canada we have three parties committed to the principle of official Bilingualism, and ready to sign the Meech Lake accord that guarantees Quebec special status...

It would be a tragedy for us all if they gave Mulroney his majority, and we wind up saying adios to the Quebec identity.⁹⁰

As we shall see in Chapter 3, since the Quiet Revolution⁹¹, the Québécois have become far more confident of the viability of their language and culture and far less fearful of US cultural domination than English Canadians. Far from demonstrating the foolishness of the Québécois, Ehring demonstrates his own cultural blindness to the role that constitutional and other issues played in the 1988 election in Quebec. He also might have noted that the Quebec labour movement opposed free trade.

After the election, the recriminations became more vicious.

Reg Whitaker, a person associated with the Action Canada Network, in an editorial of Canadian Forum, expressed not only the misguided sense of betrayal but also the vindictiveness that characterized the English Canadian left wing response towards Québécois in general:

To be blunt, free trade was imposed upon English Canada on the backs of Quebec voters... Quebec nationalism, in both its traditional *pequiste* (relating to the PQ) form and its new neo-liberal face, is the enemy of Canadian nationalism... Free trade and Meech Lake are twin bodyblows aimed at the capacity of the national government to play any effective role in representing the interests of a national political community. Free trade is upon us but there is still time to kill Meech Lake and limit the damage. ⁹²

The OFL's John Anderson describes the lack of understanding on the part of some English Canadian trade unionists of the attitude of their Québécois brothers and sisters towards free trade: "One of the greatest myths circulating among English Canadian trade unionists is that Quebec trade unions did not really oppose free trade when it was first proposed in 1988... Probably, Phil Resnick was most responsible for this attitude." ⁹³

In his book, Resnick, like Whitaker, blames and displays vindictiveness against the Québécois for the election of the Mulroney Conservatives who instituted the FTA:

And yet, *cher ami* (and you are a friend, or even closer, what Baudelaire might have termed *un semblable, un frère*) something has changed in my sentiments towards you and, I fear, those of many English-speaking Canadians, something which will leave an indelible mark on this country for a generation or more. A feeling of profound hurt has come over many of us, especially those who, in the recent past, were most sympathetic to Quebec and its national aspirations. The feeling, quite simply, is one of betrayal...

I am tempted to respond in kind, to voice my rage at your wilful ignoring of our deepest sentiments on free trade, at your total selfishness where Meech Lake is concerned, at the posturing that has come to characterize your claim to some monopoly on the nationalist sentiment. As though you were the wretched of the earth and your status within Canada is in any way comparable to that of minority people around the world denied the most elementary of freedoms and rights.⁹⁴

Latouche, in replying to Resnick, focusses on precisely what his accuser's chauvinism fails to note; that is, that the Québécois are Québécois, and must take decisions that serve their own national interests:

As I have just said, we did look at the free trade election from a Québec perspective. But what other perspective could we have used? That of the Canadian economy and culture? But, we are only guests in this great land of yours. And you never miss a chance to remind us that our lease is up. You are quick to say that our vision is not a Canadian one. Do you mean to imply yours is? I do not speak for Canada, and few Québécois would claim to do. But what makes you so sure of your 20-20 Canadian vision? I am no great fan of Canadian federalism - that is an understatement - but who are you to tell me that my vision of the country is wrong simply because my glasses are québécois? You reinvent the rules and rearrange the furniture and expect me to know my way around. I must have been looking in some other direction the day the directive came down from the desk of the reconstituted Waffle and proclaimed that from now

on the test of true Canadianness would include a question on free trade.⁹⁵

Clearly, what had come to pass in the course of the 1988 election was what Latouche had warned about earlier: "that the free trade deal could cause havoc in Québec-Canada relations and that it would make it impossible for these relations to evolve towards greater equality."

1.3.3. Further pitfalls for English-Canadian unions

Partly through their mishandling of the free trade issue, some English-Canadian nationalists contributed to a worsening of relations between workers in English and French Canada. There were two main reasons for this souring of relations.

1.3.3.1. the doomsday approach

First, some English Canadian nationalists, including some in trade unions, so greatly overstated the projected effects of free trade - it would mean two million jobs lost; the federal government would lose all of its powers to administer social programs; Canada would disappear as a country - that they undermined their own case to the Québécois. The doomsday approach to free trade, practised in English Canada, just did not sell well in Quebec.

Perhaps it was the fact that economic conditions were already much worse in Quebec than Ontario in terms of high unemployment and dying, labour-intensive industries. It may have been that the *pequistes* (members of the PQ) argued that free trade offered a way out of Quebec's economic marginalization. Certainly, as Bakvis suggests, Quebecers, unlike English Canadian nationalists, were not fearful of free trade suffocating their national language and culture. Whatever the combination of reasons, Quebecers exhibited a much more pragmatic approach to trade liberalization with the United States.

There was another problem with the doomsday approach to free trade: what to do after the doomsday arrives. Specifically, if free trade meant the inevitable disappearance of social programs, of labour's gains over a hundred years, and of the country itself, what role would there be left for political parties and trade unions after the FTA is passed into legislation? But this approach ignores one fundamental fact of trade union history which is reflected in the motto of the Canadian Union of Postal Workers [CUPW]: "The Struggle Continues!" No matter what the form of government, no matter what the economic conditions, no matter how the (labour) laws are written, the class struggle goes on. Employers employ workers who create a surplus over which the workers will

struggle for what they believe is their rightful share, not to mention what they believe is their rightful place in society. Even during war-time or under the most repressive, dictatorial regimes in less-developed countries, trade unionists organize and fight (often at the peril of their lives) for the benefit of their members and for social justice for the less-advantaged sections of society.

The anti-free trade literature from academic, Pro-Canada, and trade union sources (some of it already cited) in both English Canada and Quebec clearly exposed the neo-liberal agenda apparent in the FTA and the Macdonald Commission Report that preceded it. Indeed, according to Michael Hart, one of Canada's free trade negotiators, *domestic economic reform* was part of the hidden agenda of the Mulroney government.⁹⁶ A far more sensible course for Canadian trade unions facing the prospect of a free trade arrangement with this hidden agenda would have been to develop a strategy with a built-in fall-back position, to be used if free trade were to be put into place. The appropriate strategy should have been similar to the position taken right at the outset of the 1988 election by Ed Broadbent and the NDP, that is, to try to stop the FTA but also to insist on the maintenance of social programs and governmental

standards, irrespective of who formed the government and whether or not free trade was adopted.

Such a plan would have provided a golden opportunity for labour in both English Canada and Quebec to unite, not on nationalist issues (which unity was impossible because of the different nationalist perspectives in each nation) but on a solid class basis. Labour in Canada did not have to reinvent the wheel to formulate such a strategy. It often looked to Europe for ideas and inspiration. In the late 1980's, European labour was demanding a social dimension as a result of the Maastricht Treaty, which further integrated the economies (and political systems) of western Europe into a European Union [EU]. The adoption in Canada of a similar demand in 1988 would have meshed harmoniously with the social-democratic approach taken by Ed Broadbent in the 1988 election and would have translated into a recognition that only the federal NDP could be the appropriate vehicle to carry the fight to the highest political levels. Such a demand would have resonated well even in Quebec where support for free trade was highest and, as well, there was a new openness to the NDP.

This class-based strategy, of course, may not have succeeded immediately in 1988. The NDP and unions may not have been able either to stop the FTA or win a commitment

from the federal government for a social dimension. However, it would have been a strategy much more likely to have produced favourable short and long term results both for Canadian labour and its traditional social-democrat ally, the NDP, than the nationalist strategy espoused by the CLC and ACN. The specific short term result would have been the practical unity of labour in English Canada and Quebec. The long term result would have been the favourable positioning of labour to take advantage of future trade negotiations with other hemispheric countries in order to build alliances designed to win a social dimension in regional trade pacts.

Instead of uniting with Quebec unions on this class issue, English-Canadian labour chose to rally around the maple leaf. Ideological leadership was lost to the Council of Canadians and other of its coalition partners. The issue of free trade was falsified as was the class nature of Canada. Free trade was denounced as a threat to national sovereignty, though in retrospect it was not. (We shall deal with this question at the end of Chapter 2.) Canada was held up to be a nation when, in fact, it is a state containing two nations who historically have hardly ever agreed on strategic issues. Yet the issue of free trade was used by nationalists to build up this

mistaken notion in order to promote their agenda.

It took three years before the Québécois centrals realized their mistake and adopted the strategy of demanding the insertion of a social dimension into the formation of regional trading blocs. As we shall see in Chapter 4, this was the course which the Quebec trade union federations followed continuously after 1991. As André Leclerc put it, "one thing that will not come back is local and national economies functioning by themselves." In response, he argues (not for symbolic links but) "a real world strategy... of international trade union solidarity."⁹⁷ Once the possibility of a hemispheric free trade zone (NAFTA) was mooted in 1992 by George Bush in his Enterprise for the Americas initiative, the Quebec centrals quickly realized that their interest lay in formalizing long-established contacts with union federations in Mexico and in Central and in South America for the purpose of inserting a social dimension into any future trade deals.

Unions in English Canada took much longer to come to terms with the economic reality of globalization, specifically regional economic integration. As we shall see in the next chapter, they tended to maintain a doomsday approach to free trade in its new NAFTA attire, officially rejecting any accommodation to the existing

hemispheric trading bloc until well into 1995, thereby marginalizing their own effectiveness as agents of change.

1.3.3.2. English-Canadian chauvinism

Secondly, even though the trade union movement in Canada officially recognizes Quebec as a nation with the right of self-determination, there were some people in the unions in English Canada (and more in the Pro-Canada Movement) whose chauvinism blinded them to the fact that the Québécois have their own national perspective by which they measured the issues. Those influenced by English-Canadian chauvinism could not understand that most Quebeckers were not going to get worked up about the problems created by free trade for Ottawa, precisely because many Québécois blame the federal government for many of their problems, for instance, marginalizing their economy and denying them their rightful constitutional powers.

Still, the Quebec unions opposed the FTA in 1988, partly for pragmatic reasons and partly in solidarity with unions in English Canada, but without the fervour seen here in Ontario. But because most Quebeckers were not fervently opposed to free trade, some English Canadian nationalists, including some in the union

movement, took the opportunity of Mulroney's election victory of 1988 to blame Quebec and Quebec trade unions for selling Canada out. In so doing, they may have given the Québécois and Québécois trade unionists one more reason - on top of the failures of the Meech Lake and Charlottetown Accords, the Oka crisis, and the unilingual cities movement - not to feel welcome in Canada. In other words, key aspects of the English Canadian trade union response to free trade may have contributed to, rather than diminished, the Canadian constitutional crisis.

Underlying the free trade problem was the perennial national question in Canada, that is, the question of what is the form of government appropriate to a country where there are two founding (European) nations. It is precisely because this question has never been satisfactorily resolved within Canada that Latouche worried that "free trade could cause havoc in Québec-Canada relations and that it would make it impossible for these relations to evolve towards greater equality." Indeed, the lack of resolution of the national question is the reason that, as this thesis is being written, leaders of the independence movement have kicked off their pre-referendum campaign in Alma-Lac St. Jean to take Quebec out of Canada.

The fact that some English Canadian left-wing

nationalists and trade unionists tried to sell to Québécois their concern over the future of federally-administered social programs and over the future of a federal Canada ⁹⁸ exposed their lack of empathy and understanding of the national consciousness and recent achievements of the Québécois. Centuries of rule by anglophones have nurtured a feeling among a great many Quebeckers that Quebec is an oppressed nation, something akin to a colony, whose oppressor is the English Canadian nation that surrounds it and whose federal capital is Ottawa. As we shall see in the next chapter, this sense of national oppression has been an important impetus compelling Quebec political parties of every stripe since the "Quiet Revolution" of the 1960's to undertake reforms in all areas of political, social, and economic life to make the Québécois "*maîtres chez nous*" (masters and mistresses in their own house.) In fact, the provincial government had, over the years, opted out of a number of federal social programs in pensions, family allowances, and housing and had built up its own comprehensive welfare state apparatus. This apparatus was designed to serve the needs of Quebeckers irrespective of problems encountered by the federal state. So Québécois as a whole were much less likely than English Canadians to be worried either about the fate of federal-

administered social programs or about fate of the federal government itself.

Many volumes have been written about Quebec nationalism, the Quebec nation, and the national question in Canada, but few of the English Canadian nationalists in 1988 attempted to apply the accumulated knowledge and experience to the free trade debate. They should have expected that Quebec characteristically would have its own distinctive approach to the free trade debate. They might have realized the marginalization of the Quebec economy would predispose some Quebeckers to consider new trading arrangements to break out of their economic decline. They might have anticipated that nationalist forces in Quebec would take a different political slant upon future arrangements between Canada, Quebec and the US. In short, English Canadian nationalists should have been prepared to come to terms with a distinctly different response from Quebec than from English Canada. English Canadian trade unionists, who in 1978 officially recognized Quebec as a nation with the full right to self-determination, should have been satisfied with the solidarity demonstrated in the opposition waged by the Québécois union federations, though, as we shall soon see, it was of a more matter-of-fact nature and uneven in its application.

Instead, those bitter about the re-election of Mulroney's Conservatives looked about for those responsible for the "ultimate betrayal" of free trade. As we shall see from events after 1988 in Chapter 2, in Quebec they found their scapegoats.

Table 1
Comparative Economic Statistics
for Ontario and Quebec

	1990	1990
	ONTARIO	QUEBEC
	(in Million \$)	(in Million \$)
INTERPROVINCIAL EXPORTS	\$57,476	\$33,263
INTERNATIONAL EXPORTS	\$75,800	\$29,885
INTERPROVINCIAL IMPORTS	\$37,236	\$30,651
INTERNATIONAL IMPORTS	\$84,965	\$38,077
BALANCE OF INTERPROVINCIAL TRADE	\$20,240	\$2,612
BALANCE OF INTERNATIONAL TRADE	(\$9,166)	(\$8,192)
OVERALL BALANCE OF TRADE	\$11,075	(\$5,580)
GDP CURRENT PRICES	\$272,278	\$153,856
GDP 1986 CONSTANT PRICES	\$228,501	\$128,995
INTERPROVINCIAL EXPORTS/GDP	21.11%	21.62%
INTERNATIONAL EXPORTS/GDP	27.84%	19.42%
TOTAL EXPORTS/GDP	48.95%	41.04%

Source: Statistics Canada; Interprovincial Input Output Tables, 1990
and Provincial Economic Accounts, 1981-1991.

Table 2
Commodity Concentration of Quebec and Ontario Trade, 1990

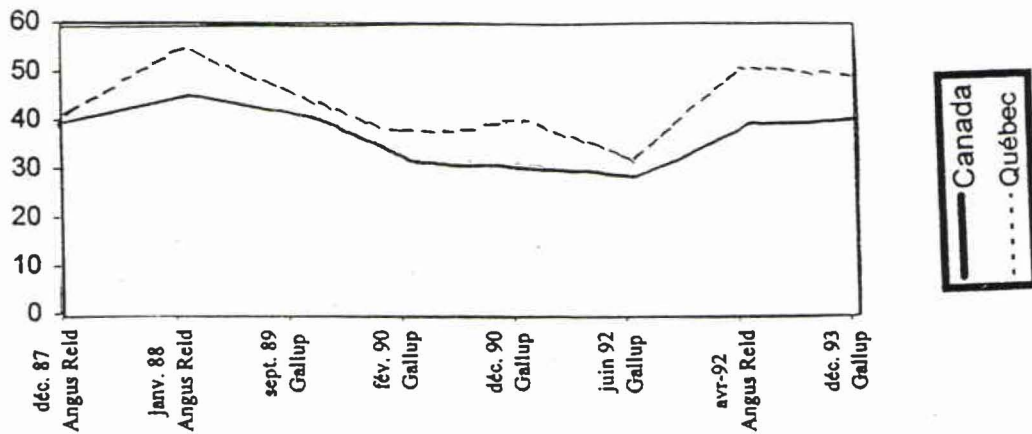
	QUEBEC				ONTARIO			
	INTERNATIONAL EXPORTS	INTERNATIONAL IMPORTS	INTERPROVINCIAL EXPORTS	INTERPROVINCIAL IMPORTS	INTERNATIONAL EXPORTS	INTERNATIONAL IMPORTS	INTERPROVINCIAL EXPORTS	INTERPROVINCIAL IMPORTS
1 GRAINS	0.02%	0.03%	0.19%	0.48%	0.19%	0.08%	0.12%	0.42%
2 OTHER AGRICULTURAL PRODUCTS	0.32%	1.11%	0.75%	x	0.50%	1.33%	0.77%	1.24%
3 FORESTRY PRODUCTS	0.01%	0.12%	0.14%	0.15%	0.01%	0.05%	0.07%	0.17%
4 FISHING & TRAPPING PRODUCTS	0.05%	0.03%	x	x	0.04%	0.02%	x	x
5 METALLIC ORES & CONCENTRATES	5.66%	2.67%	x	x	2.73%	1.33%	x	x
6 MINERALS FUELS	0.00%	6.14%	0.00%	3.37%	0.00%	2.04%	0.01%	13.41%
7 NON-METALLIC MINERALS	0.93%	0.30%	0.33%	0.29%	0.12%	0.23%	0.14%	0.20%
8 SERVICES INCIDENTAL TO MINING	0.00%	0.00%	x	x	0.00%	0.00%	0.19%	0.16%
9 MEAT,FISH & DAIRY PRODUCTS	2.34%	1.05%	4.41%	4.38%	0.71%	1.20%	1.83%	4.52%
10 FRUIT,VEG.,FEED,MISC.FOOD PROD	0.04%	2.09%	3.35%	4.91%	1.09%	1.79%	6.18%	2.88%
11 BEVERAGES	0.56%	0.61%	x	0.21%	0.69%	0.65%	x	x
12 TOBACCO & TOBACCO PRODUCTS	0.21%	0.17%	x	1.08%	0.11%	0.08%	x	x
13 RUBBER,LEATHER,PLASTIC FAB PRO	1.59%	3.11%	2.38%	1.74%	1.53%	3.13%	x	1.79%
14 TEXTILE PRODUCTS	1.08%	3.80%	3.33%	2.06%	0.63%	1.32%	x	2.22%
15 KNITTED PRODUCTS & CLOTHING	0.98%	2.08%	6.38%	0.78%	0.28%	1.93%	x	0.00%
16 LUMBER,SAWMILL,OTHER WOOD PROD	2.30%	0.50%	1.78%	1.11%	0.60%	0.48%	0.48%	2.20%
17 FURNITURE & FIXTURES	0.65%	0.77%	1.41%	0.68%	0.67%	0.92%	1.28%	0.79%
18 PAPER & PAPER PRODUCTS	12.08%	1.75%	5.57%	3.35%	3.70%	1.56%	3.12%	4.44%
19 PRINTING & PUBLISHING	0.82%	1.24%	1.98%	1.69%	0.27%	1.16%	3.02%	1.32%
20 PRIMARY METAL PRODUCTS	12.71%	2.79%	3.61%	1.69%	6.20%	3.57%	3.39%	3.69%
21 METAL FABRICATED PRODUCTS	1.79%	2.91%	3.71%	2.47%	1.79%	2.66%	3.54%	2.67%
22 MACHINERY & EQUIPMENT	3.53%	11.15%	2.17%	2.40%	6.25%	11.43%	3.05%	0.96%
23 AUTOS,TRUCKS,OTHER TRANSP. EQP	14.20%	16.59%	5.68%	5.14%	43.89%	27.38%	6.15%	4.24%
24 ELEC. & COMMUNICATIONS PROD.	10.53%	12.57%	5.15%	4.18%	3.99%	7.15%	5.62%	3.52%
25 NON-METALLIC MINERAL PRODUCTS	0.55%	1.02%	0.64%	0.89%	0.81%	1.31%	0.90%	0.47%
26 PETROLEUM & COAL PRODUCTS	1.30%	2.45%	2.58%	2.46%	1.07%	0.00%	1.57%	2.80%
27 CHEMICALS,CHEMICAL PROD	2.81%	5.53%	7.78%	5.31%	3.42%	5.42%	6.00%	5.32%
28 MISC. MANUFACTURED PRODUCTS	3.01%	5.66%	1.35%	1.09%	2.83%	5.39%	1.20%	1.02%
29 RESIDENTIAL CONSTRUCTION	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30 NON-RESIDENTIAL CONSTRUCTION	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
31 REPAIR CONSTRUCTION	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
32 TRANSPORTATION & STORAGE	1.96%	1.69%	4.79%	5.47%	1.38%	2.43%	3.87%	7.81%
33 COMMUNICATION SERVICES	0.59%	0.37%	3.77%	3.21%	0.36%	0.41%	2.69%	4.24%
34 OTHER UTILITIES	0.61%	0.27%	x	x	0.03%	0.51%	0.09%	0.18%
35 WHOLESALE MARGINS	3.58%	0.32%	9.81%	9.29%	2.80%	0.37%	0.25%	8.01%
36 RETAIL MARGINS	0.00%	0.00%	1.05%	1.10%	0.00%	0.00%	0.88%	1.20%
37 IMPUTED RENT OWNER OCPD. DWEL.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
38 OTHER FINANCE,INS.,REAL ESTATE	0.04%	2.48%	4.48%	10.99%	1.82%	3.19%	12.58%	4.37%
39 BUSINESS SERVICES	2.29%	1.63%	3.30%	3.45%	2.87%	3.69%	5.01%	2.09%
40 PERSONAL & OTHER MISC. SERVICE	3.47%	4.83%	1.71%	4.82%	3.42%	4.91%	6.71%	2.28%
41 TRANSPORTATION MARGINS	4.40%	0.00%	2.90%	3.97%	2.18%	0.00%	0.00%	3.68%
42 OPERATING,OFFICE,LAB & FOOD	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
43 TRAVEL, ADVERTISING, PROMOTION	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
44 NON-COMPETING IMPORTS	0.00%	1.19%	0.00%	0.00%	0.00%	0.62%	0.00%	0.00%
45 UNALLOCATED IMPORTS & EXPORTS	0.67%	1.38%	0.00%	0.00%	0.77%	1.39%	0.00%	0.00%
46 NET INDIRECT TAXES	0.20%	-2.59%	0.00%	0.00%	0.33%	-2.27%	0.00%	0.00%
47 LABOUR INCOME	0.34%	0.00%	0.00%	0.00%	0.13%	0.00%	0.00%	0.00%
48 NET INCOME UNINC. BUSINESS	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
49 OTHER OPERATING SURPLUS	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Statistica Canada Interprovincial Input/Output Tables

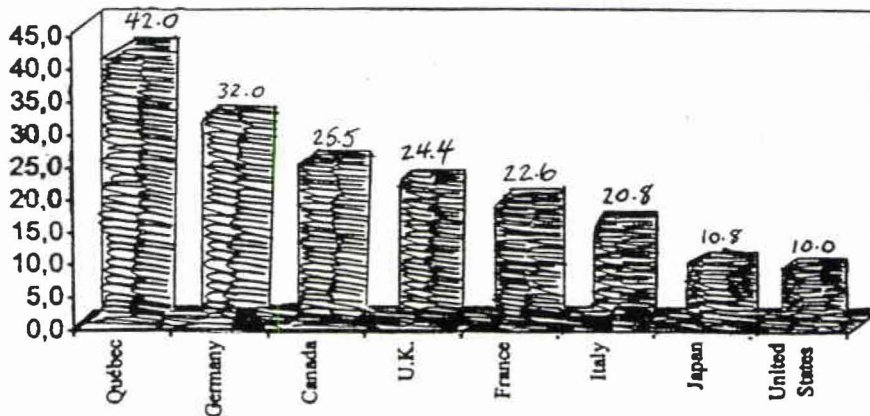
Graphs 1&2

source: Osvaldo Núñez, M.P., "Quebec's Perspective on Social Aspects and the Broadening of Free Trade in the America's", paper presented to the International Conference on NAFTA, San Juan, Puerto Rico, March 16-17, 1995

GRAPH 1
Support for Free Trade
Québec and Canada



GRAPH 2
Importance of Exports on GDP (%)



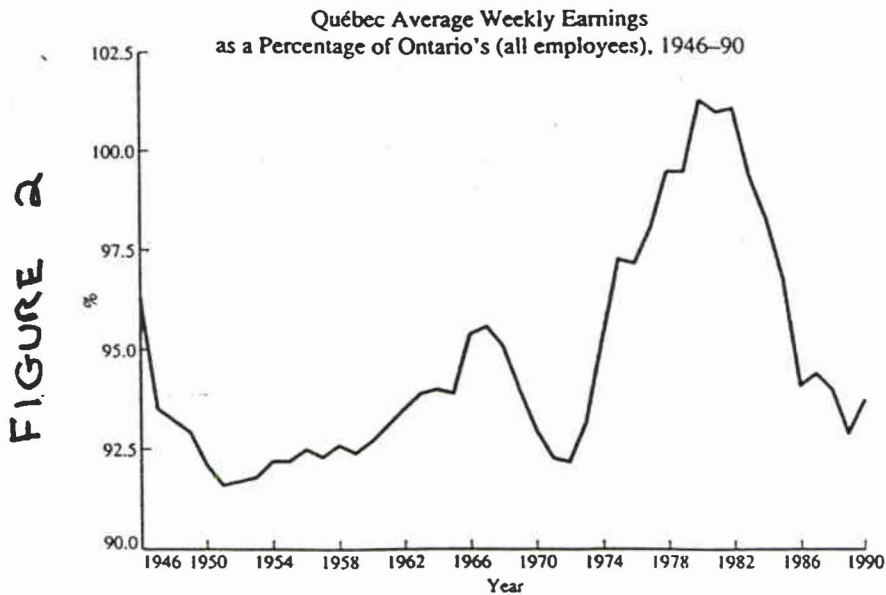
OPENNESS TO FOREIGN MARKETS: QUEBEC AND OTHER INDUSTRIALISED COUNTRIES

Figures 1&2

source: François Rocher, "Continental Strategy: Québec in North America", in Alain-G. Gagnon (ed.), Quebec State and Society, Nelson Canada, Scarborough, 1993, pages 432 and 436



Source: Statistics Canada, *Historical Statistics of Canada*, 2nd ed. (11-516) and *Historical Labour Force Statistics* (71-201).



Source: Statistics Canada, *Historical Statistics of Canada*, 2nd ed. (11-516), *Canada Year Book* (11-202), and *Perspectives on Labour and Income* (75-001).

Endnotes for Chapter 1

¹ François Rocher, "Continental Strategy: Québec in North America", in Alain-G. Gagnon (ed.), Quebec State and Society, Nelson Canada, Scarborough, 1993, page 454.

² Ibid, page 455.

³ Alain Noël, "Politics in a High-Unemployment Society", in Gagnon, (ed.), op. cit., page 425.

⁴ Ibid, page 426.

⁵ Ibid, page 428-9.

⁶ Government of Canada, Royal Commission on Bilingualism and Biculturalism, 19692, pages 21-23.

⁷ In 1961 in Quebec, 11.6% of the population was anglophone, 61.9% francophone, and 25.5% bilingual. In 1981, 6.7% of Quebecers were anglophone, 60.1% were francophone, and 32.4% bilingual. In 1991, 5.5% were anglophone, 58% francophone, and 35.5% bilingual. Census of Canada, 1995, quoted in Canadian Global Almanac, MacMillan, Toronto, 1994, page 47.

⁸ CUPW Local 548, Altogether Now!, Vol 1, Number 3, May/June 1992, page 3.

⁹ Statistics Canada, Historical Statistics of Canada, table 24.1, in Gagnon, op. cit., page 433.

¹⁰ Statistics Canada, Interprovincial Input-Output Tables, 1990 and Provincial Economic Accounts, 1981-91, Ottawa: Ministry of Supply and Services.

¹¹ Al MacRury, "Ontario still driving force in Canada's economy", Hamilton Spectator, July 24, 1995, page B2.

¹² Statistics Canada, Interprovincial Input-Output Tables, 1990 and Provincial Economic Accounts-91, Ottawa: Ministry of Supply and Services.

¹³ J.H. Chung, quoted in A.-G. Gagnon and Mary Beth Montcalm, Quebec Beyond the Quiet Revolution, Nelson Canada, Scarborough, 1990, p. 6.

¹⁴ National Council of Welfare, Provincial and Territorial Welfare Benefits, 1993. 17.6% of Quebec families live below the poverty line, compared to 16.1% of families in Newfoundland.

¹⁵ François Rocher, "Continental Strategy: Québec in North America", in Alain-G. Gagnon (ed.), Quebec State and Society, Nelson Canada, Scarborough, 1993, pp 451-3.

¹⁶ Osvaldo Núñez, M.P., "Quebec's Perspective on Social Aspects and the Broadening of Free Trade in the America's", paper presented to the International Conference on NAFTA, San Juan, Puerto Rico, March 16-17, 1995, page 4-5.

¹⁷ Gagnon and Montcalm, Quebec: Beyond The Quiet Revolution, pages 6-8.

¹⁸ Alan Whitehorn, Canadian Socialism: Essays on the CCF-NDP, Oxford University Press, Toronto, 1992, page 6.

¹⁹ Ibid, page 105.

²⁰ Duncan Cameron (ed.), The Free Trade Papers, Lorimer, Toronto, 1986, page xv.

²¹ Daniel Drache and Duncan Cameron (eds.), The OTHER Macdonald Report, James Lorimer, Toronto, 1985, page xx. The statement was originally made on November 19, 1984.

²² United Autoworkers Union, "Brief to the Macdonald Royal Commission" in Drache and Cameron, op. cit., pages 23-34.

²³ and sang a duet of "When Irish Eyes Are Smiling".

²⁴ Brian Mulroney, PC Leadership Campaign, quoted in Jim Sinclair (ed.), Crossing the Line, New Star Books, Vancouver, 1992, page 16.

²⁵ Pro-Canada Network, "What's the Big Deal?", 1988, page 1.

²⁶ Cameron, op. cit., page 137.

²⁷ Ibid, page 136.

²⁸ Ibid, pages 137-8.

²⁹ Ibid, page 140.

³⁰ Drache and Cameron, op. cit., page x.

³¹ Duncan Cameron (ed.), The Free Trade Papers, Lorimer, Toronto, 1986, page xvi.

³² Ontario Federation of Labour, "Free Trade And The Market Mentality", a position paper passed at the 29th Annual Convention, November 11-14, 1985, page 1.

³³ Ibid, page 2.

³⁴ Ibid, pages 2-3.

³⁵ Ibid, page 3.

³⁶ Ibid, page 4.

³⁷ The famous remark by Parti québécois Premier René Lévesque in regards to his social-democratic government's first term in office from 1976 to 1980. As we shall see in Chapter 3, the comment was accurate.

³⁸ Gosta Esping-Anderson, The Three Worlds of Welfare Capitalism, Princeton University Press, Princeton, 1990. The table of OECD countries is on page 52. On page 27 is the reference to Canada. Esping-Anderson's three distinct clusters are as follows:

1) Liberal states let the market guide social and economic policy. In this kind of welfare state, social rights (e.g. to jobs, daycare, education, housing, etc.) are minimal and de-commodification (insularity from reliance on the market for a livelihood) least. (Neo-) liberal values of rugged individualism and the Protestant work ethic conspire to reinforce a dualistic social structure where the welfare of most is guaranteed by their participation in the market (where they make contributions to private or public insurance schemes and derive fringe benefits from employment) and the rest who are subject to the stigma of relying on modest state-supplied benefits. The welfare regime is based on a system of means-testing for social assistance, some universal programs with meagre benefits, and social-insurance schemes funded mainly through contributions. Labour is typically cast into the role of antagonist to business and government and its role usually limited to collective bargaining for economic (bread and butter) issues.

2) (Conservative-) corporatist states, like Germany and Austria, on the other hand, recognize many more social rights for their citizens but, in granting benefits for these rights, do so according to a hierarchy of class, occupational, gender, religious, racial and linguistic status, that limits the redistributive role of the state. Private insurance schemes also play a role in providing welfare. However, due to the influence of the Catholic Church, the principle of subsidiarity is hegemonic: the state is to intervene only when the ability of the family to provide for its members is exhausted. The traditional family is emphasized to the detriment of women who seek careers outside of the home. On the other hand, because the guild system was never destroyed (as it was in English-speaking countries), organized labour is far more integrated in the process of production and concertation with business and government than in liberal states. One example is the practice of co-determination (co-management) of enterprises by unions, which, in some neo-corporatist countries, is enshrined in law.

3) Social-democrat (or solidaristic) states, like Sweden, tend to form universalist welfare regimes, based on a class alliance between middle and working classes, sharing an equality of access to state programs which are of such a high standard that they "crowd out the market". A key factor of these regimes is a commitment to full employment which is, at the same time, a necessary component for the funding of these comprehensive social measures. Unlike the neo-corporatist model, the universalistic welfare state socializes the costs of raising families by transfers to children, the aged, and handicapped and by providing incentives for women to work outside of the home. Labour's role is one of concertation and co-determination, integrally connected to the macroeconomic planning necessary to make the range of full employment policies work. It should be noted that, in the context of economic globalization and the slowdown on the late 80's and early 90's, even Sweden's highly developed welfare and full employment state became somewhat unstuck.

³⁹ Originally called the "Canada Summit" by the Council of Canadians, the name, "Maple Leaf", was later adopted as more appropriate in that the meeting was held simultaneously with the second Shamrock Summit.

⁴⁰ Nancy Riche, opening address, "Post Conference Report", CLC Conference: "Towards a People's Agenda: National Conference on Document #14", December 1-3, 1991,

Skyline Hotel, Ottawa, page 14.

⁴¹ The Working Committee for Social Solidarity, "A Time To Stand Together: A Time for Social Solidarity", Our Times, Toronto, 1988.

⁴² Tony Clarke, "Welcome to the age of coalition politics!", ACN, Dossier, #37, October, 1992, page 3.

⁴³ Peter Bleyer, "Coalitions of Social Movements as Agencies for Social Change: The Action Canada Network" in William K. Carroll (ed.), Organizing Dissent, Garamond Press, Canada, 1992, page 108.

⁴⁴ CLC, "Submission by the Canadian Labour Congress on the North American Free Trade Agreement to Sub-Committee on International Trade of the Standing Committee on External Affairs and International Trade", January, 1993, page 34.

⁴⁵ John Anderson, "Trade, Technology and Unions: The Theory and Practice of Free Trade and Its Implication for Unions", OFL Technology Adjustment Research Programme, June 1993, page 27.

⁴⁶ Private communication with Andrew Jackson, March 15, 1995.

⁴⁷ Private communication with Bob White, April 17, 1995.

⁴⁸ Canadian Perspectives, Autumn 1993.

⁴⁹ Council of Canadians, "The Future Of Canada Is On The Table", fundraising flyer, 1987.

⁵⁰ Ibid.

⁵¹ leaflet, Pro-Canada Network, "Réseau Pro-Canada Network", 1991.

⁵² Our Times, Vol 7/2, March/April 1988, back cover.

⁵³ Unsigned, "Canada's distinctive way of life is endangered", The Facts, CUPE, Vol 9/6, November/December 1987, pages 1-4.

⁵⁴ CUPE, "The Development of Coalition Politics in Canada in Recent Years" (draft), April 1992, page 12.

⁵⁵ Ibid, page 13.

⁵⁶ Ibid, page 13.

⁵⁷ Though the three centrals also belonged to the PCN, the work of opposing the free trade deal within Quebec was handled almost exclusively by CQOLE.

⁵⁸ Action Canada Network, Dossier, #37, October, 1992, page 4.

⁵⁹ CUPE, "The Development of Coalition Politics in Canada in Recent Years, draft, April 1992.

⁶⁰ "Free Trade Bill Tops List of Unfinished Business", Toronto Star, Saturday, October 2, 1988, page A11.

⁶¹ Peter Bakvis, "Free Trade in North America: Divergent Perspectives Between Quebec and English Canada", in The American Review of Canadian Studies, 16, 1993, page 40.

⁶² The Meech Lake Accord was an agreement among the federal and provincial governments worked out by the provincial premiers under the leadership of Prime Minister Mulroney in 1987 at his summer residence at Meech Lake, to remedy Prime Minister Trudeau's failure in 1982 to win Quebec's support and participation in the repatriation of the Canadian constitution, in the Constitution Act. Under the Accord, Quebec asked for and was granted a very moderate set of five demands: recognition as a "distinct society", appointment of senators and Supreme Court judges from lists supplied by the provinces; unanimous consent by all ten provinces before admitting new provinces, unanimous consent before undertaking major Senate reform, and the right to opt out of federal social programs with full alternative funding. The Accord was passed in eight provincial legislatures. It was defeated in New Brunswick and Manitoba. In Manitoba, Elijah Harper, a native person, who was sitting as an NDP MLA, is associated in the media with the defeat of the Meech Lake Accord in that legislature.

⁶³ The three Quebec labour federations also belonged to the Pro-Canada Network.

⁶⁴ Bakvis, op. cit., page 41.

⁶⁵ Ibid, page 43. Interestingly, Canadian voter turnout was higher in 1988 (75.3%) than 1993 (69.6%) as it was in

Ontario (74.6% compared to 67.7%), while the reverse was true in Quebec (75.2 compared to 77.1). These figures seem to reinforce Bakvis' contention that the 1988 election was more important for English Canadians than Québécois. On the other hand, the 1993 election was more important to Quebecers than English Canadians probably because voting for the Bloc Québécois was a form of referendum on the future of Quebec. Statistics from: Chief Electoral Officer of Canada, 35th General Election 1993: Official Voting Results, Ottawa, 1993.

⁶⁶ Phil Resnick, Letters to a Québécois Friend, McGill-Queen's University Press, Montreal and Kingston, 1990, page 112.

⁶⁷ Whitehorn, op. cit., page 221.

⁶⁸ "Only NDP can give families a fair deal, Broadbent says", Toronto Star, Saturday, October 2, 1988, page A1.

⁶⁹ "Free trade deal is a sell-out, Broadbent tells Albertans", Toronto Star, October 4, 1988, page A3.

⁷⁰ Martin Cohn, "The NDP is finally ready to reach for the top", Toronto Star, October 5, 1988, page A3.

⁷¹ Ibid, page A3.

⁷² Private communication with Carla Lipsig-Mummé, June 16, 1995.

⁷³ Private communication with Ed Broadbent, September 20, 1995.

⁷⁴ Judy Steed, Ed Broadbent: The Pursuit of Power, Viking, Markham, 1988, pages 301-303.

⁷⁵ The party also had the former premiers of Manitoba and B.C., Pawley and Barrett respectively; retired Canadian Forces general Leonard Johnston in Kingston; and pianist Anton Kuerti in Toronto.

⁷⁶ CUPE, op. cit., page 3.

⁷⁷ *The New Democratic Party is in the best position to gain voter support because of its reputation for honesty and integrity among the Canadian electorate, according to a poll released today... Thirty-six per cent of voters chose the NDP as the most honest, compared with 18 per*

cent for the Liberals and 14 per cent for the Progressive Conservatives... And six in ten Canadian voters said honesty in government 'will be the single most important factor in deciding which party to support in the upcoming election,' pollster Angus Reid said. Martin Cohn, "Honesty, openness will help the NDP win votes, pollster says", Toronto Star, February 3, 1988, page A1.

⁷⁸ Toronto Star, September 29, 1988, page A1.

⁷⁹ Private communication with Ed Broadbent, September 20, 1995.

⁸⁰ Canadian Labour, Fall 1988, page 25.

⁸¹ Private communication with Ed Broadbent, September 20, 1995.

⁸² Whitehorn, op. cit., page 232.

⁸³ Personal recollection.

⁸⁴ Private communication with Ed Broadbent, September 20, 1995.

⁸⁵ Frank Feigert, Canada Votes 1935-1988, Duke University Press, Durham & London, 1989, page 21;

⁸⁶ Ibid, page 201.

⁸⁷ Whitehorn, op. cit., page 235.

⁸⁸ Frank Feigert, Canada Votes 1935-1988, Duke University Press, Durham and London, 1989, page 21.

⁸⁹ Reg Whitaker, Canadian Forum, March 1989, page 12.

⁹⁰ Our Times, Volume 7, October 88, page 34.

⁹¹ The period coinciding with the first two terms in office of the Liberal Party of Quebec (1960-66) in which there was a clear break from the pro-clerical, anti-statist rule of the Union Nationale party, towards a modernization of all areas of life in Quebec. Some argue that the popular movement which was at the root of the change forced successive governments to carry on the reforms of the Quiet Revolution long past 1966.

⁹² Editorial, Canadian Forum, March 1989, page 12.

⁹³ Interview, April 17, 1995.

⁹⁴ Philip Resnick, op. cit., pages 3-4.

⁹⁵ Resnick, op. cit., page 88. Waffle: a group established in 1969 as a caucus within the New democratic party. Its members' choice of the name was self-consciously ironic. It issued a manifesto for an Independent, Socialist Canada that demanded that Canadian public ownership replace American private ownership; subsequent Waffle statements called for Quebec's right to self-determination and for an independent Canadian labour movement... University professors Mel Watkins and James Laxer were the Waffle's national leaders; in 1971, Laxer was the runner-up to David Lewis for the leadership of the federal NDP. The Waffle was also organized provincially, particularly in Ontario and Saskatchewan. Purged from the Ontario NDP in 1972, it became a separate political group. It disintegrated in 1974, except for a surviving remnant in Saskatchewan. Many of its members slowly drifted back to the NDP. Mel Watkins, The Canadian Encyclopedia, Hurtig Publishers, Edmonton, 1985, page 1915. Latouche was probably not trying to be accurate here. The Pro-Canada Network was definitely not a reconstituted Waffle, though some people, like James Laxer and Mel Watkins, were associated with both.

⁹⁶ Leyton-Brown, "The Political Economy of North American Free Trade" in Richard Stubbs and Geoffrey R.D. Underhill, Political Economy and the Changing World Order, McClelland and Stewart, Toronto, 1994, page 358.

⁹⁷ Private communication with André Leclerc, June 21, 1995.

⁹⁸ 'The fight was never just to save our culture; it was always to save Canada,' Rick Salutin, a noted Canadian playwright in "What Kind of Canada", CUPE, The Facts (On Free Trade), Vol 10/2, Spring 1988, page 8.

Chapter 2. From FTA to NAFTA: the neo-liberal agenda
and the English-Canadian response

2.1. Aftermath of the FTA

In this chapter, we continue by tracing, in detail and right up to 1995, the struggle of unions in English Canada against NAFTA and indeed the whole neo-liberal agenda, of which free trade was termed "the centrepiece." Here it is shown that the national question continued to bedevil the action programs of the CLC and ACN, specifically regarding protectionism against Mexican workers. An overall assessment of the shortcomings of the doomsday strategy is presented as a contributing cause of the current weakness of the federal NDP, as well as the current decline, since the 1993 election, in the level of popular mobilization against the neo-liberal policies of the federal government.

2.1.1. The CLC's "morning after"

Derik Hodgson, CLC Director of Information, began an article in Canadian Labour, entitled "The Morning After" in vivid style:

Out of the shattered hopes and stolen dreams of a general election has emerged a new tough-minded Canadian Labour Congress economic battle plan.

With the smell of corporate betrayal hanging

heavy over the Canadian economic landscape and the business pages suddenly becoming obituaries for jobs, it was clear the labour initiative was needed. ¹

He continued with a quote from CLC President Shirley Carr containing her post-election thrust:

Of course we recognize that the general election had a damaging impact on workers, but it is going to be our job to mitigate workers' losses and stem the corporate attack on the Canada we know and love. ²

What followed then was a description of the CLC's Action Program, combining six different approaches to dealing with the FTA: 1) lobbying the federal government; 2) increased inter-union solidarity including the use of boycotts and hot cargo edicts; 3) development of an effective "Buy Union and Buy Canadian" campaign; 4) closely monitoring and publicizing the effects of the FTA; 5) coalition building; and 6) carrying the fight into the international arena through the International Confederation of Free Trade Unions [ICFTU] and the International Labour Organization [ILO].

In practice, in the months and years leading up to NAFTA, the CLC did follow through on most of these approaches in a significant way. ³

2.1.2. lobbying and monitoring

A new publication of the Canadian Labour Congress called CLC Trade Watch ⁴ came off the presses on February 1, 1989. The front page of its introductory edition

detailed CLC activities in the wake of the unsuccessful attempt to defeat the Conservatives:

CLC President Shirley Carr launched labour's campaign against the negative impact of the Canada-U.S. Free Trade Agreement within days of the Conservative victory Nov. 21. At the same time, she offered an olive branch to Prime Minister Brian Mulroney.

Carr's letter called for a dialogue between the CLC and members of the government, while reminding the Prime Minister that "our opposition to the agreement has not changed."

The CLC agenda includes:

- adjustment programs for workers directly or indirectly affected by the FTA;
- safeguards of social programs and of regional economic development under the FTA;
- an independent agency to monitor the FTA;
- CLC and labour participation in advisory committees on trade, which labour had boycotted prior to the passage of the FTA.

No formal meeting has taken place, but sources indicate government reaction is favourable to including labour in the advisory process.⁵

As it turned out, only the Carr initiative concerning participation on advisory committees elicited any positive response from the federal government. The CLC Trade Watch of July/August 1989 reported the following:

We have been successful in reaching agreement on labour participation on the trade advisory committees. The CLC will have five representatives on the International Trade Advisory Committee [ITAC], and two on each sectoral advisory group [SAGIT].

This is a small but important step in our fightback campaign. Not only are these committees advising the government in the current GATT negotiations, but also on aspects of the free trade agreement which have not yet been negotiated. These include a common subsidies code, common technical

standards, and the expansion of services and government procurement...⁶

That edition also noted that

to protect our social programs, the CLC is urging both Canada and the U.S. to sign a social charter in which the two countries would establish minimum standards on social benefits and labour protections. Such a charter, which exists in the European community, would help to minimize the scope for enhancing competitiveness by reducing the cost of social programs and labour - a practice known as social dumping.⁷

Another research and publicity tool initiated by the CLC at this time was the Jobs Loss Register which listed in detail all factory closings and runaway plants, their locations and numbers of jobs lost in Canada. The difficulty in producing the "Register" was that "the Canadian Labour Congress (had) been denied access to government layoff reports... job losses and production shifts to the United States."⁸ CLC President Shirley Carr was quoted in response saying "that not only are Canadians losing jobs to the United States, but there are signs that the federal government is covering up evidence of job losses."⁹ In response, the CLC, through the Pro-Canada Network, was able to appeal to Canadians to send in plant closure and job loss information to the Register. Activities in this regard were significantly helped by jurisdictions like the Province of Ontario which maintained files on factory closings and production shifts. However, underlying the figures indicating the hundreds of thousands of job losses published in the

Register was the questionable assumption that each and every instance of job loss was attributable to the effects of the FTA. Not until a letter (described below) was written on July 16, 1992, by Bob White to Prime Minister Brian Mulroney does there appear to have been clear consideration given by labour in English Canada to the independent effects of globalization (what is often termed the "rationalization" or "restructuring" of industrial production and, in practical terms, means runaway shops to places like Taiwan, South Korea, Thailand, or Malaysia), high interest rates, the introduction of the GST, the high Canadian dollar, and the beginning of a serious global recession. By 1993, the total listed in the Jobs Loss Register was approximately 450,000 jobs.

At almost the same time that Shirley Carr communicated with the federal government, the OFL was meeting in convention in Toronto. High on the agenda was the question of how to respond to the FTA. In a resolution entitled, "Free Trade And The Struggle Ahead", the Federation noted that "in order to regain the electoral support that subsequently gave him a majority, the Prime Minister made three commitments":

First, he promised the finest re-training, relocation and re-employment programmes anywhere in the industrialized world.

Second, he guaranteed that our social programmes and regional development programmes would neither be cut back, nor would their expansion be

constrained.

Third, he promised an increase in living standards.

We will hold the Prime Minister to these commitments. They are his deal with the people of Canada...

We will hold the Prime Minister and his Conservative majority responsible for every job that is lost through plant closures and downsizing that inevitably will result in this province from their flawed trade deal. {original emphases}

The OFL resolution then made four demands upon the Prime Minister, who "must reverse the policies he put in place during his first four years":

Rather than cutback on federal support for skill re-training the Prime Minister must substantially increase the federal commitment. Workers who lose their jobs through plant closures or downsizing must have access to first class retraining, fully sufficient re-location allowances and full maintenance of earnings during the retraining and job search period.

Rather than rely on employers to carry out re-training, the Prime Minister must ensure that workers (sic) representatives themselves are at least equal partners in the design and implementation of re-training programmes. Only then will Canada's adjustment programmes meet the Prime Minister's own test of being the finest programmes in the industrial world.

Rather than penalize workers who lose their jobs because of his trade deal, the Prime Minister must reverse his government's policy of deducting severance benefits, pension refunds and pension credit transfers from UI entitlements.

And finally, the Prime Minister must disband the business de Grandpre Committee which is currently advising him on adjustment policy. In its place the Prime Minister must establish a committee giving real voice to the workers who will be affected by his trade deal. {original emphases}

The resolution then went on to note that David Peterson, Premier of Ontario, "won his majority by

promising the people of this province that he was best suited to stop a deal that would be bad for Ontario." It complained that "now the Premier is trying to pass the buck. But having failed to fulfil his campaign pledge to stop a bad deal, the premier now has an obligation to move immediately to protect workers from the effects of the deal."

Six demands of the Ontario government followed:

- 1) bring in serious plant closure legislation, as exists in European jurisdictions, requiring companies to justify closure and downsizing decisions or face financial liability obligations for unjustified closures;
- 2) oblige companies closing or downsizing to provide substantially greater notice to workers and to co-operate with government and unions in finding alternative employment for laid off workers;
- 3) oblige companies, but especially those relocating their production, to improve their early retirement and severance benefits;
- 4) establish an insurance fund that would secure workers (sic) claims for back wages, termination notice, pension credits, benefits, and severance pay when a company becomes insolvent;
- 5) substantially increase provincial support for skills development by introducing a levy-grant system as called for by the OFL's 1986 policy paper "lifelong Learning";
- 6) restore and expand public sector employment and, through crown corporations and public investment, embark on a manufacturing job creation programme. These steps will prevent the province from becoming a low-wage economy based on warehouses and the personal service sector.

The OFL then pledged itself, in the resolution, not to suffer the membership losses that "have weakened

(their) brothers and sisters in our jurisdictions" in the coming showdown with corporations eager to take advantage of labour as a result of the FTA. A policy of "no concessions" was included as well as a promise to pressure the Ontario government for no-scab legislation similar to that passed in Quebec by the PQ government.

Finally, the resolution concluded:

During our struggle against Mulroney's trade deal we forged a stronger solidarity within our own ranks as well as building a coalition with other progressive forces in our society. **We shall work to preserve and strengthen that coalition.** We shall turn it into a vehicle that will bring real political power to the ordinary people of this country and this province.¹⁰

The OFL demands fell on deaf ears on the government benches in the Provincial Parliament at Queen's Park in Toronto. However, they were picked up as points of policy by the New Democratic Party which sat, at that time, in opposition in third place status but which, in 1990, became the government. From 1990 to 1995, a number of the OFL demands were turned into legislation.

2.1.3. Coalition-building

Shortly after the OFL convention in Toronto, the Pro-Canada Network also met in an Assembly. According to Tony Clarke, National Chair, it was one of the Network's "truly defining moments":

As the delegates gathered in Ottawa on December 7, 1988, the general mood was one of anger and despair. The election had been fought on our issue

- free trade - and we had lost, even though the majority of Canadians had voted for parties opposed to the deal. But, as group after group shared their reflections at the assembly, it became evident that we had won something else from our struggle: the ability to work together, across diverse sectors.

Before that event, it was highly questionable whether the ACN (then known as the Pro-Canada Network) would continue to exist. It was clear, however, that all of our constituencies would now have to face the harmful effects of the free trade deal. From now on, economic and social policy making in Canada would be driven by a reinvigorated corporate agenda, the centrepiece of which was the FTA. The main consensus arising out of the three day Assembly following the '88 election was that as a national coalition we had a responsibility to stay together and collectively fight the battles that we knew lay ahead... ¹¹

In other words, there was a qualitative change:

We are not talking here about single issue coalitions. We are talking about broad-based coalitions of people's organizations who are committed to changing the economic, social, and political *structures* (original emphasis) of our society. We are talking about the rise of a new kind of vehicle for democratic social change in Canada. ¹²

Over the year 1989 - 90, the Action Canada Network thus developed the following programmatic statement:

The mandate of the PCN is to develop common strategies and actions in three areas:

- a) the ongoing struggle against the free trade deal
- b) the fightback against the broader corporate/conservative agenda of privatization, deregulation, regressive tax reform, and social program cuts
- c) the development of alternative economic and social policies for public discussion. ¹⁸

This qualitative change suited the CLC perfectly.

CLC Executive Vice-President Nancy Riche, specifically

assigned to the task of coalition-building, had the following observation:

There is no question but that coalitions are the wave of the future. When you remember that more Canadians voted against free trade than voted for it, you just know that governments have to start listening when coalitions speak.¹³

The CLC went to great lengths to promote the building of the coalition. First, it provided the greater portion of ACN funding,

The bulk of the money to keep the network functioning has come from labour, with significant contributions from the major churches and the National Action Committee on the Status of Women. The Canadian Labour Congress and most of its major affiliates have agreed to contribute a monthly subscription to cover the basic operating expenses of the national office of the network. This "core" funding has been essential in giving the ACN the opportunity to plan its activities and to develop its monthly publication entitled the Dossier, which is mailed out in bulk to member organizations and coalitions... The ACN is still run on a shoestring, with a budget of less than \$200,000 annually.¹⁴

not to mention funding for special projects as well as the printing costs of a number of ACN publications. Secondly, the Congress worked hard to promote coalition-building. As mentioned, it held a conference in Ottawa from December 1 to 3, 1991 to develop "a people's agenda". Taking their lead from Bob White, many union leaders promoted coalition work. The following is a sampling:

Bob White, CLC: **The strength of Canadian unions** (original emphasis) was always based in the workplace, and that will always remain true. Without such roots, without the direct lesson that collective action matters in the workplaces that so

dominate workers' lives, other union activities will wither and die.

It has also been commonplace to argue that this workplace base must be supplemented with sources of strength outside the workplace - in the local community and at the national (and even the international) level. This latter dimension of union life is, however, taking on new significance as our workplace strength is being weakened by the acceleration of corporate mobility and the pressures of competition. ¹⁵

Larry Brown, NUPGE: For decades, unions and the public have been working together towards common goals in this country. But now, as Canadians continue moving away {my emphasis} from political parties as the principal carriers of political messages, solidarity coalition models have become a critical part of the democratic process overall. ¹⁶

Daryl Bean, PSAC: While I am anything but a supporter of Mulroney and his government, I do credit him with one positive contribution to the development of Canadian society.

The magnitude of the Mulroney government's assault on every imaginable segment of Canadian society, with the exception of big business, has galvanized the country and make solidarity among various interests in our society not only possible but absolutely essential...

Under the coordinating hand of the ACN, PSAC included, invited and secured the participation of popular organizations in rallies and on picket lines... The Canadian Union of Postal Workers, embroiled in a bitter confrontation with Canada Post at the same time, did something similar when it signed solidarity pledges with organizations ranging from students to the unemployed to seniors.

In large measure because of the close working relationship between the unions and our coalition partners, public opinion was resoundingly on the side of the unions. ¹⁷

Thirdly, the union movement seconded some of its staff to the Steering Committee of the ACN, for example, Julie Davis, then Secretary-Treasurer of the Ontario Federation of Labour; the CUPW's Geoff Bickerton; and Peggy Nash of the CAW.

Few in the English-Canadian labour movement realized, however, that the vehicle of coalition-building that they had set in motion would carry (some of) them in an unforeseen direction. As the comment of NUPGE's Larry Brown (above) indicated, there were those in labour prone to substitute the Network for a political party. As we shall see, confusing the extra-parliamentary opposition with the parliamentary opposition was part of the reason for the lack of the direction among the leadership of English-Canadian labour following the 1993 election.

2.1.3.1 the fightback against the "corporate agenda"

"The fightback against the broader corporate-conservative agenda" rejuvenated the Network and resulted in several major country-wide campaigns over the next five years, specifically the fight against the first post-free trade budget (1989), the coalition against the GST (1990), opposition to Mulroney's neo-liberal policies (the "Enough is Enough" campaign of 1991), the fight against NAFTA (1992-93), and "Speaking Out For Social Programs" (1994). According to Randy Robinson, a west-coast writer and former Political Education Coordinator for the ACN,

The Pro-Canada Network bounced back quickly after the 1988 election. In the spring of 1989, the campaign to "Get the Budget Back on Track" blended widespread opposition to federal funding cuts into a spirited counterattack against the first "free trade" budget. And the Network grew. Faced with the

intensity of the Tory attack on their sectors, groups such as OXFAM Canada and Rural Dignity were suddenly *member* groups of the PCN. (original emphasis).

In the next year the Campaign for Fair Taxes, organized jointly with the Canadian Labour Congress (CLC) and the Quebec Coalition Against the GST, gave over two million Canadians a way not only to register their opposition to the hated Goods and Services Tax, but also to demand progressive tax alternatives.¹⁹

The Network also dealt with a number of less far-reaching concerns both on a country-wide basis and also on a regional basis, through its regional affiliates. Country-wide concerns included exactly the type of issue that was described in the CLC's second approach (described above) to the fightback against the FTA: increased union solidarity. Coalition-building helped to muster support for strikes by the Canadian Union of Postal Workers [CUPW] and the Public Service Alliance of Canada [PSAC], as well as opposition to unemployment insurance cutbacks, and to the Gulf War.²⁰ Regional issues included the fight against privatization by Saskatchewan's Conservative government and supporting the concerns of fishers and farmers.

In all of these campaigns, the network employed a variety of tactics, for example, distribution of literature, letter-writing campaigns, and street theatre, but almost always culminating in public protests. These public protests meant boarding trains bound for Ottawa "to get the budget back on track" (1989). The organizing

of the "National Day of Action" on November 10, 1990, against the proposed GST encompassed leafleting shopping malls, canvassing the public to sign CLC-PCN pledge cards promising to become involved in the campaign, and a demonstration in PEI; a "Guy Fawkes" night in Cape Breton including the burning of the prime minister in effigy; a news conference of mayors in Ottawa calling for municipal opposition to the GST; movements in Ontario to recall Conservative MP's; declarations and referenda by municipalities in Saskatchewan, Alberta, and British Columbia that they were "GST-free zones"; organizing groups to pressure returning Conservative MP's at Edmonton's airport; and a demonstration at the GST Administration Centre in Victoria, B.C. ²¹ The "Six Days of Rage" at the Conservative Party convention from August 6-11, 1991, in Toronto included a tent city called Mulroneyville erected by the Ontario Coalition Against Poverty at the base of the CN Tower; a First Nations sunrise ceremony; an all-day motorcade by Truckers for Canada; street theatre in front of the Metro Toronto Convention Centre; poverty dinners; peace vigils; press conferences; letter-writing campaigns; and demonstrations of feminists, farmers, and construction workers. ²²

For the "National Day of Action" on October 26, 1991 against the neo-liberal policies of the Mulroney government, under the theme "Enough is enough!", the CLC

went so far as to provide half of the overall funding. ²³ Just some of the events that day were a mock trial of the prime minister on the Courthouse steps in which he was sentenced to work in a Mexican maquiladora ²⁴; a parade with floats in Edmonton; a march of 2500 in St. John's, Newfoundland; plays and educational events in Saskatchewan; an outdoor concert and rally in Winnipeg; an "Unfair" of 1000 people in Toronto; a caravan of music and theatre that wound through Montreal; and an evening of comedy, music, and speeches in Charlottetown, PEI. Through these mass activities and the practical work of collaborating with so many interest groups, one would have thought that labour could have brought considerable weight to bear on the issue of NAFTA. Such, however, was not to be the case.

2.1.4. The development of alternative economic and social policies

2.1.4.1. the Canadian Centre for Policy Alternatives

One important spinoff of the CLC's fourth approach in its Action Program as well as the Network's third mandate was the creation of a close working relationship with the Canadian Centre for Policy Alternatives [CCPA] which was founded in 1980 by a group of left-wing economists and researchers from trade

unions. According to Ed Finn ²⁵, the CCPA is "basically a think tank for the left, one of the very few in Canada." ²⁶ An excerpt of the CCPA "Statement of Purpose" describes its direction and activities:

The Centre is committed to putting forward research that reflects the concerns of women as well as men, labour as well as business, churches, cooperatives and voluntary agencies as well as governments, minorities and disadvantaged people as well as fortunate individuals...

Members of the CCPA share a *common perspective*: social and economic issues have to do with what is right and wrong in this world; they are not something to be left to the marketplace or for the governments acting alone to decide. Among those policies supported by the Centre are full employment, defined as the right to a full-time job at a full wage for all seeking paid work, and including equal pay for work of equal value and promotion of the right to associate in order to protect and advance conditions of employment; environmental protection and renewal; and a sovereign Canada playing an independent role for common security in the world. The perspective of the CCPA leads it to call on governments to demonstrate active concern for the poor and marginalized in all their activities. ²⁷

Headed for the past several years by Duncan Cameron (who co-edited The OTHER Macdonald Report and has been a key player in the ACN), and located in the same building that houses the Action Canada Network and the Council of Canadians, the CCPA serves the popular organizations which make up the Network in developing "thoughtful alternatives to the limited perspective of business research institutes and many government agencies." ²⁸ Thus, along with the Action-Canada Dossier, the CCPA helped to disseminate a considerable

amount of information concerning the proposed North American Free Trade Agreement and other elements of the "Conservative agenda" on behalf of, and for the use of, the ACN and affiliated labour organizations.

The CCPA's membership (organizational and individual) is composed of trade unions, educational groups, farm and women's organizations. Unions make up four-fifths of the organizational membership and the bulk of CCPA funding.²⁹

2.1.4.2. The Common Frontiers Project

Another spinoff of the work of the ACN's coalition-building in the process of opposing the FTA and NAFTA was the formation in 1988 of the Common Frontiers Project. This project grew out of the need of (the CLC and) the Network in "forging solidarity links...with popular movements especially in Mexico (e.g., Red Mexicana) and the U.S. (e.g., Citizens Trade Campaign, Rainbow Coalition) in our common struggle to defeat NAFTA and develop alternative approaches to continental development and trade."³⁰ In that year, the ACN organized a tour of forty-three people, including syndicalists, to Mexico. From that start grew the Common Frontiers Project.

The day-to-day collaboration of the ACN and these two bodies developed to the point that, in his message

upon retiring as ACN chair, Tony Clarke suggested an organizational link:

In our program activities, the ACN works closely with at least two other bodies, namely, the CCPA and Common Frontiers. All three are supported, for the most part, by the same funding partners. There is a need for more effective coherence and coordination. A working committee should be set-up (sic) to examine whether or not a merger between these two bodies would be desirable and feasible.³¹

In 1995, while Common Frontiers still remains a member organization of the ACN, organizing common actions with coalitions in the U.S., lobbying in Washington, and communicating with coalitions in Chile and Mexico, there is a constant debate within the ACN about whether or not Common Frontiers is really the America's desk of the ACN, ACN International, or an independent group within the ACN: exactly the same groups are represented at the Common Frontiers table at ACN assemblies as at the ACN.

Currently on the Common Frontiers' table is an agenda dealing with regional economic integration in, and a social charter for, the Americas. Its present chair is John Foster, National Secretary of OXFAM Canada. Trade unionists seconded to the Common Frontiers Project include Sheila Katz of the CLC, Nick di Carlo of the CAW, and Judith Marshall of the Steelworkers.

2.1.5. Internal problems with the national question

Before the central issue of an expanded free trade agreement could be tackled, both the Pro-Canada Network and the CLC ran into constitutional problems with the national question within their own ranks.

2.1.5.1. Pro-Canada Network - more than a name change

In an Assembly in Quebec City in June of 1990 right in the middle of the Oka crisis, the Pro-Canada Network found itself in a constitutional crisis of its own. The Quebec delegation, representing about twenty per cent of PCN membership, argued for a new relationship with rest of the Network. Part of the issue was the name, Pro-Canada, which was the appellation used by the "no" forces (following the leadership of Prime Minister Trudeau) opposed to sovereignty-association in the Quebec referendum of 1980. Other more substantive issues were the failure of the PCN to support the Meech Lake Accord and the growing sympathy, in view of the Oka crisis, by some in the English-Canadian section for a tri-national (English, Québécois, aboriginal) approach to national politics.

Probably the most important issue for the English Canadian participants was overcoming prejudices against Quebec. A paper prepared for the April 5, 1991 meeting ³² notes:

Despite coffee shop, meeting room and dinner table gossip to the contrary, the lesson we learned from the from the free trade fight was not that Québec lost us the election and in so doing cost us 'our' country. When held up against our expectations, the electoral results show that, in the final analysis, the election could be said to have been lost in Southern Ontario...³³

Unfortunately the danger remains that the main lesson that will be retained will be the electoral one. And as another election get's (sic) closer, this feeling can only get stronger. Consequently, blaming Québec for the 1988 defeat could become the closest the experience of the free trade fight will come to influencing debate on Canada's future. Many good, 'progressive' people from coast to coast, do, in some measure, blame Québec for the re-election of the Conservative government and its disastrous consequences.

The paper then went on, on the one hand, to endorse Quebec's right to self-determination, but, on the other hand, to disagree with the proposal for special status for the Quebec section within the ACN.

At the Quebec City Assembly, the Québécois delegation proposed, and received approval for, a task force of three members from Quebec, three members from English Canada, plus Chairperson Tony Clarke, to re-draw the organizational relationship between the two sections. There were three options³⁴:

- 1) Make the existing structure work better.
- 2) Give Quebec special status within the network.
- 3) Operate as two distinct organizations under one roof.

In Ottawa, on April 5, 1991, at another Assembly, four years to the day after its founding summit, the PCN changed its name to the Action Canada Network. Surprisingly, the constitutional solution turned out not

to be option #3 but a hybrid (of #2 and #3) which gave weighted representation to the Quebec section: each Quebec member organization was permitted to send six to eight representatives to assemblies while member organizations from the other provinces were allowed only two to three. The Quebec section's representation on the Steering Committee was also increased from one-sixth to one-third. Also, agreement was reached giving Québécois members equal representation on a committee reviewing all slogans, leaflets, and publications in order to avoid embarrassingly bad translations. Tony Clarke observed ³⁵ that "there were two meetings in which the bi-national model was pushed hard to provoke discussion. But it was always the Quebecers (sic) who had reservations. They wanted to participate fully in a pan-Canadian movement."

Writing two and a half years later, Clarke gave the arrangement less than a passing grade:

It is clear that the '90 agreement with Quebec-based groups is not working well. Steps should now be taken to negotiate a new working arrangement based on a bi-national model. A working committee should be set-up (sic) composed of representatives from the ACN and Quebec-based groups to negotiate a new agreement. Similar efforts might also be undertaken with aboriginal organizations. ³⁶

It is probable that differences in strategy towards NAFTA adopted by Quebec unions and those in English Canada, the tri-national approach to constitutional reform which "was not fully adopted by all member organizations" ³⁷, and the failure to agree on

Charlottetown Accord all contributed to the failure of the '90 agreement to work.

2.1.5.2. 1992 CLC Elections - Quebec is snubbed

An incident, which might easily have been avoided but which ended up sparking animosity between Québécois and English-Canadian trade unionists, took place at the CLC convention in Vancouver in 1992. Traditionally, one of the four full-time officers' positions goes to the nominee of the Fédération des travailleurs et travailleuses du Québec (FTQ - Quebec Federation of Labour). His or her election is usually just a formality. That year, the nominee was Guy Cousineau of the Canadian Union of Public Employees (CUPE) from Montreal. However, in 1992, Jean-Claude Parrot, the francophone president of the Canadian Union of Postal Workers decided to run. Since he was a francophone Québécois and quite well-known, he succeeded in garnering a lot of English-Canadian support. Neither Bob White, who was elected that year as President of the Canadian Labour Congress; Judy Darcy, National President of CUPE; nor any other prominent national union leader, intervened on behalf of the official choice of the FTQ. Parrot won. Needless to say, this defeat for the Quebec trade unionists could not have come at a worse time, being so close to the failure of Meech Lake Accord, the

English-only movement in Ontario cities led by the Association for the Preservation of English in Canada (APEC), and the uncharacteristic concern of mainstream English Canadian media over native people, focussed on the problems at Oka.³⁸ Moreover, according to Peter Leibovitch, President of the United Steelworkers (USWA) Local 8782 and a delegate at the convention, Parrot's victory was seen by many Québécois trade unionists as typical of the pattern of English-Canadians putting a Québécois into power, like Chrétien, who is not representative of the Québécois.³⁹

In response, on December 15, 1992, Fernand Daoust, FTQ President, sent a letter to Bob White enclosing a "Report of the Review Committee on Relations Between the QFL and CLC"⁴⁰. The report sets out the problem:

The defeat of the QFL candidate at the CLC convention was rightly interpreted by the (QFL) Executive as a (sic) historic break: in so doing, the delegates from English Canada broke the unofficial (and not statutory) agreement which exists between the CLC and the QFL on the QFL's representation within the permanent leadership of the CLC.

Indeed, for the past twenty-four years, and until last June, the QFL has always had a candidate from Québec elected among the four permanent officers.⁴¹

Since it was founded, the QFL has, in fact, little by little, departed from the traditional role of a provincial federation. Little by little, it has become, at least morally and politically, a central labour body. This is how the media describe it. This is how active union members perceive it. And it is this specific role that the affiliated unions ensure that it plays...

It is simply an affirmation of the special nature of a body which is coping with specific circumstances and challenges. The aim is not to destroy the CLC, but to strengthen its equivalent in Québec. We firmly believe that this strengthening in Québec will benefit all of us in the Canadian labour movement.

What followed in the Report were ten proposals for constitutional change in the relation between the two labour bodies. In response, the CLC did make a number of changes, including the devolution to the FTQ of jurisdictional authority (to arbitrate disputes among unions) and of membership in the International Confederation of Free Trade Unions [ICFTU], all of which Louis Laberge, President of the FTQ from 1964 to 1991, applauded. He called it a relationship of "sovereignty-association with the CLC."⁴² Nonetheless, the incident had served to sour relations between Québécois and English Canadian trade unionists at a very delicate time.

2.2 The growing struggle against NAFTA and the neo-liberal agenda

2.2.1. Agitation for abrogation

The ink was hardly dry on the FTA before the U.S. government began talking of extending the deal to Mexico. For George Bush, NAFTA was part of his "Enterprise For The Americas", a plan for greater hemispheric economic cooperation, or as he sometimes put it, "One America". The Wall Street Journal declared that NAFTA was about

establishing "Fortress North America".⁴³ On February 5, 1991, John Crosbie, Minister for International Trade, announced that Canada would participate fully in the trilateral talks to form a new accord.

Interestingly, once the negotiations commenced on NAFTA, the positions of both the ACN and labour in English Canada changed towards the FTA. For example, before the NAFTA talks began, the OFL had accepted that the possibility of abrogation of the FTA was remote:

The Conservative government has imposed the reality of Free Trade on Canadians. By the next election, we will have been bound to the Agreement for four years, and possibly five. The likelihood of the deal's abrogation in the near future is slim. {original emphasis} To acknowledge these facts is painful. It risks being interpreted as diminishing the effort that thousands of us invested in building that opposition. For this reason, it is important that our members know that our view on the Free Trade Agreement has not changed.⁴⁴

Similarly, the Pro-Canada Network, in its mandate, had committed itself to "the ongoing struggle against the free trade deal" without mentioning abrogation.

However, once the possibility of an enlarged FTA became real, both labour in English Canada and the PCN made abrogation of the free trade agreements a central plank in their platforms. This was not the case in Quebec. There, according to Peter Bakvis, a school of thought developed in all three labour federations that started "from the premise that economic integration was taking place between North American countries and would

continue to take place whether there was a NAFTA or not." Consequently, the Coalition québécoise sur les négociations trilaterales [CQNT], the new Québécois syndicalist coalition formed in April 1991, "gave itself the mandate of elaborating and promoting an alternative model of integration in which formal agreements between participating countries would enforce basic legislated standards and guarantees, rather than aiming purely at dismantling barriers to the free flow of market forces."⁴⁵ In other words, the Quebec union centrals accepted the fact that regional economic integration was inevitable and tried, through international union and coalition solidarity, to influence the nature of the trade agreements. As we shall see in Chapter 4, the Québécois strategy led its union centrals in a different direction from those of English Canada.

One of the first articles taking the abrogationist tack in the Pro-Canada Network was an analytical piece written by John Dillon, an economic researcher with the Ecumenical Coalition for Economic Justice. In describing the background to the talks, he noted that "for a time it appeared doubtful whether Canada would be invited to participate in the U.S. talks with Mexico. Then it was reported that 'Prime Minister Mulroney's unquestioning support of the United States in the Persian Gulf... removed political roadblocks to Canada's involvement in

trilateral negotiations.'" ⁴⁶

Dillon described the U.S. motives for wanting an expedited and expanded deal:

For Bush, renewed "fast track" authority is essential for keeping alive both the floundering multilateral talks under GATT and the broader "Enterprise for the Americas Initiative" aimed at recolonizing Latin America...

Important elements of Bush's new economic order were first pioneered in the Canada-U.S. Free Trade Agreement (FTA). For example, the investment and services codes of the FTA prevent future governments from interfering with the operations of transnational corporations (TNCs). Bush's goal is to restrict the ability of sovereign countries to set rules governing foreign investment, finance, culture, patents, services, agriculture and regional development.

Extending the principles of the FTA to Mexico is crucial to Bush's overall strategy.

U.S. government studies confirm that the actual trade effects of an agreement with Mexico will be minimal. The real aims are to secure access to Mexico's petroleum and establish permanent investment and service codes favourable to TNCs.

Trilateral negotiations with Mexico will primarily serve those U.S. and Canadian corporations that want guaranteed access to cheap Mexican labour in order to restore profit margins and to regain competitiveness with European and Japanese rivals. The threat of relocating production to Mexico, where assembly line workers earn only about sixty cents an hour, is already being used against U.S. and Canadian workers.

He concluded with a call for cancellation of the deal:

Trilateral negotiations based on the Bush agenda can only make a bad deal worse - for Canadians and for Mexicans. The only "winners" would be transnational corporations and the wealthy elites in all three countries.

The alternative is not to seek minor revisions to the Bush agenda. Real alternatives must start with the abrogation of the FTA, cancellation of Mexico's foreign debt and respect for the sovereign right of each nation to pursue its own path to development. ⁴⁸

Once the CLC met in convention in 1992, it also took a strong stand for abrogation. In a preparatory document, the Congress noted that Canadian participation in the talks was largely "irrelevant"⁴⁹:

Canada is not really in a position to appreciably shape the NAFTA process which is driven by the changing relationship between the U.S. and Mexico... Even official spokespersons concede that the major Canadian objective in the talks is to preserve the "gains" of the FTA, and to resist demands for further concessions...

The most widely stated reason for participation in the talks is the "hub and spoke" argument. If Canada stayed out of a NAFTA, the argument goes, companies would not locate investment or production in Canada because they would not have free and unrestricted access to the Mexican market. Companies would invest in the U.S. rather than in Canada so as to have free access to all three markets...

The Mexican market is of minimal importance to Canadian business, with exports to that country amounting to well under 3% of the total value of Canadian exports... They are significantly outweighed by Mexican exports to Canada. In fact, in 1991 total Canadian exports to Mexico are projected to be just \$366 million, compared to Canadian imports from Mexico of \$2.4 billion.

In a letter to the Prime Minister shortly after winning the office of CLC President, Bob White began:

I am writing to strongly urge that Canada withdraw from the current negotiations to conclude a North American Free Trade Agreement (NAFTA). I do so for both substantive and procedural reasons.

It is clear that the proposed NAFTA would replace, consolidate and further entrench the existing Canada - U.S. Free trade Agreement (FTA). As such, it would inflict further damage upon the Canadian economy and lead to intensified pressures to lower Canadian labour and social standards. Even more importantly, it would further tie the hands of Canadian governments in terms of dealing with our pressing economic and social problems.

The CLC President then went on in the same letter to

describe the effects of the FTA on labour,

Since the FTA came into effect, we have lost almost 350,000 or more than 1 in 6 jobs in the resource based and secondary manufacturing sector. The crisis of this sector - which is the most directly exposed to competition with the US - is the single most important reason why more than 1.6 million Canadians, 11.6% of the labour force, are currently unemployed.

The CLC has long argued that the FTA has been a significant, independent cause of the current economic crisis (though the overvalued dollar, the introduction of the GST, and the US recession have also played a role). Massive job losses in manufacturing began well before the economy as a whole entered into recession, driven by the decisions of literally hundreds of companies to relocate production and jobs to US facilities. The scale of plant closures over the past 3 years has had no precedent in the period since the Great Depression.

and its lack of effect in defending Canada from U.S. protectionism:

It should be noted that the binational panels - the alleged gain of the agreement - give us no greater security of access than the dispute resolution procedures available to us under the GATT. Indeed the mandate of these panels precludes examination of whether US trade laws violate GATT rules, and is limited to the very narrow issue of whether US trade law was fairly applied.

White also projected further job losses to Mexico, where "North American-owned industries... are quite capable of achieving high productivity levels, while still reaping the benefits of very low wages":

The central purpose of the NAFTA from the point of view of the US and transnational corporations is to "lock in" the liberalization of the Mexican economy imposed by the IMF and the undemocratic Salinas regime, and to restrict the ability of future Mexican governments to regulate trade and investment in the interests of Mexican economic development. The result of a NAFTA would be a

further significant shift of US - and some Canadian - manufacturing investment to Mexico, to take advantage of very low Mexican wages, and non existent (sic) or weakly enforced labour, social and environmental standards.

To conclude the letter to the Prime Minister, the CLC President stated that he opposed NAFTA because "it is the wrong trade and development model for the hemisphere as a whole", which, "once concluded (would) be broadened to bring about hemispheric integration on the model of the "Enterprise of the Americas" initiative." He found it "absolutely unacceptable that countries are being forced into these kind of one sided trade deals because western governments have failed to lift the crushing burden of international debt." And he summed up by noting that not only was the model wrong "because it sacrifices the sovereignty of governments to so called (sic) market freedoms, which in reality amount to the freedom of transnational corporations to operate just as they please" but also because "there has been no meaningful opportunity for public participation in the drafting of what has been called 'a new economic constitution for North America', and no meaningful public debate." ⁵⁰

Needless to say, the Prime Minister and his government ignored labour's objections and concluded the draft treaty on August 12, 1992. The leaders of the three countries, George Bush, Brian Mulroney, and Carlos

Salinas, signed the treaty on December 17 of that year. The following is the Canadian Forum account of the proceedings: ⁵¹

Seven tri-national government meetings were held behind closed doors to concoct the North American Free Trade Agreement. Action Canada Network representatives were at every meeting, holding press conferences on the implications of NAFTA.

On December 17, 1992, leaders and members of some of the ACN national groups went to Parliament Hill to disrupt the official signing of the agreement by Brian Mulroney. (It was the third, official, media event signing of NAFTA.) ACN Chair Tony Clarke, Maude Barlow of the Council of Canadians, Judy Darcy of the Canadian Union of Public Employees, Jean-Claude Parrot of the Canadian Labour Congress and Steve Shallhorn of Greenpeace rose in turn to voice their opposition to the deal and were thrown out of the signing ceremony. At the same event an ACN activist crept up behind Mulroney and unfurled the American flag providing a suitable backdrop for the media event.

However, George Bush was by that date a lame duck president. The president-elect, Bill Clinton, who had been a critic of the deal, insisted upon labour and environmental side deals. Regrettably for labour and environmentalists, the side deals had no teeth:

... the three governments have committed themselves only to enforcing their own laws and to setting up cumbersome bureaucratic machinery, well removed from democratic popular accountability, to make themselves do that. Even within the two areas in question, the range of laws subject to enforcement is constrained; on labour standards, the rights excluded include such fundamental matters as the right to free and independent unions (independent, that is, of the state, which is clearly not the case in Mexico) and the right to bargain collectively (a right which is severely abridged in the right-to-work states of the American South). For Canada, the side deals automatically apply to labour and

environmental laws under federal jurisdiction, but in fact these matters fall substantially under provincial purview. There they will apply only if enough provinces ratify them and that seems unlikely...

There is a profound paradox here that makes NAFTA unacceptable with or without the side deals that are on offer. NAFTA could only make sense as part of a much larger arrangement that took the powers national governments are losing to the companies and gave them to a higher government that was directly accountable to a newly constituted North American public. But there is no real constituency in North America for such a transnational structure, and it is not the project presently of the governments or the corporations or the people.⁵²

For all of the above reasons then, the Canadian Labour Congress, the Action Canada Network, and all their allies in English Canada found themselves in a solidly rejectionist bloc against the proposed continental free trade deal. Their position was slightly nuanced by calls for "managed" or "fair" trade embodying a social dimension, development initiatives for less developed countries, and liberalization of trade under GATT rules. Still, it was the abrogation of the FTA and NAFTA they were after. As in 1987, a strategy was developed to try to force an election on the agreement before it could be instituted in practice. But before the coalition-building machinery could get into gear to drive towards that goal, the national question was again placed squarely in the path of every kind of political activity in Canada - in the form of a referendum on the future constitutional status of Quebec.

2.2.2. The Charlottetown Accord

Bob White, the newly elected CLC president, was chomping at the bit to "Dump the Mulroney Tories!". However, in regard to the Charlottetown Accord, which many recognized at the time as perhaps the last chance to keep Quebec within Canada, he was on the same "Yes" side as the prime minister. In the CLC Today, he explained:

Quite frankly, most of us would rather be dealing with the real economic problems facing us - unemployment, a terrible trade agreement, a continuing attack on public services, and the necessity to turn the page and get rid of governments which have, by listening to their corporate friends, gotten us into this mess.

But before we can concentrate on that, we must deal with the constitution and decide "should working people participate on Oct. 26 and how would I recommend they vote?"

I encourage all working people to answer both of those questions with a "yes". Yes to participating in the vote and yes to support the constitutional framework. I say this on behalf of the executive council of the CLC, which includes the 22 largest affiliates, all the provincial and territorial federations of labour, and the affirmative action and visible minority representatives...

Thanks to the involvement of labour, joint action groups, NDP premiers and others, that (Conservative and corporate) agenda got pushed aside and replaced with an accord that includes the principles of a social union, including medicare, social services, the right to decent education, and the right to organize and bargain collectively.

But of course, we also supported the aspirations of the aboriginal peoples in their desire to finally entrench the right to self-government in the Constitution...

I... urge our members to participate and vote "yes" on Oct. 26. ⁵³

The October issue of CLC Today also contained a further incentive from NDP leader Audrey McLaughlin for

workers to vote for the Accord: "For the first time ever, governments have committed themselves to pursuing the goal of full employment and this is no minor achievement in this era of neo-Conservatism." ⁵⁴

Since the stakes were very high for labour, if the CLC could have been faulted at all, it would have been because it didn't allocate enough resources for the fight. Union staffers were seconded to the campaign. Phone banks were established and local membership lists supplied in order to telephone union members in support of the "yes" side. Even "YES!" lawn signs were prepared and distributed. However, as White indicated ⁵⁵,

The CLC does not intend to spend large amounts of money in the referendum because, following Oct. 26, we intend to build our action campaign around the issues that were set out by CLC delegates to the last convention: free Trade (sic), public services, health care, unemployment and an alternative program, including an economic and social agenda, all designed to get Canada working again.

In retrospect, one might argue it would have been smarter for the CLC "to spend large sums of money" because, had the Accord succeeded, it would have been far easier for labour to achieve the goals set out above by White. White's goals listed above were definitely neither achieved by following through on his rejectionist approach to NAFTA nor in his alliance with the ACN. Even though the CLC clearly did not throw all of its considerable weight into the referendum campaign, White commented afterwards that "the hurtful referendum

campaign sapped everyone's energies." ⁵⁶ As in the October 92 article of CLC Today above, the tone of this article suggests that constitutional matters were an arena into which Bob White only grudgingly entered.

For its part, the Action Canada Network was gridlocked on the question of support for the Accord. Because of a very narrow, sectarian outlook on the Accord due to its references (or lack of them) regarding women's issues, the National Action Committee on the Status Of Women [NAC], and particularly its chair, Judy Rebick, led the opposition to the Accord in the ACN. NAC, which itself is a coalition of about 400 women's groups, was one of the largest and most influential member organizations within the Network (and was a founding member organization of its predecessor, the Pro-Canada Network). Its size and prestige gave the (mis-)direction that prevented the Network from being able to reach a consensus in support of the Charlottetown Accord.

Both Audrey McLaughlin, who had very impressive credentials as a feminist, and Bob White condemned the NAC approach:

Q: But what about the concerns of the women's movement?

A: Bob White: It is clear we have a disagreement with some in the women's movement on what this Constitution does and does not do. The CLC executive council, including a number of active feminists, have concluded that nothing in this accord weakens or harms the existing equality provisions. In addition, several provinces have

committed to gender equality in the newly-elected Senate.

Audrey McLaughlin: If I believed this was a step backward for women I would not be supporting it. The courts are told two times (in the proposed new accord) that gender equality is important. The inclusion of a commitment to gender equality in the Canada clause can be seen as an affirmation rather than a dilution of (the) Charter...⁵⁷

Labour's energies were being spread too thinly. Unlike the ACN, labour had participated in the process to achieve the Charlottetown Accord and was obliged to make good on its commitment to see the referendum succeed. Yet, instead of concentrating on the referendum, the CLC collaborated with the ACN in organizing two large anti-free trade rallies staged on October 21, 1992 (just five days before the referendum vote), one in Vancouver and another in Toronto. The rally in Toronto was organized by the Ontario Federation of Labour and groups associated with the Action Canada Network. The other in Vancouver, which attracted 1000 people was addressed by Audrey McLaughlin; Jesse Jackson, head of the Rainbow Coalition of the U.S.; and Dick Martin, CLC Secretary-Treasurer.

As events turned out, voters in English Canada generally turned down the constitutional proposals because they felt it gave Quebec "too much", while voters in Quebec turned them down because they felt it gave them "too little." In retrospect it is evident that an opportunity had been missed by the entire country finally to close the book on the on-going constitutional crisis,

while, for labour and popular coalitions, a whole new social chapter was never opened.

Once again, labour was not served by its coalition-building efforts. Its coalition partners in the ACN would have benefitted immensely from the social union provisions of the Accord because those provisions would have smoothed the way for the realization of their "People's Agenda." This is not to say that the principle of coalition-building is misguided. Quite the contrary, as White pointed out in the Dossier ⁵⁸;

Coalitions are not just a broadening of links. They are also about a broadening of how workers view their lives. Workers are not just "workers". They live in communities, are concerned about the environment, disarmament, what happens to Canadian culture, the constitution. So coalitions with "non-labour" groups may really be an expression of those *other dimensions of workers' lives*. {original emphasis}... In other words, building bridges with other coalition groups is often just one particular dimension of overcoming the fragmentation of the working class across various lines.

The problem was that the coalition, created in part and financed mainly by labour, was both led by openly bourgeois nationalists, as in the Council of Canadians, and misled by narrow, sectarian individuals like Rebick, for whom nothing was ever good enough. The ACN's Charlottetown misadventure was another argument for English Canadian labour to have tighter ideological control, as appears to be the case with Quebec labour, over popular coalitions it creates.

2.2.3 The Pre-Election Campaign

The NDP's pre-election campaign swung into action in the fall of 1992. This time, not only were the CLC and ACN campaigns characterized by a doomsday approach to free trade, but so was that of the NDP:

NAFTA... will result in Canadians forever {my emphasis} being the "hewers of wood and drawers of water" in North America. ⁵⁹

And, once again, the massive mobilizations carried out by labour and the ACN failed to materialize as NDP votes in the ballot boxes on election day, October 25, 1993.

It did not start out that way though. The NDP held forums from coast to coast on NAFTA in the months of November and December 1992 on the theme enunciated by Joy Langan, the NDP's labour critic, which was, "Free trade and NAFTA: Disaster for working Canadians":

The NDP remains fully committed to replacing the Canada-U.S. free trade deal agreement and will work to stop this latest scheme (NAFTA). The Liberals continue to be confused on tough issues like free trade. Even though they said they opposed free trade with the United States during the last federal election, they now say they would re-negotiate rather than abrogate the deal. Jean Chrétien and the Liberal Party - just like Brian Mulroney and the Tories - will say anything to get elected but have already caved in to the interests of the rich, the powerful and the big corporations.

We need a government that will pay more attention to creating decent, secure jobs for Canadian workers. There is a choice. Audrey McLaughlin and Canada's New Democrats are offering a new kind of leadership to Canadians by leading the fight against unfair trade deals. ⁶⁰

Forums of respectable size were held in Halifax, Montreal, Hamilton, Winnipeg, and Vancouver.

Moreover, with a policy commitment clearly to cancel the free trade deals, the NDP was poised to take much more advantage of CLC and ACN support in 1993 than in 1988. For example, the NDP figured prominently in the pre-election strategy at ACN headquarters. Writing in the pre-election period, Tony Clarke observed:

The shift to a more strategic focus on electoral politics calls for closer working relationships with political parties who are in tune with the ACN agenda. The NDP is the only political party that has taken a clear position on abrogation of the FTA and NAFTA (the Liberals favour renegotiation of the FTA, which is unacceptable). The NDP's economic and social policy program appears to be similar to positions adopted by the ACN and most of its member organizations. As the 1993 federal election approaches, steps must be taken to encourage the NDP to give more dynamic leadership on these issues. Efforts should be made to organize consultations with the NDP related to campaign issues, policies and strategies. At the same time, given the realities of coalition politics and the prospect of a minority government, measures must be taken to test whether other parties, or factions of parties, are prepared to support the movement for an alternative democratic agenda.

While he focused attention on the policies of the NDP, Clarke also warned, in the same article, of the danger of "a right-wing minority or coalition government committed to the task of carrying out the corporate free trade agenda" and called instead for the election of "a progressive minority government with a mandate to... institute an alternative, people's agenda." Clarke's call for a "progressive minority government" is a clear indication that, from his point of view, ACN electoral

support could be divided between the Liberals and the NDP. ⁶¹

The CLC campaign began as planned in November with the distribution of the background paper for the CLC Action Program, "Let's Make Canada Work for People." There were four key points:

1) The Free Trade Agreement has had extremely damaging impacts upon our economy and society. Canadians now understand what so called (sic) "free trade" is all about, and reject more of the same through NAFTA.

2) NAFTA will make the FTA even worse. Its provisions tie the hands of Canadian governments even more closely when it comes to intervening in the economy to make it work in our interests. And the addition of Mexico within this kind of integration agreement will lower the competitive threshold in North America, with enormously damaging consequences for Canadian workers and communities.

3) We must reject NAFTA and the existing FTA if we are to get on with the job of rebuilding our economy through active industrial and managed trade policies. We must reject the FTA and NAFTA model if we are to move in a different direction.

4) Our opposition to NAFTA is not inward looking. We have a positive alternative vision of international co-operation and development. ⁶²

These four points found their way as well into the CLC Submission to the federal government's Standing Committee on External Affairs and International Trade in January, 1993, amplified by a wealth of statistics and supporting information from the CLC's Research Department. However, the document brought forward two new facets of free trade. First, it showed that there were not only losers but also winners among Canadian industries under the FTA: "the trade balance with the US

has improved in auto and in 3 of the 4 main "high technology" sectors - mechanical machinery and equipment, electrical machinery and equipment, and aerospace, while our trade deficit in precision equipment has increased. The relation of exports to imports and the trade balance have improved significantly in two sectors - aerospace and electrical machinery and equipment, though we continue to run a very large trade deficit in the former." ⁶³ Secondly, while it argued that Canada should "withdraw from the Canada - US Free Trade Agreement on six months (sic) notice as provided for in Article 2106 of the agreement", the CLC also indicated that "some important lessons (could) be learned from the European Community [EC]": ⁶⁴

First, market integration in the EC has been accomplished, at least to some degree, by a transfer of resources to weaker countries. While countries like Spain and Portugal have benefitted from EC regional programs there has been no talk of assistance to Mexico in the NAFTA context. Indeed, Mexico still desperately needs relief from the crushing burden of international debt which has forced the turn to low wage based manufacturing for export.

Second, the EC has recognized, again to some degree, that the creation of a common economic space also requires some common rules and standards in terms of labour and social standards. The Social Charter is by no means all that was desired by the European trade unions, but at least the agenda of economic integration was broadened, and labour and other groups have helped shaped (sic) the nature of integration. In NAFTA, there has been a consistent refusal to give even lip service to the profound issues raised by the huge gap between labour, social and environmental standards among the three countries. Nor has there been any real pressure on

Mexico to respect even fundamental democratic and human rights.

Third, the EC has, again to some degree, seen the need to manage trade and industrial development rather than leave everything to the market. The Community respects the right of member countries to implement some forms of industrial policy, including the provision of support to industry for worker training, innovation, research and development, and for purposes of regional economic development. Some EC wide (sic) industrial policies have also been implemented, such as co operative (sic) aerospace and information technology. And the EC manages trade between the EC and the rest of the world in a number of key industries, such as the auto sector and computers.

The pre-election cooperation between the NDP and English Canadian labour was at its zenith in early 1993. In the spring of that year, the Ontario NDP government got into the act of influencing the federal election by establishing a cabinet committee to study NAFTA. Labour organizations took the opportunity to press their cases in the public glare that sometimes accompanied hearings of the committee. Interestingly, the CLC urged the Ontario government to sabotage the free trade agreements: "In our view, the Government of Ontario could help build support for an alternative to the FTA by challenging the constraints of the agreement in a positive way, that is by undertaking actions which violate the letter or spirit of the FTA and NAFTA but which clearly lead to benefits for Ontarions."⁶⁵ One area suggested by the CLC was placing limits on the exports of relatively unprocessed resources.

The Ontario Public Service Employee Union [OPSEU]

likewise presented a brief to the Cabinet Committee calling for abrogation of the FTA and establishing "mutually beneficial links with the developing countries of Central and South America, and the Caribbean." It also called upon the Ontario government to "pass laws that make it clear that Ontario will not be bound by an unfair treaty negotiated by the Mulroney, Bush, and Salinas governments without provincial consent. Ontario could challenge the undermining of its constitutional authority to act in the interests of citizens by:

- adopting legislation which restricts private, profit-making inroads into health services ;
- adopting legislation which restricts procurement of goods and services for hospitals and other institutions to Ontario and Canadian companies only.

This would not only take on NAFTA, but also preserve and create jobs."

Finally, OPSEU suggested that the "Ontario government should ask the (NDP) governments of British Columbia and Saskatchewan to join Ontario to make it clear that we are in opposition to NAFTA and the FTA. ⁶⁶

The ACN pre-election campaign started in alliance with the CLC in mid-April, 1993, with the "Cross Canada Caravan Tour", which consisted of two large motor homes each containing a mobile, anti-free trade display visiting community after community, where events were planned, on their way to Ottawa. The western caravan began its tour on April 16 in Courtenay, British Columbia, driven by Art Kube, former President of the

British Columbia Federation of Labour and head of the massive coalition in 1983 against Bennett's Social Credit government. He described the five week tour as "a high".

⁶⁷ The eastern one began on April 24 in Trepassy, Newfoundland. The two road campaigns were to converge in Ottawa on May 15, carrying messages from the visited communities to what was billed as "the biggest day of protest since the October 2, 1991, rally of (20,000) striking federal public service workers." ⁶⁸

According to Tony Clarke, the protest was organized because "people want mass action events to stop or delay NAFTA and to get more people working to make ending both trade deals an important election issue." ⁶⁹

2.2.4. The May 15th Rally

Despite the huge turnout, estimated by Bob White to be close to 100,000 people, the May 15, 1993, rally on Parliament Hill set the tone for what was to be the main problem of the CLC/ACN campaign: the failure of labour and its coalition partners to get behind the only political party which shared its program, namely, the NDP.

The protesters chanted "NAFTA, NAFTA, we don't hafta!" and carried placards proclaiming, "Stop NAFTA Before It Stops Us!", "UI Changes Destroy Lives!", and "No Money? No Helicopters!" ⁷⁰, among other slogans.

Organizers erected "'a level playing field cemetery', a memorial to 'the victims of the Tory corporate agenda. At the entrance, a stuffed beaver costume lay in an open casket. Mourners filed by and then moved on to inspect scores of tombstones, each of which represents a business that organizers say closed or reduced its work force as a result of free trade with the United States." ⁷¹

The CLC spent a quarter of a million dollars on the event hiring 500 buses and several trains to bring demonstrators to Ottawa. During the speeches, Bob White declared, "The rally marks the beginning of a major labour push to get the Conservative government out of office in the election later this year," ⁷² and "We're here to say, 'Goodbye, Brian, goodbye!'" ⁷³

However, the rally happened to take place in the midst of the tense negotiations between the Ontario NDP government and its public sector unions over the Social Contract, which amounted to a clawback of wages and benefits. As a result, the attitude of unions like the Canadian Union of Public Employees, the Ontario Public Service Employees Union, and the Ontario Secondary School Teachers Federation was especially hostile to the New Democratic Party. And their members on Parliament Hill that day were none too fussy about differentiating between the party's federal and provincial wings:

Many who attended the demonstration had harsh words for Ontario's NDP government, saying it should

abandon its efforts to slash the deficit and instead focus on creating jobs. ⁷⁴

The CLC President also took part in the criticism:

White took a swipe at Ontario's NDP Premier Bob Rae for cutting the deficit at the expense of public service jobs. "I say shame on that," White said. ⁷⁵

There were even hawkers doing a good business selling two kinds of bumper stickers. One said, "Don't blame me! I didn't vote PC." The other said, "Don't blame me! I didn't vote NDP."

Audrey McLaughlin was not on the speaker's podium at the rally even though she was the only major political party leader ready to promise that she would tear up the NAFTA agreement if elected. In a recent interview, she explains why:

We were not invited to be a speaker. This occasioned a number of discussions with the Executive of the CLC... We were very concerned because here was a rally not just about the trade deal specifically but also about health care and all the issues we held in common with the labour movement. We were very concerned about this.

That rally included a number of NGO's. It was co-sponsored by the Action Canada Network. So it was felt (by them) that they wouldn't have any politicians speak and that, if we spoke, then the BQ would want to speak. My response to that was "Fine, let everyone state their position."

So, no, ⁷⁶ (the rally) was not a very happy circumstance.

Gord Wilson, OFL President, tried to start a grass roots movement during the rally to have the NDP national leader address the crowd but this effort was squelched by the those controlling the microphone. He also tried to start a chant in support of the NDP. This

attempt was likewise quelled.

McLaughlin describes the events thus:

I marched with Bob White...I think a number of people tried to have me speak, the UFCW, Gord (Wilson)... I know Steel wanted me to speak. They lost and we lost. At Executive meetings, these groups (had) made a strong plea that the NDP should be represented as one of the featured speakers. But we didn't win the day. ⁷⁷

According to Ed Finn, because of popular revulsion of the Conservatives and distrust of the Liberals, "the federal NDP was in an advantageous position in respect to the fall elections. It was the spillover from the Ontario NDP that hurt the federal position." ⁷⁸

Maude Barlow, Council of Canadian chair, was allowed to speak, however. She said, "Canadians deserve a government that listens to its people... not a government that calls people its enemies." ⁷⁹

There were two separate weaknesses demonstrated by the actions of the ACN and CLC leadership at the Ottawa rally that prevented them from taking advantage of the common political program they shared with the NDP. The first, was the failure of the ACN to accept the need to support a political formation in order to have its program adopted. Says Audrey McLaughlin:

After the election, I met with people like Tony Clarke and Maude Barlow about the relationship of coalitions and NGO's to political parties. They have to come to grips with the whole issue of you-advocate-an- agenda-but-you're-not-prepared-to-support-those-people-who-might-put-it-into-play.

It's a conflict for them.

I've been a part of many NGO's, so I understand where they're coming from. They want to build their own base. So, if they're only aligned with one political party, they don't build their own base. The very nature of coalitions and NGO's is that you want to build a broad base for the coalition and not be seen as linked to one political party. The dilemma comes when you can advocate all you want, but who's going to implement it if you abandon the political field? I think that some of them might have seen that (following the election) in the Liberals' agenda. ⁸⁰

The second weakness, that of the CLC leadership, was a short-sighted approach to politics. In the case of the May 15th rally, leadership was abdicated to the spontaneous outburst of indignation among Ontario public sector unions against the Ontario NDP government's Social Contract. (Note that all of those listed by McLaughlin as attempting to cause a groundswell of support for her speak at the rally were from private sector unions.) It is important to recognize that the Ontario NDP government had a very respectable track record in terms of labour legislation and other legislation favourable to the interests of working people. These included Bill 40, the new labour legislation which banned strikebreakers and made it easier to organize unions; protection for workers in cases of layoffs and plant closures; rescuing of failing enterprises, like Algoma Steel, and their resurrection with provincial capital as worker cooperatives; the highest minimum wage in North America; rent controls; the biggest social housing program in the

hemisphere; rent controls; extension of pay equity; employment equity ⁸¹; and Jobs Ontario, a massive retraining project. Most of these pieces of legislation and programs were specifically those called for by the OFL at its 32nd Annual Convention, Nov. 28 - Dec 1, 1988 in the Composite Resolution No. 1, "Free Trade And The Struggle Ahead", which was described in detail earlier in this chapter, and at other conventions of the Federation over the years.

Peter Leibovitch, a Steelworker and member of the OFL Executive, makes the point (in Chapter 4) that unions are not inherently progressive organizations and, indeed, can make demands which are in their own immediate interests but which might be inimical to the interests of other unions and workers or in the long run. That is why, he says, that proper leadership, which keeps its eyes focussed on the needs of the entire labour movement (internationally) is essential.

On May 15, 1993, labour leaders were not prepared to differentiate between a grievance against a specific policy of a social-democratic government, on the one hand, and labour's traditional support for social democracy on the other. With the benefit of 20/20 hindsight, let us speculate for a moment on what might have transpired if Bob White, as CLC President, had taken a different course of action that day. Had he not only

sympathized with the indignation of Ontario public sector workers (as he did) but also reminded them that theirs was a particular problem with their employer, he would have given some much-needed leadership to the Ontario labour movement. He might have gone on to differentiate the provincial NDP from the federal party and asked workers to do the same when it came to working and voting in the 1993 election to get rid of the neo-liberal agenda of both federal Liberals and Conservatives. In this way, he might have headed off a major cause of the NDP's loss of working class support during that campaign.

Canadian syndicalist leaders do not live in a vacuum. They read international trade union materials, belong to international federations, and travel to international conferences. Therefore, they know that social-democratic governments in Europe, for instance, have sometimes resorted, during economic crises, of limiting or reducing public sector wages in return for guarantees of job security, increased social rights (better access to social programs), or structural power for unions. After all, social democracy is not revolutionary. It seeks, by definition, to make capitalism work better for working people through compromises between business and labour.⁸²

Yet, Audrey McLaughlin indicates that wherever she went to campaign in Canada in 1993, and not just

Ontario, she heard about the Social Contract. She met with Ontario NDP Premier Bob Rae on several occasions but resisted the pressure to denounce him or his government. Under her leadership, "the gist of what was said by the party's federal executive was that it was unacceptable for a government to break contracts with its public sector workers."⁸³ However, one of her caucus' leading lights, Steven Langdon, MP from Windsor, Ontario, broke ranks to attack Bob Rae and the Social Contract. Interestingly, he was defeated in the 1993 election. Ms. McLaughlin kept her seat.

The end result of this weakness of syndicalist leadership over the question of Ontario's Social Contract was not only to damage the NDP's federal election effort in 1993 but also the NDP's provincial election effort in June, 1995.

McLaughlin is rather blunt about it: "To those people in Ontario who objected to their twelve Rae Days, I hope they love their 365 Mike Harris Days."⁸⁴

In Quebec, McLaughlin was faced with another problem: the growing attachment of the Quebec union centrals to the Bloc québécois. She recalls that, though there were Quebec trade unionists who filled some of the party's top leadership positions during that campaign, there was a different dynamic in that province:

As opposed to 1988, the CLC had a different kind of (constitutional) relationship with the Quebec

labour movement. It was a change in the labour movement that had nothing to do with us. The dynamic was different in Quebec. You saw in 1993 that already the labour unions in Quebec were coming out in support of separation. And so their interest in us was, quite frankly, considerably lower... In Quebec, there was (also) much more support for the trade agreement.⁸⁵

The electoral result of the May 15 episode (and a similar incident later in the campaign, described below, at the Peace Bridge in Fort Erie); that is, the ACN's failure to endorse the NDP and the reluctance of the CLC to tackle the tough issue of Ontario's Social Contract head on, was that English Canadian labour minimized its chances its chances to elect an NDP government and to promote its social-democratic presence in Ottawa. If labour's strategy is to advance its interests in strengthening its own syndical structures, in building coalitions, and in helping its allies win political power, then the 1993 election was no advance at all because English Canadian labour (concentrated in Ontario) shot itself in the foot.

2.2.5. The 1993 election campaign

All of the above is not to say that labour in English Canada by itself could have changed the 1993 election results. Regionalism played a very large role in that contest. In Quebec, the newly-formed Bloc québécois attracted many of the social-democratic voters that voted NDP in 1988. It also attracted all those fed up with the

failures of the federal Liberals and Conservatives to resolve the national question - the Constitution Act of 1982, the Meech Lake Accord, and the Charlottetown Accord - and who now favoured independence. Many Quebeckers had an especially low regard for the Liberal leader, Jean Chrétien, because of his participation in the Liberal governments of Pierre Trudeau, the architect of the Constitution Act of 1982 which provoked the current constitutional crisis. Out of the west swept the Reform Party. Its popularity was based on a conservative tradition of social-creditism. It appealed, not only to historic feelings of western alienation from the power structures of central Canada, but also to the backlash against employment equity, pay equity, multiculturalism, and the seemingly-never-ending constitutional wrangling, which that party succeeded in portraying as pandering to Quebec.

Also new to the federal political scene was Mel Hurtig's Nationalist Party, which attracted a number of labour and NDP activists. Hurtig, a prominent Liberal, and the Honourary Chair of the Council of Canadians, had spoken at the first Liberal leadership forum in Toronto on January 27, 1990, called to replace John Turner. He "kicked off the Liberal leadership race by challenging delegates to choose a leader courageous enough to scrap the Free Trade Agreement."⁸⁶ Once the process was

complete and Jean Chrétien was chosen, it became clear that abrogation was not going to be the Liberal Party's policy. In his closing speech to a party conference on the subject, Chrétien remarked ⁸⁷,

In the world of tomorrow, the old concepts of right and left do not mean anything. Protectionism is not right-wing or left-wing. It is simply passé. Globalization is not right-wing or left-wing. It is simply a fact of life.

Abrogationist Liberals, like Hurtig, weighed their options. Some went with the NDP. Hurtig chose to found the National Party, which, in 1993, acted in a small way as a spoiler for both the Liberals and NDP.

But what really spoiled things for the NDP was the policy of strategic voting promoted by the Council of Canadians during the 1993 election. In its "Special Campaign Issue" of Canadian Perspectives, the COC periodical, the strategy spelled out is similar to that enunciated (above) regarding a "progressive minority government" by Tony Clarke in the pre-election period:

ELECTING ANTI-FREE TRADE CANDIDATES

On October 25 Canadians can elect a government which will cancel the FTA and block NAFTA.

Realistically, our best hope is a Liberal minority government which would depend on a strong group of staunchly anti-free trade New Democrat MP's and have to bargain with free trade critics in their own ranks.

To help achieve this goal, the Council of Canadians is targeting ridings from coast-to-coast. Local chapters have interviewed candidates and are pushing politicians to take strong stands against free trade and the broader corporate agenda. They are working to support the strongest candidates with anti-free trade positions...

This election is pivotal for the future of our country. Vote for the strongest candidate with an anti-free trade position. on October 25 vote for Canada. ⁸⁸

The idea of strategic voting was not new to those involved in the Action Canada Network. As described above, it was a lesson that some drew from the 1988 election defeat:

When held up against our expectations, the electoral results show that, in the final analysis, the election could be said to have been lost in Southern Ontario. Contrary to those who therefore see the solution being getting tactical voting 'right' this time {my emphasis}, I don't believe this is a failure we need urgently to correct at this time. ⁸⁹

However, with the kind of official endorsement the idea received from the COC, others, even in the NDP's traditional strongholds of labour, began to take the idea seriously. Says Ed Finn:

There were some people in labour thinking along those lines. There was talk behind the scenes, but I don't think any of the unions publicly put it forward. Some unions were no longer comfortable with the NDP alliance, and had lost faith in the NDP as their political outlet. I heard the idea of strategic voting being expressed in NUPGE, the CUPW, and PSAC. ⁹⁰

Audrey McLaughlin also remembers, with some apparent bitterness, the idea of strategic voting:

There was no one in labour I talked to (who supported it)...but people really wanted to get rid of Mulroney and the Tories. Only it wasn't very strategic: they did get rid of Mulroney and they did get rid of the Tories, but they didn't get rid of the neo-liberal agenda. ⁹¹

Another instance of the kind of shortsighted

policies followed by labour and the ACN at the May 15th rally took place at another occasion during the election campaign at an international rally against NAFTA, organized by the CLC and ACN at the Peace Bridge at Fort Erie, Ontario. It was to follow the format of the October 21, 1991, rally in Vancouver (described above) featuring political leaders of all three countries. Jesse Jackson and an opposition senator from Mexico were in attendance. However, this time neither Audrey McLaughlin nor a representative of the federal NDP was invited.

The 1993 election, unlike that of 1988, was not fought in English Canada either on the one issue of free trade or the whole spectrum of neo-liberal vs. popular agendas. And it was not the passionate affair that its predecessor was either. The Action Canada Network produced another booklet for mass distribution, entitled, "NAFTA: Not Another Free Trade Agreement: Some plain talk and real information about a very scary deal" {original emphases} ⁹² but which did not capture the popular imagination the way the 1988 booklet, "What's The Big Deal?", did. Rather, the '93 election was fought, like most Canadian federal elections, on the record of the incumbents and the promises of the challengers.

Kim Campbell, the new Conservative prime minister, assumed the chief executive position, not through a popular election but rather through the

accession to the leadership of the Progressive Conservative Party. She inherited a legacy of mistrust and bitterness - on the part of the Canadian public - he had spawned in privatizing Toronto International Airport, bidding on the expensive EH-101 helicopters, engaging in a very ostentatious personal lifestyle, and instituting the GST, among other policies. Campbell was already tainted by connection to the retired prime minister from her participation in his cabinet. She got into hot water all by herself by making callous remarks about the electorate claiming, for example, "that her deficit reduction plan was too complicated and too important to be the object of an electoral debate"... and "explaining what Brian Mulroney never dared to admit: her government would consider even a moderate rate of inflation a much worse evil than a double-digit rate of unemployment over the next decade." ⁹³ She also suffered from the Somalia affair in which, during her tenure as Minister of Defence, there were accusations of a coverup of the torture and murders of young Somalis by members of the Canadian Airborne Regiment. Chrétien spent a lot of time waving his little Red Book of Liberal promises, among which was a pledge to renegotiate NAFTA and another to spend \$6 billion on an infrastructure program while, at the same time, eliminating the deficit. For her part, Audrey McLaughlin plugged away steadfastly at the NDP

program, promising to "tear up the NAFTA agreement" and making no noticeable gaffes, except, according to some in media, in her lacklustre choice of clothing. Sexism, no doubt, played to the advantage of Chrétien.

The election results were as follows ⁹⁴: the Liberals, who endorsed NAFTA but wished to make revisions, 177 seats, 41.3% of the popular vote; the Bloc québécois, which promised to try to integrate an independent Quebec into NAFTA with revisions, 53 seats, 13.5%; Reform, which endorsed NAFTA, 52 seats, 18.7%; the NDP, which opposed the agreement only 9 seats, 6.9%; the PC's, which negotiated the deal, 2 seats, 16%; and the National Party, which rejected the deal, 0 seats, 1.4%. The voting pattern seems to indicate that, except for the Conservatives who carried a lot of Mulroney's baggage into the election, parties which endorsed free trade (with revisions) did considerably better at the polls than those that didn't endorse NAFTA at all.

2.2.6. the post-election fallout on free trade

Jean Chrétien had barely moved his furniture into 26 Sussex Drive when he reneged on his promise to re-negotiate aspects of NAFTA. His broken promise infuriated the Council of Canadians who published a statement on the matter:

While the Council of Canadians has always felt that minor modifications wouldn't resolve the underlying

problems of the FTA and NAFTA, some serious flaws could have been rectified with the changes proposed in the Liberal Party "Red Book", **Creating Opportunities:**

A Liberal government will review the side agreements to ensure that they are in Canada's best interests. A Liberal government will renegotiate both the FTA and NAFTA to obtain:

- a subsidies code*
 - an anti-dumping code*
 - a more effective dispute resolution mechanism;*
 - the same energy protection as Mexico*
- Abrogating trade agreements should be only a last resort if satisfactory changes cannot be negotiated.*

These promises were reiterated after the election. Yet, the Liberals have clearly broken their commitment to "end the junior-partner relationship with the United States and reassert our proud tradition of an independent foreign policy."

... Ultimately, the Bush-Mulroney NAFTA has been endorsed without change by two former free trade critics, Clinton and Chrétien.⁹⁵

A startling event (for some observers present) transpired at precisely the same time in the Hilton-Cleary International Centre in Windsor, Ontario, where the CAW Council was in session. In presenting his report, CAW National President, Basil "Buzz" Hargrove, wrote (and commented on) the following:

NAFTA: With the 1993 Federal (sic) election behind us, and our second major campaign against free trade concluding in the election of a majority Liberal government committed to NAFTA with some minor changes, we now have to develop a new strategy... And again since I wrote my report, you will see that the cabinet yesterday approved the NAFTA agreement with very little change... Our new strategy may look a lot like the old campaigns, as we fight for our share of investment and jobs in this free trade environment. We must work closely with the rest of the labour movement to challenge the new-found power of multi-national corporations.

This fight will require the labour movement to expand its ties with our coalition partners throughout the country. There is also now a clear need to expand our solidarity work to include strengthening ties with American and Mexican workers. To this end, my assistant Hemi Mitic and Bob Orr, chairperson of the GM Transmission plant in Windsor, attended a meeting in Mexico, of trade union leaders from North America and some Latin American countries, discussing trade union problems with auto parts suppliers to General Motors.

Early next year, I am going to put together a small delegation to visit the Maquilladoras (sic) and to meet with some of the trade union leaders, as well as social and political activists in Mexico. We will be working more closely with the UAW to develop common strategies to respond to the new-found power of the auto companies to locate production in any of the three countries without restriction.

There were some in the hall who were thunderstruck that the anti-free trade campaign conducted with such an intensity and a doomsday approach could be dropped so abruptly with a whimper, rather than a bang.

One delegate, Mickey Bertrand of Local 89, asked, "I have a question, Buzz. Does the recommendation include our pressure on the Liberal government with respect to NAFTA?"

Hargrove replied, "As I said in my report, NAFTA is now... I guess we would be living in a dream world, we would be living in the past, if we continued to argue about how to stop NAFTA, it is a reality. What we're talking about now is putting pressure on, within this situation that we find ourselves in, to maintain our social programs, to maintain a Canadian identity, in

spite of NAFTA." ⁹⁶

What the CAW president had failed to note was that the proposition "to maintain our social programs, to maintain a Canadian identity, in spite of (free trade)" could have been taken more or less from the speeches of Ed Broadbent early in the 1988 federal election campaign and for which he took so much flak. The same formulation was also the essence of position taken by the Quebec trade union coalition fighting NAFTA in 1992-93 (replacing "Canadian" with "Québécois" identity, of course).

That some of the delegates were upset by the abrupt change of strategy was understandable. After all, the doomsday approach to free trade had been the watchword in the autoworkers' union for almost a decade. And the CAW had been in the forefront of the anti-free trade movement in English Canada. But now the word had come down that the doomsday had arrived. Yet the sky had not fallen.

While we are unable to poll the rank and file for their reaction to the news, we can surmise that there must have been something of a loss of credibility in the leadership of the English-Canadian syndicalist movement on the part of its members, or at least a sense of having been dealt with in bad faith. What we can observe is that, since the end of the 1993 election campaign, there

has been a dramatic decrease in the level of popular mobilization in English Canada against the neo-liberal policies, formerly espoused by the Progressive Conservatives in government and now being put into effect by the federal Liberals. These include a significant drop in transfer payments to provinces, by means of the budget of federal Minister of Finance Paul Martin, Jr., of early 1995, creating, in turn, the downsizing of most social programs and provincial governments. ⁹⁷

Some of the dire warnings of the anti-free trade fighters about social programs and the weakening of federal authority are indeed coming true. What is interesting to note, however, is that these neo-liberal adjustments are not coming about because of trade pressure from the U.S.A., as the English-Canadian nationalists had predicted, but rather are being carried out by the federal Liberals (with the support of the Reform Party) under the guise of "deficit hysteria". An artificially-created crisis mentality regarding the national debt and deficit budgeting by governments, by the Business Council on National Issues [BCNI], and by the media is the theme of several books on this subject by Linda McQuaig. ⁹⁸ The argument goes that Canada's payments to service the interest on the national debt and budgetary deficits shows that the country can no longer afford either our (supposedly) high-quality programs of

unemployment insurance, medicare, family benefits, and student loans or the size of the civil service needed to administer them. Therefore, governments are obliged to eliminate the universality of some programs, reduce or eliminate others, and generally downsize government.

In response to these severe cuts to the Canadian social security net, one would have expected the same unions and their coalition partners, as aligned themselves so vigorously against NAFTA, to carry the fight to Ottawa. However, the only major national mobilization against the neo-liberal federal agenda, since the end of the 1993 election, took place on January 25, 1995, and was led by the Canadian Federation of Students. A number of other groups participated in events on or close to that day to mark popular opposition to the Martin budget. However, it was only among university and community college students that we witnessed the rank and file taking to the streets.⁹⁹

Among labour, there have been no such mobilizations.

For its part, the CLC limped along without formally changing its attitude to NAFTA. At its 20th Constitutional Convention in 1994, the Congress was repeating the same old line:

78. A clear priority for the CLC and other progressive organizations must be to replace the North American Free Trade Agreement (NAFTA) with a new regional trade and development pact. {original

emphasis} Such a pact would restore needed levers of sovereignty to democratic governments, and build a real social dimension to the integrated economic space which is being created in North America...

81. **The struggle to defeat NAFTA built new links of solidarity with progressive forces in both the United States and Mexico.** The fight to replace a fundamentally-flawed agreement with a democratic and progressive alternative will demand the building of even closer ties, and the development of a common agenda for action...¹⁰⁰

Perhaps it was the "building of new (international) links" and coalitions¹⁰¹ that caused the Congress inevitably to change directions on free trade. These international links put the Congress in touch with the responses of labour to the outburst of regional integration pacts in Central and South America during the 1990's. Certainly, the pace of international contacts had stepped up a great deal for the CLC since the imposition of NAFTA. According to Bob White, the years 1994 and 1995 saw the Congress active internationally on three levels: 1) trying to put some teeth into NAFTA's side deals; 2) broadening trade union contacts in Mexico with the CTM and the FAT, in Chile with its trade unions, in the U.S. with the AFL-CIO, and with the popular coalitions in each of those three countries; and 3) lobbying the International Labour Organization [ILO], the World Trade Organization [WTO], and the Organization for Economic Cooperation and Development [OECD] for a social dimension to be part of all trade agreements along with certain basic trade union rights and standards like the

freedom of association, free collective bargaining, equity and equality provisions, and a prohibition of child labour. ¹⁰¹ There were also behind-the-scenes activities that demonstrated an increasing awareness by the CLC Executive of the need to change direction. Among these were the hiring of a person on a two-year contract to deal exclusively with the trade unions in the U.S. and Mexico as well as the holding of a roundtable meeting in Ottawa in early 1995, to share information on the Mexican peso crisis. ¹⁰³

Finally, on May 17, 1995, the CLC set its house in order regarding NAFTA, taking virtually the same position as the Quebec trade union centrals. In a letter to Roy MacLaren, Minister of International Trade, Bob White wrote: ¹⁰⁴

...It is our very strongly held view that the labour movement, along with other popular organizations, should be closely involved in discussions and negotiations over the expansion of NAFTA and over the FTAA (Footnote: the Free Trade Agreement for the Americas). The CLC will participate in an Inter American Labour Summit on Trade and Workers' Rights in Denver on June 29th, just before the Trade Ministers' meeting, to help develop a common hemispheric labour perspective on economic integration. I would appreciate the opportunity to meet with you in advance of that meeting in order to express our views and concerns, and I urge your support for formal trade union involvement in discussion on the FTAA and NAFTA accession process.

The CLC views the potential expansion of NAFTA as an opportunity to remedy some of the flaws in the agreement, and as an opportunity to launch a different kind of integration process. Our number one concern in this context is that there be more

effective protection of workers' rights than is the case under the existing, largely cosmetic, NAFTA side deal on labour co-operation... We believe that agreement on a common set of fundamental labour rights and core labour standards is essential if trade and investment agreements are not to spark off a process of downward harmonization in the hemisphere to the lowest level. We further believe that the narrowly economic provisions of trade agreements - which generally restrict the powers of national governments to intervene in the market - must be complemented by the development of a positive social dimension...there are lessons to be drawn from the European Community...

With respect to the potential expansion of NAFTA, and indeed the future of the agreement as it now stands, we believe that there is a need for some fundamental re-thinking of the terms of the current NAFTA agreement. A contributing cause of the Mexican crisis has been the extreme pace of restructuring forced upon many traditionally sheltered parts of the Mexican economy...This is not an argument against more trade, which can be mutually beneficial, but rather an argument against the forced harmonization of the very different economic, social and political realities in a very short period of time... We also continue to have concerns regarding NAFTA provisions which limit the ability of the Canadian government to shape the economic development process here at home.

The letter also dealt briefly with the importance of open negotiations as well as labour's outlook on the benefits of trade liberalization:

I should like to stress that the CLC is supportive of increased trade and economic links with Chile and other countries in the hemisphere... This implies the need for a broad discussion of the integration process on the part of social actors in all countries concerned - as opposed to yet another round of secret inter-governmental negotiations over a narrow trade and investment agenda.

In conclusion, I would urge you and your fellow trade ministers to launch a process of dialogue and discussion with the trade union movement and with other social organizations in order to establish (a) different kind of economic

integration in the hemisphere - a process which we in the labour movement could support with enthusiasm because it would lead to the advancement of living standards for working people in all countries.

Just what the doctor ordered! However, after at least twelve years of following a different, stubbornly rejectionist approach to freer trade, and ,moreover, leading scores of affiliated unions, dozens of coalition partners, and millions of Canadians in doing so, would it have been unreasonable for the Congress to have published a self-criticism? Similarly, doesn't the CLC and its president, Bob White, owe some kind of explanation or apology to Ed Broadbent and the NDP for all the sniping of 1988? And what about its Québécois brother and sisters: surely English Canadian labour has an obligation to clear up the misunderstandings of 1988 when Quebec labour was blamed for less than a fervent rejection of the FTA.

As the Congress approaches its 21st Constitutional Convention in 1996, perhaps these matters will be taken into consideration.

2.3. Summary and analysis

Despite its favourable outlook to trade liberalization under GATT rules, English-Canadian labour maintained a stubbornly rejectionist approach to free trade with the U.S.A. from 1983 when the Macdonald

Commission first broached the subject. In doing so, it helped to build and fund an anti-free trade, anti-Conservative coalition in alliance with English-Canadian nationalists. This coalition developed a nationalist, as opposed to a class-based, orientation as well as a doomsday mentality to free trade that was not shared by the corresponding trade union coalition in Quebec against free trade. The English-Canadian coalition and labour movement also found itself at odds with the federal NDP over the strategy to follow in the 1988 election. These differences contributed to a worsening of relations between trade unionists in English Canada and Quebec and between the labour movement and the NDP.

In the struggle against NAFTA, the paths followed by labour in both parts of the country separated even further. English-Canadian unions persisted in the same nationalist and rejectionist approach to the continental free trade deal while Québécois unions tried to inject a social dimension into it. In the 1993 election, English-Canadian labour continued the process of de-linking itself from the NDP in response to pressure to punish the federal party for problems that public sector unions were experiencing with the Ontario provincial government, thus reducing the electoral chances of the party of English-Canadian labour. During that election, the English-Canadian anti-NAFTA coalition not only failed to endorse

the NDP but also gave rise to a policy of strategic voting that drew votes away from the NDP (whose policies to combat the neo-liberal agenda were very similar to its own) and directed them instead to the federal Liberals. It has also been shown that some English-Canadian trade unionists went as far as substituting support for coalition-building for that of its traditional ally, the NDP. In other words, they confused extra-parliamentary with parliamentary opposition to the corporate agenda. Finally, in 1995, the CLC came round to the view of the Quebec union movement without, however, acknowledging any errors, offering self-criticisms, explanations, or apologies to its coalition partners or allies.

Less than a sterling performance.

2.3.1. Toward the Future: English-Canadian Labour, Coalitions, and the NDP

Audrey McLaughlin explains the problem of rebuilding the NDP and its ties to labour:

We have been going through a whole renewal process, as has been labour, separately talking about the relationship (of labour) to the Party. As part of our renewal process and conferences, one of the many workshops held was "What is the most effective relationship between labour and the Party?"

Most people, but not all, both in the small meetings and the large conferences and forums I was in, shared the view that the social-democratic party needs to have relationship with labour. What's going to be discussed more now is what should that relationship be? Looking at models of other countries, there are other social-democratic parties that have relationships on other bases...

My sense is that there will be a relationship. But what I think is detracting from it now is that the labour movement is trying to get its own act together. There is a considerable split in the labour movement as it is trying (right now) to get its own act together...particularly in Ontario between the so-called "pink" unions and the rest. And that's detrimental to the party, quite frankly. ¹⁰⁵

McLaughlin also sees the relationship between unions and their coalition partners is also part of the problem:

Who is the ACN now? I think they're coming to grips with their own organization (following the last federal) election, seeing what it is that the Liberal government is doing. It all contributes to the fragmentation of the left...

I happen to support coalitions. I happen to think that the role of NGO's is very important in the general progress of our society. Some unions have taken the position that they will support NGO's or coalitions as opposed to a party. If they haven't taken exactly that position (officially), they've taken the de facto position, for example, the CAW, although they still support the federal party financially...

So, I guess it's an on-going discussion and probably an on-going dilemma. ¹⁰⁶

The disarray that the outgoing NDP leader describes above is the direct result of the decision taken early in the fight against the FTA to follow a nationalist orientation focussed on the sovereignty of Canada rather than on a class orientation focussed on the social rights of working people within Canada. Had a class orientation been taken, labour in English Canada and in Quebec would have found themselves (as discussed earlier) united together on a practical issue and linked much more closely to the New Democratic Party, which, in

turn, would have made the achievement of a social dimension in FTA/NAFTA/FTAA its central trade policy. With this class orientation, labour would have had to have been more selective in its choice of coalition partners and also more in control of the day-to-day affairs of the extra-parliamentary work. It would be imperative for any such coalition to be able, at least during election campaigns, to endorse the policies of the social-democratic party. All of the above, of course, is clearly visible, as Ed Broadbent says, "with the advantage of 20/20 hindsight."

It follows, then, that to remedy the disarray, it is necessary for English-Canadian labour to return to a class perspective and its social-democratic orientation. Although, as the CAW's Buzz Hargrove says, NAFTA is now a fact of life, the rest of the neo-liberal program is only just now being dumped on the backs of working people in Canada. The stakes are quite high for labour not to be able to mobilize its forces in opposition. The importance of mobilization is only too empirically evident to those involved in the strikes, boycotts, demonstrations, solidarity pickets, and unionization drives of the labour movement. The importance of mobilization is also important to scholars of social science like Walter Korpi who argue that labour can build up its *power resources* for change within a society based on mobilization of its

own forces and those of its class allies.¹⁰⁷ Ian Robinson makes a similar argument for the concept he calls "labour movement power."¹⁰⁸ The ability of labour to mobilize its membership and allies seems all the more urgent when two of the key organizations in the fight against free trade, the CAW¹⁰⁹ and the ACN can hold conventions right across the street from each other in Toronto, as they did on September 9, 1995, and no visible manifestation results.

For ideas on the means by which a labour movement can successfully maintain its class perspective in a highly charged nationalist atmosphere, link itself to a social-democratic formation with which it has occasional grievances, and demonstrate a practical rather than a doomsday approach to politics, the English-Canadian syndicalists would do well to look to their colleagues in Quebec.

Chapters 3 and 4 will follow the activities of the Quebec labour movement in the same period of the anti-free trade fight. They will show that, in achieving a more favourable balance between class and national interests, Quebec centrals managed to avoid major pitfalls and keep on the road toward the maintenance (if not improvement) of benefits for their members and a greater structural role for themselves in Québécois society.

Endnotes for Chapter 2

- ¹ Derik Hodgson, Canadian Labour, Spring 1989, page 13.
- ² Ibid, page 13.
- ³ The third approach, the "Buy Union" or union label campaign, is a on-going program at the CLC, while there appear to be no instances in which boycotts or hot cargo edicts (the second approach), hinted at in relation to U.S. beer, were applied.
- ⁴ Edited by Bruce Campbell, a trade expert on the staff of Windsor, Ontario MP, Steven Langdon of the NDP and someone associated with the Pro-Canada Network.
- ⁵ CLC Trade Watch, introductory issue, February 1, 1989, page 1.
- ⁶ CLC Trade Watch, July/Aug. 1989, vol. 1, No. 4, page 1.
- ⁷ Ibid, page 1.
- ⁸ CLC bulletin, May 31, 1989.
- ⁹ Ibid.
- ¹⁰ Composite Resolution No. 1, "Free Trade And The Struggle Ahead", Ontario Federation of Labour, 32nd Annual Convention, Nov. 28 - Dec 1, 1988.
- ¹¹ Tony Clarke, "Action Canada: The makings of a movement", a paper produced for the 22nd ACN Assembly, November 1993.
- ¹² Ibid, page 3.
- ¹³ Hodgson, op. cit., page 14. That issue of Canadian Labour carried a full-page advertisement for the Pro-Canada Dossier.
- ¹⁴ CUPE, "The Development of Coalition Politics in Canada in Recent Years" (draft), April 1992, page 11.
- ¹⁵ Robert White, "Unions and coalitions: broadening the base", Dossier, #37, page 13.

¹⁶ Larry Brown, Secretary-Treasurer, National Union of Public and General Employees [NUPGE], in Hollander Layte, "Trying a new model, building for success", *ibid*, p. 11.

¹⁷ Daryl Bean, President of the Public Service Alliance of Canada [PSAC], "Standing together for public services", *ibid*, page 16.

¹⁸ Leaflet, Pro-Canada Network, "Réseau Pro-Canada Network", 1991.

¹⁹ Randy Robinson, "Democracy From Below", The Canadian Forum, April 1993, page 8.

²⁰ Federal NDP leader Audrey McLaughlin's uncompromising stand in Parliament against Canadian participation in the Gulf War inspired many popular organizations, including the CLC, to take and stand by similar positions in the face of the pro-U.S. positions taken by the federal Conservatives and Liberals, the business community, and the media.

²¹ Murray Dobbin, "Putting the Pressure on the GST", Dossier, #28, November 5, 1990, page 10;

²² Randy Robinson, "All eyes on "Mulroneville" during Tory national convention", Dossier, #32, July - August, 1991, page 4;

²³ *"In the majority of provinces, the CLC and provincial federations of labour agreed to match short-term funding for coalition work in the period leading up to October 26. Being able to hire staff, even for just a few weeks, made the difference between good events and great ones and gave a much-needed boost to tired volunteer activists"*, Randy Robinson, "October 26 Day of Action turns theatrical", Dossier, #34, November-December, 1991, page 9.

²⁴ An export zone used, typically in Mexico, as a platform for offshore production by foreign corporations under conditions guaranteed by the host (Mexican) government. Some of these conditions include freedom for employers from unions, labour standards, minimum wages, minimum health and safety standards, child labour, and, in general, promote the super-exploitation of young female workers.

²⁵ Formerly a senior officer of the Canadian Brotherhood of Railway, Transport, and General Workers [CBRT]; Director of the Communications Department at CUPE's national headquarters, former leader of the Newfoundland

NDP, now retired and an associate at the CCPA.

²⁶ Private communication with Ed Finn, August 28, 1995.

²⁷ CCPA, "Statement of Purpose".

²⁸ Ibid.

²⁹ Private communication with Ed Finn, August 28, 1995.

³⁰ Tony Clarke, "Action Canada: The makings of a movement", a paper produced for the ACN Assembly, November 22, 1993, page 4.

³¹ Ibid, page 9.

³² Unsigned, "Some Rambling Irrelevancies on the 'Canadian Crisis' and the Future of the PCN or is (sic) Leadership on the 'National Question' Vital?", February 1991, pages 1-2.

³³ Randy Robinson observes, "*In riding after riding in Ontario, the majority of voters split their support between Liberals and New Democrats, allowing the Conservatives to win by a nose. In some two dozen ridings, a one per cent shift in the vote would have denied victory to Conservative candidates. Those two dozen ridings would have denied Brian Mulroney his majority government and free trade would not have gone ahead.* Robinson, Canadian Forum, April 1993, page 12.

³⁴ Carol Goar, "Why pro-Canada (sic) group changed its name", Toronto Star, Saturday, April 6, 1991.

³⁵ Ibid.

³⁶ Tony Clarke, "Action Canada: The makings of a movement", a paper published by the ACN for its Assembly, November 22, 1993, page 8.

³⁷ Ibid, page 2.

³⁸ See Robin Philpot, OKA: dernier alibi du Canada anglais, VLB Editeur, Montreal, 1991.

³⁹ Private communication with Peter Leibovitch, July 9, 1995.

⁴⁰ Quebec Federation of Labour, "Report of the task force on QFL-CLC relations, Dec. 15, 1992, pages 1 and 2.

⁴¹ They were, in turn: Gérard Rancourt (1968), Jean

Beaudry (1970), Julien Major (1974), and Richard Mercier (1982).

⁴² Private communication with Louis Laberge, September 5, 1995.

⁴³ Duncan Cameron and Mel Watkins, (eds.) Canada Under Free Trade, Lorimer, Toronto, 1993, page xxiii.

⁴⁴ Ontario Federation of Labour, "Fighting The Conservative Agenda", 33rd Annual Convention, November 20-24, 1989, page 6. The OFL's policy alternatives were in four areas: "first, the need for strategies to counter the increased mobility of business; second, the need for strategies that address the problem of restructuring our manufacturing sector so that we can avert an accelerated de-industrialization (These included new instruments of economic sovereignty: a state asset fund similar to Sweden's Wage Earner Fund, Special Resource Taxes to be imposed on the resource extracting sector modelled on Manitoba's Mining Tax, introduced by the NDP, and revoking the right of pension and RRSP funds to invest 10% of their capital abroad); third, the need to strengthen the public sector especially in the areas of child care and environmental recovery; and, fourth, the need to manage the resource base of our economy to support sustainable and diversified economic development." The OFL further committed itself to public campaigns against the Conservative agenda in alliance with the NDP and PCN and to the Solidarity Pledge Campaign, calling upon all union activists to participate a minimum of three times during the following two years in solidarity picket lines and in support of NDP by-election campaigns. That year on March 16, the OFL conducted a successful demonstration against job loss that drew 5000 protesters.

⁴⁵ Peter Bakvis, 'Free Trade in North America: Divergent perspectives between Québec and English Canada' in Quebec Studies, No. 16, 1993, page 46.

⁴⁶ John Dillon, "Trade talks are key to the 'New World Order'", Dossier, #30, March-April 1991, page 16.

⁴⁷ Ibid, page 17. *Fast-tracking "means Congress foregoes its right to amend completed trade accords in return for improved access and influence at the early stages of a negotiation and before any agreement is signed."* Ibid, page 16.

⁴⁸ Ibid, page 19.

⁴⁹ CLC, "Critical Notes On The Economics Of The Proposed North American Free Trade Agreement", February 1992, pages 10-11.

⁵⁰ Robert White, letter to the Right Honourable Brian Mulroney, July 16, 1992, page 1.

⁵¹ Canadian Forum, April 1993, page 12.

⁵² Mel Watkins, "Afterword: The NAFTA Side Deals" in Duncan Cameron and Mel Watkins (eds.), Canada Under Free Trade, Lorimer, Toronto, 1993, pages 284-6.

⁵³ Bob White, "It's time to turn the page", CLC Today, October 1992, page 3. The executive council resolution also noted that the gains included "**recognition and protection of the distinct nature of Quebec**" {my emphasis}, called for further negotiations on the rights of the disabled, women, and visible minorities, and formed a National Referendum Committee "to campaign in support of the constitutional accord reached in Charlottetown. The CLC national committee will prepare material and information to assist more than two-million CLC members and their families in making an informed decision." from the article entitled, "Yes", in the same issue of CLC Today, page 2.

⁵⁴ Audrey McLaughlin, M.P., in "Constitutional Questions and Answers", CLC Today, October 1992, page 2.

⁵⁵ Ibid, page 3.

⁵⁶ Bob White, "There is room for optimism", CLC Today, November/December 1992, page 3.

⁵⁷ "Constitutional Questions and Answers", CLC Today, October 1992, page 2.

⁵⁸ Robert White, "Unions and coalitions: broadening the base", Dossier, #37, page 13.

⁵⁹ Joy Langan, "Free Trade and NAFTA: Disaster for working Canadians", CLC Today, November/December 1992, page 2.

⁶⁰ Ibid, page 2.

⁶¹ Tony Clarke, "Fighting Free Trade, Canadian Style", in Jim Sinclair (ed.), Crossing the Line: Canada And Free Trade with Mexico, New Star Books, Vancouver, 1992, page 124-5.

⁶² Bob White, CLC circular to: Members of Executive Council and Ranking Officers of Affiliated Unions, November 12, 1992.

⁶³ CLC, "Submission by the Canadian Labour Congress on the North American Free Trade Agreement to the Subcommittee on International Trade of the Standing Committee on External Affairs and International Trade", January, 1993, page 15.

⁶⁴ Ibid, page 34.

⁶⁵ CLC, "Statement by the Canadian Labour Congress to the Ontario Cabinet Committee on the North American Free Trade Agreement", March 1993, page 7.

⁶⁶ OPSEU, "Ontario Must Take A Stand", a brief to the Cabinet Committee on NAFTA, April 8, 1993.

⁶⁷ Toronto Star, May 16, 1988, page A10;

⁶⁸ Randy Robinson, Canadian Forum, April 1993, page 12.

⁶⁹ CLC Today, March/April 1992, page 2.

⁷⁰ A reference to the proposed purchase by the Conservative government of some \$5 billion of new helicopters for the Canadian Forces.

⁷¹ Scott Feshuk, "Protesters set their sights on Rae as well as Mulroney: Ontario NDP lambasted at Ottawa demonstration", Globe and Mail, May 17, 1993, page A5.

⁷² Jonathan Ferguson and Teresa Boyle, "More than 50000 protest against the Tories in Ottawa", Toronto Star, May 16, 1993, page A1.

⁷³ Globe and Mail, op. cit., page A5.

⁷⁴ Ibid.

⁷⁵ Jonathan Ferguson and Teresa Boyle, "More than 50000 protest against the Tories in Ottawa", Toronto Star, May 16, 1993, page A1.

⁷⁶ Private communication with Audrey McLaughlin, September 21, 1995.

⁷⁷ Ibid.

⁷⁸ Private communication with Ed Finn, August 28, 1995.

⁷⁹ Jonathan Ferguson and Teresa Boyle, "More than 50000 protest against the Tories in Ottawa", Toronto Star, May 16, 1993, page A1.

⁸⁰ Private communication with Audrey McLaughlin, September 21, 1995.

⁸¹ Fred Upshaw, OPSEU Past President, notes that the Ontario employment equity legislation was very important to visible minority employees in the Ontario public service. Visible minority workers are most adversely affected by free trade, he said, because, in the downsizing of the public service and the contracting out of its work (sometimes to U.S. firms), visible minorities are the first to be let go: they constitute the majority of the "unclassified" staff. Women and handicapped workers are likewise disproportionately affected. Upshaw, who is himself of a visible minority, makes the point that, at the very least, the Ontario employment equity legislation would have forced contractors to hire some visible minority, women, and handicapped workers. Private communication, June 20, 1995.

⁸² Ontario's Social Contract, like many such experiences in Europe, was intended to be a tradeoff of wages and benefits for job security. Public sector workers were obliged to take unpaid ("Rae") days off and forego pay increases, among other issues, in return for the government's maintaining of the level of employment in the public sector. Also mooted during the Social Contract negotiations by the Ontario government was new structural power for public service unions within the civil service. This offer was not accepted by public sector unions.

⁸³ Private communication with Audrey McLaughlin, September 21, 1995.

⁸⁴ Ibid.

⁸⁵ Ibid.

⁸⁶ "Pick leader who'll scrap FTA, Liberals urged", Dossier, #24, March 2, 1990, page 4.

⁸⁷ Randy Robinson, "'Abrogationist' Liberals at odds with leadership", Dossier, #34, November/December, 1991, p. 5.

⁸⁸ Canadian Perspectives, Autumn 1993, page 5. The same message was disseminated in a much broader context as a fundraising flyer to thousands of households.

⁸⁹ Unsigned, "Some Rambling Irrelevancies on the

'Canadian Crisis' and the Future of the PCN or is (sic) Leadership on the 'National Question' Vital", February 1991.

⁹⁰ Private communication with Ed Finn, August 28, 1955.

⁹¹ Private communication with Audrey McLaughlin, September 21, 1995;

⁹² This title translated on the T-shirt distributed by the United Steelworkers of America as "Not Another F_____ Trade Agreement!"

⁹³ CSN, "La CSN et les elections federales du 25 octobre 1993", October 5, 1993, pages 7 and 8.

⁹⁴ Chief Electoral Officer of Canada, op. cit., pages 28-31.

⁹⁵ Council of Canadians, "Reneging on Renegotiation: An Assessment of the Liberal's (sic) Broken Promise to Change the FTA and NAFTA", December 3, 1993, page 1. The article also noted that "U.S. Trade Representative Michael Kantor released a statement as Prime Minister Chrétien and Roy MacLaren, Minister of Trade, were announcing their intention to proclaim NAFTA. Kantor's Press Release (sic) asserts, "None of these statements change NAFTA in any way."

⁹⁶ CAW Council Minutes, December 3-5, 1993, pages 2-8.

⁹⁷ Some analysts conclude that the decrease in transfer payments would have been even greater if the federal government had not been faced with the Quebec referendum in 1995.

⁹⁸ Linda McQuaig, The Quick And The Dead, Viking Penguin, Toronto, 1991, among others.

⁹⁹ "The federal government has proposed a plan to instate (sic) Income Contingent Loan Repayment Plan, which will supposedly cause university tuition to rise by 50 to 105 percent for next year...The National Student Protest took place yesterday, and the events at McMaster coincided with other protests taking place on campuses all over Canada." Josh Bongard, "Striking out against the feds", The Silhouette, McMaster University (student union newspaper), Volume 65, Number 17, January 26, 1995, p. 1.

¹⁰⁰ CLC, 20th Constitutional Convention, May 16th to 20th, 1994, Policy Statement, "The Jobs Crisis: Fighting Unemployment, Underemployment, Intensification Of Work,

And Growing Inequality Among Workers". The resolution also discussed international coalition-building:

82. *The CLC will continue to help build a trinational progressive coalition to fight the "free trade" agenda of the transnationals and the right-wing. This will involve building a stronger co-operative relationship with the US labour movement and other progressive groups in the US, and building even stronger links with independent and democratic trade unions and opposition political forces in Mexico and Central and South America.*

¹⁰¹ Which was the sixth approach to free trade enunciated in the CLC's Action Program of 1989, described earlier in this chapter.

¹⁰² Private communication with Bob White, June 18, 1995.

¹⁰³ Private communication with Andrew Jackson, March 15, 1995.

¹⁰⁴ Robert White, letter to the Honourable Roy MacLaren, May 17, 1995, pages 1-4.

¹⁰⁵ Private communication with Audrey McLaughlin, September 21, 1995.

¹⁰⁶ Ibid.

¹⁰⁷ Walter Korpi, The Democratic Class Struggle, London, Routledge, 1983.

¹⁰⁸ Ian Robinson, "NAFTA, Social Unionism, and Labour Movement Power in Canada and the United States", Industrial Relations, 49, no. 4, 1994.

¹⁰⁹ The convention marked the tenth anniversary of the separation of the Canadian section from the international UAW and the founding of the independent Canadian Autoworkers Union.

Chapter 3. FTA: the Québécois response

3.1 Introduction

Chapter One accounted for some of the marked differences in approach to free trade in English Canada and Quebec. It showed that different histories of economic development in Ontario and Quebec produced not only greatly different levels of economic activity and growth but also different political approaches to the role of the state in the economic and social life of the respective provinces.

In Free Trade By Default, Brunelle and Deblock neatly summarize the argument:

It was necessary to wait for the conversion of this (francophone) pan-Canadian nationalism into Quebec nationalism at the dawn of the 1960's and the deepening of the relative decline of the Quebec economy within the Canadian totality to witness the emergence of a free trade platform between Quebec and the United States. ¹

The first dimension, the rise of Quebec nationalism, they indicate is the obverse of "the decline of the French fact in Canada, except in Quebec" ² and was made formal in 1968 when, at the meeting of the Etats généraux du Canada français (Estates General of French-Canada), a formal break took place in the organization in which francophones outside Quebec formed a new

organization called la Fédération des francophones hors-Québec [FFHQ] (the Federation of Francophones Outside of Quebec).

The second dimension, the deepening of the relative decline of the Quebec economy, they exemplify with this quote:

The portion of Quebec manufacturing production which accounted for 30.3% of total Canadian production in 1961... didn't reach more than 25.9% in 1976 and has been situated barely a few decimals above 24% since 1985. ³

These two dimensions gave great impetus to the drive, begun during the Quiet Revolution "with the arrival of the Liberals in power in June 1960, (and) consisted of investing the Quebec state with an active function in industrial and social adjustment..." ⁴

Québécois unions were part of the coalition of class forces, described by William Coleman in his Independence Movement in Quebec, that led to the Quiet Revolution. In fact, it was in the course of several very militant strikes which became *causes célèbres* in the late 1940's and the 1950's, that the coalition was built against the repressive, conservative, and anti-statist Union Nationale government of Premier Duplessis. It was also in these *causes célèbres* that certain members of the Québécois intelligentsia, like Pierre Elliot Trudeau, who co-edited the influential journal, Cité Libre, got their start.

As we shall see, Québécois unions, particularly the Confédération des syndicats nationaux [CSN], were integral to the immense drive towards the modernization of Quebec that characterized the Quiet Revolution and, as described above by Brunelle and Deblock, "consisted of investing the Quebec state with an active function in industrial and social adjustment." During the Quiet Revolution, which coincided with the two terms in office of the Parti libéral du Québec (Liberal Party of Quebec), 1960 to 1966, the Liberals were faced with two options: adopt the recommendations of the Tremblay Report of 1959 and develop the economy in accordance with Catholic social principles or follow the logic of industrial capitalism, develop a modern welfare state, and seek to ensure that francophones would benefit from the social reforms. According to Dr. William Coleman, Quebec opted for the latter course. ⁵

In the course of monumental events such as these, the Quebec labour movement became self-conscious of the leading historic role it played in the modern political development of Quebec, in its social development, and in its independence movement. Not surprisingly, Quebec union centrals expect to play a leading role in the burning issues of Quebec society today, such as the referendum of Oct 30, 1995. They plan also to play a leading role in an independent Quebec.

It is also not surprising in this context, then, that unions in Quebec would develop distinctly different structures and outlooks from their counterparts in the rest of Canada on many issues, including free trade. This chapter and Chapter 4 will plumb the similarities and differences in the responses exhibited by labour in Quebec (vis-à-vis labour in English Canada) in the course of the fight against North American free trade and the neo-liberal agenda in which it was imbedded. Chapter 3 shows that, although both labour movements opposed the FTA, there were still important differences in approach demonstrated. Chapter 4 illustrates that there was a completely divergent strategy adopted by Quebec's three union centrals in the campaign against NAFTA.

In analyzing why there are these differences, John Anderson, Director of the Technology Adjustment Research Program (TARP) of the Ontario Federation of Labour, begins by calling to mind the literary allusion of Hugh MacLennan's novel, Two Solitudes:

Says Anderson, "The two solitudes arise from the fact that most Québécois trade unionists don't read English Canadian trade union publications whereas most English-Canadian trade unionists can't read those in French." ⁶

In order to understand the differences between labour in English Canada and Quebec, a short historical

examination of the Québécois trade unions federations and their structures is in order. A brief description of the two main trends in contemporary Quebec nationalism follows. The nuances of the differences in approach and intensity in the syndicalist fight against free trade in Quebec from 1983 to 1988 are described in this chapter as well as the particular method of coalition-building in that province. The question of the relationship of class to nationalist politics within Quebec labour ends the chapter. The overall theme that emerges is that differences of language, culture, history, and economics all account for a different *national* response by labour to free trade in Quebec than that in English Canada.

3.2. Background on trade unions in Quebec

There are three distinct and important peak organizations (centrals) of organized labour in the province: the *Fédération des travailleurs et travailleuses du Québec [FTQ]* (Quebec Federation of Labour), the *Confédération des syndicats nationaux [CSN]*, and the *Centrale de l'enseignement du Québec [CEQ]*.

3.2.1. Fédération des travailleurs et travailleuses du Québec [FTQ]

The FTQ was established in 1957 as the provincial affiliate of the CLC operating in Quebec. Like the CLC,

its origins included the craft union-controlled TLC which established itself in Quebec as a force in the 1890's and the industrial unions, which began operating in the mid-thirties. Like the other provincial affiliates of the CLC, the FTQ has a social-democratic outlook. One manifestation that makes the FTQ unique among provincial affiliates of the CLC is that it abandoned support of the provincial NDP to endorse the Parti québécois in 1975. ⁷

The cause of the divergence was twofold. First, the NDP in Quebec failed to garner mass support because of its federalist ideological position and therefore provided little hope for the FTQ to end its status in the political wilderness. The FTQ experimented briefly with supporting the NDP federally and the *Parti socialiste du Québec* (Socialist Party of Quebec) provincially. However, this strategy neither succeeded in winning the support of the federal NDP nor in getting the PSQ elected to power. Secondly, the newly-formed Parti québécois not only boldly addressed the national question for Quebecers but also the social-democratic aspirations of the FTQ. Regrettably, according to Carla Lipsig-Mummé, the FTQ did not press to turn the PQ into a labour party. ⁸

John Anderson disagrees:

I don't think the PQ was ever going to be a workers' party. It was fundamentally a coalition party committed to Quebec independence, an idea supported by parts of all classes in Quebec. You had millionaires like Parizeau and you had unions like the FTQ, people in Outremont and people on

welfare. It might theoretically have been possible to found a new workers' party. But that would have required a union like the CSN to get behind it. However, the CSN, at the time, was influenced by a kind of European anarcho-syndicalism by which it substituted itself for a political party. It believed it was the revolution. Moreover, there were a number of left-wing political parties around which drew off a lot of left and radical militants. Finally, Quebec's electoral law makes it illegal for organizations, like unions, to give money to political parties. Only individuals may do so. There were a number of reasons, then, why the PQ did not develop into a workers' party.⁹

According to Louis Laberge, FTQ President from 1964 to 1991, the question of turning the PQ into a workers' party was not on the agenda. In the FTQ, he says:

We felt the PQ was much closer to us than any other party in Quebec... They were very easily approached. They seemed favourable to most of our revendications. Many had been in the NDP before. As a matter of fact, Camille Laurin had his first campaign headquarters in my basement at home, Jacques Lazure is another; Camille Godin; Marie Julien. René Lévesque was very popular in the FTQ, especially with the Steelworkers and so was Jacques Parizeau. We (just) did it. We made a dive, no question about it. We weren't too sure how it would be interpreted by our people. And we believe the supreme effort we made was very much instrumental to their winning (the election) in 1976.¹⁰

For its part, the PQ's first leader, René Lévesque, announced his party's "favourable prejudice towards workers".¹¹ And in practice, for its first term (1976-80), the PQ delivered. The minimum wage was raised. Canada's first no-scab legislation was passed. Significant improvements were legislated for working women, along with high minimum standards for health and

safety. The social safety net was strengthened. Proactive policies were developed for visible minorities and for native people. The Common Front of the three centrals, representing provincial public sector workers was awarded generous raises, thus raising average wages in Quebec, for the first time in history, slightly above those in Ontario. Finally, and perhaps most important in the long run, the precedent of tripartite bodies was established to involve Quebec labour in planning the economy at the macro-level. It seemed that the FTQ's dream of electing a social-democratic government had come true.

Following the unsuccessful referendum of 1980 in which the PQ sought a mandate from the Quebec electorate for the negotiating of sovereignty-association with English Canada, the PQ found itself in a debt crisis in the midst of a severe recession, in which private sector unions experienced up to 25% of their memberships on layoff. Very much like the Ontario NDP in 1993, the PQ turned to its public sector workers for a clawback of wages and benefits enforced by back-to-work legislation.¹²

The FTQ, composed 90% of private sector workers mainly from the international unions, was least affected by the clawback. The CSN and CEQ were much harder hit. Despite an impassioned plea by President Louis Laberge at the FTQ convention following the clawback and back-to-

work legislation and a nearly tied vote, the FTQ withdrew its support for the PQ during the provincial election of 1985 which put the Parti libéral (Liberal Party of Quebec) back into power. ¹³

Laberge's passionate support of the PQ may have been partly the result of two major projects initiated by the FTQ with governmental assistance during the PQ's tenure of office. The first was its housing enterprise, *Corvée-Habitation*, which created some 40000 jobs since 1982. The second was the *Fonds de solidarité*, the investment fund managed by the FTQ and designed to create jobs in Quebec industry in cooperation with private business and the state-controlled *Caisse de dépôt et placement*, which administers the funds of the Quebec Pension Plan (1964). The *Fonds* is now the largest equity holder in the province. ¹⁴ Since 1984, it has created some 13500 jobs and was worth about a quarter of a billion dollars by 1989. ¹⁵

The past president of the FTQ, Fernand Daoust, sat as a national executive member of PQ. The current president, Clément Godbout was once a PQ candidate. And, since the 1994 CLC Convention, at which the legacy of the Cousineau affair resulted in (what Louis Laberge calls) a new relationship of sovereignty-association between the two labour bodies, FTQ presidents have run the federation more like a labour central and less like a

provincial affiliate than ever before.

The present membership of the FTQ is 450,000. ¹⁶

3.2.2. Confédération des syndicats nationaux [CSN]

The CSN, like the CEQ, was originally a confessional union, that is, a union organized and sponsored by the Roman Catholic Church. Formed in 1921 as the Confédération des travailleurs catholiques du Canada (CTCC), it had a corporatist philosophy:

The professional corporation, as conceived by the confederation, was composed of representatives of workers and employers who would look after the common interests of the profession... The corporation, at first, was to cover Quebec by industrial sector and then have overall responsibility for an intercorporate organization, composed once again of workers and employers, that would look after the general interests of the professions. It was felt that these structures would eliminate social conflicts and initiate permanent cooperation between workers and employers. ¹⁷

Of particular note, the catholic confederation held a particularly negative view of women working outside the home, because it regarded, as central to its mission, the achievement of a decent family wage for each male worker: the family, in turn, according to the traditional nationalism current in pre-Quiet Revolution Quebec was regarded as the cornerstone of the survival of the French-Canadian nation. Working women were considered a sign of personal, familial, and societal failure. ¹⁸ The confederation resisted daycare as well as women's

participation in wartime industry.

Corporatism fit well with the *anti-étatisme* (anti-statism) of the provincial governments of the day and the orchestration of many aspects of Québécois life, including education, health, and community service, by the Roman Catholic Church. Moreover, according to Carla Lipsig-Mummé,

The Taschereau and Duplessis governments saw the TLC as dangerously radical and the striking growth of the CTCC membership during the 1930's was in some measure due to the government's willingness to procure sweetheart deals between the CTCC and employers wishing to avoid unionization by the more militant TLC affiliates.¹⁹

However, corporatism did not last long as the prevailing outlook of the confederation. Even during the 30's, in order to compete with rival labour organizations for new members and maintain its own membership, the CTCC, of necessity, turned more to a strategy of class conflict and less to class collaboration. According to Rouillard, WW2 completely discredited the notion:

The soft-peddling of the corporatist plan can be explained quite simply: the plan was associated much too closely with fascism, so that it became embarrassing to demand its implementation, especially at the end of a war against regimes that had, in fact, made it the basis of their social organization.²⁰

Finally, repression by the Duplessis provincial government in a series of very militant strikes during the late 1940's and the 1950's, many of which became *causes célèbres* for the classes and social forces

interested in modernizing Quebec, finished off any collaborationist approach on the part of the central.

Yet, two interesting traditions still linger from the confessional period in the daily practice of the CSN today. One is abstinence from direct participation in party politics. The Church's influence left the enduring feeling that politics is a dirty business, *sale et salissement*, that unions should leave to others.²¹ The result today for the CSN, according to Lipsig-Mummé, is a tradition of Gomerism²²; that is, "lobbying energetically while refusing electoral commitment."²³ A very clear indication of Gomerism was the decision in 1964 to include in the constitution of the newly-formed Confederation of National Trade Unions (CNTU-CSN, the successor to the CTCC) a proviso that the central never affiliate formally to a party. During the 60's, the CNTU (later only to be known by French acronym, CSN) adopted the liberal nationalism of and worked closely with the Liberal Party of Quebec which initiated many of the modernizing reforms (including the secular welfare state) that have come to be known as the "Quiet Revolution". In that single decade, the size of the provincial bureaucracy grew by 35%.

For the CSN's growth, it helped that it had established for itself a solid reputation for militancy during the bitter strikes of the late 1940's and the

1950's and that it had a solid Québécois pedigree. It also helped that there was a close personal friendship between Jean Marchand, the head of the CSN, and Premier Jean Lesage. The reward for the central was a tremendous growth in public sector membership. In fact, Lipsig-Mummé says the relationship between the CSN and the Liberal government was so cosy that "...in the first years of the 1960's the CNTU (CSN) operated as if it were the trade union arm of a one party state."²⁴ Interestingly, the Liberal government passed legislation prohibiting the membership of civil servants in unions affiliated to a political party, thus effectively closing out the FTQ from gaining a share in the public sector growth.

After Jean Marchand left the CSN in 1965 to join the federal Liberal Party, for whom he won a seat and later became a minister in the cabinet of Pierre Trudeau, the CSN turned to a much more radical rhetoric, beginning with the *rapport moral* (presidential address) of the new president, Marcel Péroin, to the CSN Congress in 1966. In the period leading up to the Common Front in 1972, the CSN worked out a radical manifesto entitled, "Ne comptons que sur nos propres moyens" ("We can rely only upon our own strength').²⁵

The activities of the central became more radical (and more massive) as well, requiring the Liberals under Bourassa, in smashing the Common Front strike of

provincial employees of all three centrals in 1972, to jail the leaders of all three union centrals. Though the CSN maintained a Marxist rhetoric in this period, talking of revolution, the central tried to substitute itself for a political party and decided it would bring about change from outside the system, thus continuing the tradition of political abstinence. During the free trade election of 1988, when forces in the CSN grouped around the Montreal Labour council argued for a tactical alliance with the NDP against the FTA, the CSN Executive worked hard to defeat the initiative. "In light of the fact that the individuals comprising the Executive were unanimously opposed to Free trade and that the CSN had repeatedly acknowledged that Free Trade would cause massive job loss in Quebec," Lipsig-Mummé argues ²⁶, "one can only wonder at the strength of the tradition of political abstention."

The second is the tradition of building alliances with community groups. As a catholic federation, the CTCC was encouraged to help stimulate community involvement under Church leadership. This role was vigorously expanded in the 60's and 70's when the confederation worked with and supported a wide variety of *groupes populaires* including tenants unions, co-operatives (including farmer's, housing, and food co-ops), women's groups, consumer advocates, and adult education

organizations. This method of operation allowed the CSN to draw on a wider audience in mass struggles during massive campaigns like that against the FTA in 1988.

In 1990, as a result of the failure of the Meech Lake Accord, the CSN in Congress, once again adopted a sovereigntist position. Like the other two centrals it had supported the "yes" side in the PQ's referendum on sovereignty-association of 1980. And it is supporting the "yes" side once again in the October 30, 1995 referendum.

Membership in the CSN, as of September 1995, is 228,300.

3.2.3. Centrale de l'enseignement du Québec [CEQ]

The Centrale de l'enseignement du Québec represents about 127,000 Quebec teachers, mainly women, at the elementary and secondary level as well as at the university and cégeps (junior college) level. Like the CEQ, it evolved from a confessional union and was called la Corporation des instituteurs et institutrices catholiques (the Professional Association of Catholic Teachers). As a post-confessional union, the CEQ has often shared the same general strategies and tactics as the CSN.

Teachers began organizing in the mid-30's but were the most to benefit from the modernization of the Quiet Revolution. Tremendous expansion of the provincial

education system and improvements to labour legislation increased membership rapidly from 12,000 in 1959 to 60000 in 1968. ²⁷

A key question for teachers in this period was professionalism versus trade unionism. In 1967, the association decided against professionalism, which was equated to affiliation to the bourgeoisie, and in favour of unity with the other trade union centrals in opposition to the conservative Union Nationale government which replaced the provincial Liberals in 1966. The initial step towards becoming a bona fide union was taken that year. The CEQ became a central in 1974 and now includes workers from private educational institutions, social service, recreation, sports, and health sectors.

3.3. Quebec nationalism today

Nationalism has been a key factor in Quebec politics long before Confederation in 1867. And nationalists of all stripes have all played a role in the history of the province.

In the context of 1995, on the one side, the key players are the *Parti québécois (PQ)* and *Bloc québécois (BQ)*, which stand for independence through a referendum and negotiation with the rest of Canada while, on the other side, the *Parti libéral* (the Liberal Party of Quebec), the federalist alternative, which recently, in

the context of the current pre-referendum campaign, advocated new powers for Quebec within Canada. ²⁸

The PQ was actually formed in 1968 by an alliance of the *Rassemblement pour l'indépendance Nationale* [RIN] with the *Mouvement Souverainéte- association* which, in turn, was composed of disaffected members of the Liberal Party of Quebec who were unhappy with the direction in which that party had been steering the Quiet Revolution. Many of the latter grouping, like Lévesque, a social-democrat and nationalist, were concerned about legislating an end to social inequalities, protection for francophone culture, developing the francophone bourgeoisie, and, therefore, to increase the role of the state in economy and society. The merging of the petit-bourgeois RIN element with that of the social-democratic Mouvement gave the new party its continuing internal tension, sometimes favouring the working class while, at other times, favouring the interests of the Quebec bourgeoisie and petit-bourgeoisie.

The PQ's impressive, pro-labour record from its first term in office and its subsequent support for FTQ initiatives in housing and the Solidarity Fund were noted above.

Both the Liberals and the PQ ended up on the same side promoting free trade, both in the case of the FTA and NAFTA. It is important to note, however, that the PQ

qualified its support for free trade by arguing for an adequate adjustment program for workers adversely affected by free trade, better training and education in general, and a social dimension. After the defeat of the PQ in 1985, the government under Liberal Premier Robert Bourassa in Quebec was very much obsessed with US trade as well as neo-liberal policies like cutting social programs, shrinking the size of government, and deregulation. For Bourassa, like Parizeau and the Québécois national bourgeoisie, free trade with the US was good business and peripheralization to be avoided at all costs. Bourassa, like the western premiers, especially liked the provisions of the Free Trade Agreement (FTA) that left the allocation and pricing of energy to the free market. As Doern and Tomlin point out,

The FTA's energy provisions were seen as an insurance policy, not only against future US protectionist actions, but even more against any more federal interference in provincial energy affairs...The energy provisions were also a continuation of Mulroney's strategy of building a political base in Western Canada and Quebec. The FTA entrenched the free-market energy policies that had already been adopted by the Tories in 1985-86 in response to Western demands. It also cemented the Quebec relationship, since electricity exports were central to Premier Robert Bourassa's economic strategy for Quebec.²⁹

A dilemma faced by Bourassa was the choice of losing jobs in Quebec in non-competitive industries versus the danger of being shut out of the US market by increased US protectionism.³⁰ The provincial bureaucracy

at first opposed free trade, then sounded out some business leaders, and came down solidly for the latter choice. ³¹ Bourassa's government went along with the recommendation of its bureaucracy and found itself in the unique position of leading a Canadian initiative in alliance with federal government - a position normally reserved for Ontario.

The overall result of federal and provincial initiatives was the firm belief among the Québécois bourgeoisie, English and French, that free trade with the US was just plain good for business:

Quebec nationalists were joined in supporting the trade deal by a new and powerful force in Quebec society. Big business, long seen as the unassailable perch of English-speaking interests within the province as well as outside it, had begun to take on a more French flavour. This was partly because talented French-speaking managers were finally winning the promotions within English-speaking firms that had been denied to earlier generations, but more important was the emergence of a dynamic French-speaking entrepreneurial elite that set about building its own industrial companies, going after trade and investment opportunities with confidence and verve. While many of the largest corporate employers in Quebec were still Anglo-controlled, the economic weight of medium-sized companies controlled by francophones rose dramatically through the 80's. ³²

From the point of view of the Parti Québécois in 1988, free trade was a god-send. Levesque's PQ government had held its famous referendum in 1980 on whether or not to bargain with Ottawa over sovereignty-association. The concept meant that Quebec would become sovereign politically but remain in an economic association with

Canada. The referendum was defeated at least in part because the PQ could not convince enough Quebec voters that an independent Quebec was a viable economic entity. Several years later, Mulroney's Tory government proposed free trade with the USA, an arrangement Chodos and Hamovitch described as "a sovereign Canada in association with the United States."³³ Here, then, was the golden opportunity the *pequistes* (members and supporters of the PQ) were waiting for. Free trade meant that the door to the enormous US market was suddenly flung open to Quebec. Now it was possible for Quebec to be politically independent and in economic association, not only with Canada, but also the US and any other hemispheric economies that attached themselves to the economic union.

PQ strategists had been waiting in the wings for years for an opening the likes of which Mulroney had provided. As early as 1970, Rodrigue Tremblay had written a book called Independence and A Quebec-US Common Market. Tremblay had just become Levesque's Minister of Industry and Commerce in 1976 when he said,

But if we have a sort of North American common market which I think we are going to evolve toward in the next quarter century, then the Quebec - Montreal area, the St. Lawrence area, is well located. Our natural market is not Vancouver, of course. It is mainly Boston, Pittsburgh, Cleveland, Washington, Philadelphia and New York.³⁴

Jacques Parizeau, who was, at the same time, Minister of Finance, echoed Tremblay by "talking about a customs

union with Canada - largely because of Ontario, but with Canada - and then eventually that, shall we say, a free-trade area within North America will gradually take place." ³⁵ In 1983, Bernard Landry, Minister for International Relations, added:

You have to remember that Canada is an artificial creation set up by Britain in the late nineteenth century so that it could keep its North American empire. This prevents us from selling in Boston and New York and vice versa. This is the end of the National Policy; since the Kennedy Round, the theory of John A. Macdonald has become an illusion, if not an absurdity. ³⁶

These underlying aspirations of the *pequistes* could only have been fanned into flames by developments in English Canada. Opposition was growing to the Meech Lake Accord of 1987, an attempt to remedy the failure of Trudeau's constitution of 1982 to include Quebec. The demands of Quebec as expressed in the Accord were the most minimal of any Quebec government since Confederation. Yet, there seemed to be a growing antipathy to them in English-Canada. It was not surprising, then, that a bandwagon effect was created in Quebec in 1987-88. The weight of the two arguments, the good-for-business bourgeois approach and the sovereigntist message, in addition to constitutional and environmental concerns (particular to Quebec), served to carry along a larger plurality in Quebec for Mulroney's federal Progressive-Conservative Party than in any other Canadian province.

That is not to say, of course, that the Quebec labour centrals did not do their share to oppose the FTA and NAFTA. Actually, the opposite is the case.

3.4. Quebec unions take up the fight vs. the FTA

3.4.1. The Macdonald Report

Just as in English Canada, the Macdonald Report was the first taste for the Quebec labour centrals of contemporary free trade. And they let the Commission know they didn't like it.

For example, in its submission, the CEQ observed that the "economic union" of Canada (one of the terms of reference of the commission) discriminated against Quebec in terms of allocation of investment and of research and development funds. It also decried the federal government policies disadvantaging Quebec: military procurement, the St. Lawrence Seaway, the National Energy Policy, the Borden Line on oil shipments, the auto pact, the destruction of fertile land for Mirabel Airport, the marginalization of Quebec's regional airlines ³⁷. It warned:

The precepts of the new chapels of monetarism and neo-liberalism put into place by Thatcher, Reagan, and in stride, other industrial states will only contribute to the misery of people, without opening perspectives for improvement. The unlimited confidence in the market which is the theoretical basis of these schools (of thought) and the strategies of social renunciation which accompany them put in danger the social gains that the workers have won in hard struggle. We are going to

continue to denounce these false solutions, all the while following through with efforts to put forward our own solutions.³⁸

While putting forth an elaborate industrial strategy of its own, the CEQ specifically lambasted the Commission's orientation towards free trade, calling instead for:³⁹

- rejection of free trade, of excessive protectionism. Rejection of North American integration (which cannot be done except under the mode of domination) to the detriment of the rest of the world... (In its place) the necessity of rolling back the foreign ownership of our economy.

The brief concludes by indicating the dangers posed by neo-liberalism and by positing an alternate vision:

Their (neo-liberal) policies have disrupted the fragile balance of macro-economics on which the post-war economic growth relied. They have now engaged our society in a long and hard transition phase destined to create an economic, social, and political coherence suited to the bewilderments of the international economic order. Nevertheless, the tendencies for this recomposition - alienation of manual and intellectual labour, insecure work, competition and competitiveness of markets, exclusion (homelessness and unemployment) of a big portion of the workforce, cutbacks in social budgets, growth of disfavoured regions, social inequalities, decrease in popular purchasing power, restriction of the role of the state - mean a major social renouncement and an unacceptable rollback for workers. We endorse none of these orientations.

On the contrary, we believe that a different policy must be put forward which favours the development of our national economy relying on an industrial strategy with full employment as its main objective. The propositions that we are formulating would permit, in our opinion, the redirection of society along the path of social progress and would assure the full flowering of human rights.⁴⁰

3.4.2. Coalition-building

Also, just as in English Canada, Quebec labour was awakening to the need to reach out into the community to defeat the neo-liberal agenda, centred upon free trade. Monique Simard, a former first vice-president of the CSN, describes the process:

For its part, the labour movement took a while to realize that, on the one hand, new social causes were developing on the margins of the labour movement while on the other hand, the world of work was being transformed in a fundamental way.

At the same time, she continued, labour was coming under attack by employers and governments for selfishness, for being concerned only about its own members' benefits which were said to have been gained at the expense of the less fortunate in society. It took a while for labour to react:

The result of this was that there has not been, outside official speeches, any real unity of thought or action between the popular movement and the labour movement. The consequence has been that in many respects, there has been no rapid solidarity offensive, organized and solid, against the neo-conservatives.

At the turn of the nineties, having learned from the defeats of the eighties... a new understanding began to develop of the urgent need to come together, propose, and implement an alternative model of society.⁴¹

As mentioned earlier, since the CSN and CEQ were originally catholic unions, they had had considerable encouragement from the Roman Catholic Church to establish liaisons over many decades with community groups under

the aegis of the Church. The practice continued even after the two centrals stopped describing themselves as Catholic and, in the context of the Quiet Revolution, the community groups began calling themselves "*groupes populaires*."

3.4.2.1. Solidarité populaire Québec

In fact, in 1985, the CSN took a leading role in creating *Solidarité Populaire Québec [SPQ]*. It was to be a popular coalition to protect the universality of social programs in the face of the first election of the federal Mulroney Conservatives in 1984. At the provincial level, it was to help labour protect itself from clawbacks of its hard-won gains by reaching out to allies in the community. Its first campaigns were against welfare and unemployment insurance reform; its main funders: the Canadian Religious Conference (CECQ), the CSN, the CEQ, and some large non-affiliated Québécois unions.

Marianne Roy, SPQ coordinator, traced its growing impact on Québécois society:

In 1987, SPQ organized the first *Commission populaire itinérante*, or Travelling People's Commission. It held hearings in eight different regions of Quebec. Its main objective was to hear, from the grassroots and local organizations, how they were living in the consequences of what is called in Quebec the *dégagement de l'État* -- the withdrawal of the State (sic) from its responsibilities through cutbacks, deregulation, privatization, etc.

This project helped consolidate or set up similar kinds of coalitions in the various

regions it travelled to... During this time, SPQ continued to intervene on major issues and helped establish broad *ad hoc* coalitions around specific campaigns. Some of its members participated in the Solidarity Working Group and organized the meeting in Cap Rouge near Quebec City of coalition activists from across Canada and Quebec.⁴²

It was the Working Committee for Social Solidarity that was (as mentioned earlier) the immediate precursor to the Pro-Canada Network. The representative from SPQ to the Working Committee and, later, to the PCN was Madeleine Parent, a veteran Québécoise trade union organizer and feminist.⁴³

3.4.2.2. Coalition québécoise d'opposition au libre-échange [CQOLE]

It is not surprising, then, that Quebec unions were the first off the mark in establishing a coalition against free trade. The Coalition québécoise d'opposition au libre-échange [CQOLE] was formed in August of 1986. However, what was different about the syndicalist free trade fight in Quebec was that the three union centrals did not try to establish a broadly-based coalition to fight the FTA within the province.

Contrast this approach with that of the Council of Canadians. In preparing for the Maple Leaf Summit on April 5, 1987, that resulted in the formation of the Pro-Canada Network, the COC seemed to have used the telephone book as its guest list: "In organizing the

event, the Council of Canadians had invited every group imaginable, from the Canadian Labour Congress to the Canadian Association of Police Chiefs." ⁴⁴ On the other hand, like unions in English Canada, the CSN and CEQ did join the Pro-Canada Network in their own right in 1987.⁴⁵

Only one organization outside of labour shared membership in the Quebec Coalition Against Free Trade [CQOLE]: the farmers' union, the Union des producteurs agricoles [UPA].

The well-respected UPA is one of Quebec's main petit-bourgeois institutions. Like farmers everywhere in the developed world, they felt their economic survival depended on continued protection and subsidies by government. The UPA mobilized very quickly in response to Mulroney's free trade package and in August of 1986 joined the union centrals in an anti-free trade coalition. They demanded that four safeguards be put in place for them at once. The "Four Pillars Of Agricultural Politics" were:

- 1) marketing boards for dairy and poultry production;
- 2) price stabilization for beef, pork, egg, cereal, and potato producers;
- 3) crop insurance;
- 4) agricultural credit. ⁴⁶

The Québécois coalition began its work methodically by initiating studies of the projected effects of the FTA on various sectors of the Quebec economy, on social programs, and on the parameters of

government action. Though it was denied access to the secret files of the Quebec Ministry of Industry and Commerce, CQOLE developed some six hundred pages of research initially, which was later expanded to one thousand pages of evidence showing that "mainly because through the FTA, Canada would be giving up roughly twice the tariff protection as the US on manufactured goods, Québec stood to lose 76,000 jobs in vulnerable sectors (apparel, furniture, packaging materials, metal goods, electrical and electronic goods) while making only negligible gains in winning industries." ⁴⁷

By September 15, 1987, CQOLE had solidified its research and point of view into a brief presented to the Quebec Commission on Work and the Economy. It is worth examining this brief, briefly, in order to see how similar were the arguments about the demerits of FTA used in Quebec and English Canada.

The brief began with general statements of concern:

The CEQ, CSN, FTQ, and UPA wish to express their fierce opposition to the free trade project. We conclude that this project will have disastrous consequences on the level of employment, on numerous social and economic programs, not to mention on the cultural identity of Quebec and Canada. We insist upon the danger that these negotiations represent to our collective future. We recall that the Canadian government has never received a popular mandate to open them... Not only have the governments (of Canada and Quebec) hidden under the seal of confidentiality the majority of studies that they have undertaken on this subject, but they have not given rise to a single debate on

the subject...

A great anxiety is also expressed as to the elasticity of the concept of free trade. Starting with the abolition of customs duties, the accord will eventually attack non-tariff barriers of which the list grows longer week by week. They don't speak only of administrative barriers to export or customs; they discuss regulation, privatization of crown corporations, industrial policy like regional development and even control over investment. There is every reason to believe that several social programs and even our cultural and agricultural industries would also be irremediably weakened by free trade.⁴⁸

Under the subtitle, "Economic Conditions", the submission noted that "the backdrop upon which the negotiations for a free trade agreement between Canada and the United States are actually being played out seems relatively unfavourable: Quebec enterprises are on the whole less productive than their American counterparts; several economic sectors are dominated by American branch plants; the weakness of the Canadian dollar affords exporting enterprises a very risky protection."⁴⁹

The brief moved then to a sector-by-sector analysis. Under "Services", the brief observed:

Free trade in these sectors will inevitably translate into deregulation, already well advanced south of the border with the inevitable consequences: mergers and forced takeovers of businesses, reductions in service, lower employment and conditions of work, immediate lowering of tariffs immediately following the deregulation only to be followed by a rise following the concentration of enterprises.⁵⁰

Under "Social Programs", it indicated that, even though "Prime Minister Mulroney had declared that Canadian

social programs would not be on the table in discussions of free trade... the assurances of the prime minister (were) no guarantee that our social programs would be protected from the impact of free trade. Already in 1985, the Macdonald Commission predicted that free trade between the two countries would lead to a harmonization of social programs on the American model..."⁵¹ Under "Economic Policies", it drew attention to the fact that "free trade would translate for Quebec into what, in our eyes, would be an unacceptable weakening of its power to intervene in matters of economic development."⁵²

The submission listed a whole slew of concessions the Canadian government was about to concede, such as marketing boards for agricultural products; subsidies to agriculture, industry, and regions; cultural protection; reductions in the powers of provinces, and it foresaw "an inevitable modification of Canadian foreign policy and foreign aid policy for international development, which (would) have the tendency to follow the American example."⁵³ For Quebec specifically, it observed that the proposed Agreement had certain special consequences. These were that Quebec agriculture which had received provincial subsidies in order to diversify its products would lose those subsidies; that all of the sunset ("loser") industries were concentrated in Quebec; that Quebec and the Maritimes were the two regions receiving

the most benefit from federal regional development initiatives, which would be terminated under free trade; that the Quebec government, which, among Canadian provinces, had played by far the greatest role in economic development, would have that role greatly curtailed; that Quebec social programs, the most advanced in Canada, would be challenged; that cultural protection subsidized by the Quebec government would be considerably "discriminatory"; and that Quebec's language laws might be termed a protectionist barrier by the Americans. ⁵⁴

Finally, the submission recommended the Quebec government do the following:

- 1) declare itself against the free trade project with the United States...
- 2) reclaim and exercise a veto in regard to the whole free trade treaty...
- 3) favour a multilateral liberalization of trade and an ameliorization of the rules of commerce under GATT more than a growth in dependence upon the United States...
- 4) make full employment its prime objective in the matter of economic development...
- 5) make public all the studies that it has undertaken on this question and urge the federal government to do the same...
- 6) hold new hearings of a parliamentary commission on the basis of continuing the whole free trade project...
- 7) demand that the Canadian government inform the people on the real substance of the negotiations so that a proper public debate (could) be held and that it will not sign any treaty without first having obtained a clear popular mandate after having held a general election. ⁵⁵

The Quebec coalition, CQOLE, did not massively distribute the Pro-Canada Network booklet, "What's the Big Deal?", because it was never translated into French.

It did appear, however, as a paid supplement in the Montreal Gazette. Instead, it published its own mass circulation materials. One of these was "l'entente Mulroney-Reagan: On Y Perdrait Au Change" whose title is a pun. The translation is either "the Mulroney-Reagan agreement: you'll lose in the trade" or "the Mulroney-Reagan agreement: you'll lose your change." An 86-page booklet, it detailed each of the main aspects of the proposed agreement by article, with statistics, tables, commentaries, unfavourable comparisons to similar arrangements under GATT, and came complete with a glossary of terms of international trade.

3.4.4. The 1988 election

As mentioned earlier, the 1988 federal election has come to be known in English-Canada as the "Free Trade Election". It was not so in Quebec. In fact, Bakvis argues, "At the same time that, through the constitutional debate, English Canada meditated over a period of years on whether or not Quebec should be recognized as a "distinct society", Québec was demonstrating in the free trade issue that its attitudes and reactions were indeed distinct from those of English Canada." ⁵⁶

Bakvis elaborates:

Well after the lines between pro- and anti-free traders were drawn subsequent to the

conclusion of the FTA, the federal Liberal Party made a strategic decision to oppose ratification of the treaty and to run its election campaign on that position. Speeches by Liberal leader John Turner and party's television campaign advertisements portrayed the FTA as an attack on Canadian sovereignty, such as one ad in which an anonymous but perfidious-looking U.S. backroom strategist is shown erasing the border between Canada and the U.S. on a map. The message went over very well in English Canada where the Liberals enjoyed an enormous surge in the polls. Although Québec was not totally impervious to the nation-wide trend, the campaign dramatics playing on the sovereignty issue had little impact and even, in some cases, hindered the credibility of the anti-FTA campaign in Québec when free trade opponents were challenged to explain the more exaggerated claims as to the consequences of the FTA made by some particularly enthusiastic spokespersons of the federal campaign. Things were not helped when material was received from a group based in western Canada, where the francophone minority has had great difficulty in protecting the very limited linguistic rights it enjoyed, claiming that the FTA and the Meech Lake constitutional accord (which granted recognition to Quebec as a "distinct society") were part of the same plot to destroy national unity.⁵⁷

Two other issues occupied the minds of Quebec voters. One was the PCB environmental disaster at St. Basile-le-grand and the other was the constitutional issue of the progress of the Meech Lake Accord.

It was on the latter issue that Mulroney decided to bank his chances of winning a second majority government. His message in Quebec was it had been the federal Liberals under Trudeau who had betrayed Quebec in the talks leading up to the Constitution Act of 1982. And, when prospects of winning seemed darkest, he spent almost the whole last two weeks of the actual campaign in Quebec pushing this theme.

Mulroney had had the good luck and foresight in 1984 to enlist several prominent Quebec nationalists as PC candidates. Their addition to his team helped him win a landslide that year in Quebec (and the rest of Canada). In 1988, Mulroney scored another coup by recruiting Lucien Bouchard, the very influential former colleague of René Lévesque.⁵⁸ These nationalists joined the Conservatives because of the national question, and, when the Meech Lake process was coming apart in 1990, they quit the Tories and founded the separatist Bloc québécois.

So, while artists, intellectuals, trade unionists, and nationalists in English Canada trumpeted the election theme that free trade would mean the end of the English Canadian identity, Quebecers were concerned about whether or not they were welcome in the Canadian federation as equal partners. The Quebec cultural identity was not really at issue. According to Bakvis, "no major Québécois artist or nationalist propounded the view that cultural survival and free trade were incompatible."⁵⁹

A pro-free trade result in Quebec was made all the more inevitable because of the fact that both major parties in the Quebec National Assembly (its legislature) endorsed the FTA, though, as mentioned earlier, the Parti québécois (which was the official opposition in the

National Assembly) insisted upon some changes. It is not really surprising, then, that support for free trade among the Quebec population runs a constant few percentage points above the rest of the country, hovering in low 50 percentiles. (Please refer to Graph 2 at the end of Chapter 1.)

In this context, it's no wonder that the Quebec union movement, alone except for the farmers organization, could not turn the tide against free trade in Quebec, especially when employers' associations poured millions of dollar's worth of advertising into the campaign (notably during its last week) - not in support of the Conservatives, a deed which would not have been permitted under the Elections Act, but rather in support of the FTA itself.

Bakvis also draws our attention to the fact even if the unions had been able to mobilize one hundred percent of their membership to oppose the FTA, their memberships constituted less than half of all wage earners in the province. Canadian labour boasts a very respectable 37% union density rate (the percentage of eligible wage earners who belong to unions), which compares favourably to western European countries. Quebec centrals, however, because of higher levels of solidarity engendered in many enormous, province-wide struggles since the late 1940's and because they embarked on

massive organizing drives in the 1980's, are proud of their 45% density rate, a figure higher than Germany before re-unification (34%), almost triple that of the USA in 1989 (16%) and indeed higher than half of the member countries of the European Union.⁶⁰ While the effect of union leadership reaches far beyond the boundaries of union membership, their actual memberships were just a puddle in the Québécois bucket.

Now we arrive at what the centrals did and did not do.

3.4.4.1. The union role in the 1988 election in Quebec

Carla Lipsig-Mummé, Director of the Centre for Research on Work and Society at York University, echoes John Anderson's remarks earlier in this chapter:⁶¹

There is an extraordinary lack of direct knowledge about the Quebec labour movement among English-Canadians, and, quite often, very incorrect information, which nobody tries to do anything about correcting. I will hear people vehemently saying that Quebec unions wanted free trade from the beginning. They didn't. And they fought very hard against it. Realizing that they really couldn't affect it was a terrible cold water bath for them.

In 1988, she was seconded from Laval University to the CEQ. The CEQ, like the CSN, long after the time during which it was church-inspired and controlled, (she points out) continued to think of itself as part of a social movement and maintained close links with the

groupes populaires (community groups) in the anti-FTA campaign. In a deviation from her usual academic style, she says, "We were busting our ass fighting the FTA".

She describes the union's anti-free trade campaign beginning in the summer of 1988, firmly under syndicalist leadership but linking itself with community groups:

In the summer of 1988, the coalition fight (against free trade) was put together. Remember that this Quebec trade union movement, the CEQ-CSN, still sees itself as a social movement and has always had quite extensive links to the community movement in a way that almost goes back to Church times... The left wing of the CEQ-CSN centred in the labour council of Montreal and, to some degree, of Trois-Rivières were getting very actively involved, going around the province, raising consciousness about free trade, doing things the movement has always been very successful at doing, linking with the community groups but always with the lead taken by the unions. Only they're not successful at all.

She goes on to describe a particular incident in the campaign that indicated the trend:

I have a particular thing that sticks in my mind. It was late getting under way... Documentation went out massively to the members during the summer... The farmers' union was also in it, which was very good at the time. The very first big meeting would have been at the end of September or beginning of October in Quebec City, (well) before the November (21st) election. It was well-attended. But don't forget that this took place during the time that members to some degree had become burnt out about opposition - rupture - combat - struggle because the CEQ and CSN had been so badly hit (endnote: by the failure of the 1980 referendum, the PQ's wage and benefit clawback, back-to-work legislation) up to 1983. They were demoralized.

"You're asking us to get up and fight again?
They'd rather read the financial pages of the

paper.

I specifically remember that, in October, at the period of time when the coalition felt it had really gotten underway, late, but it was doing it, the percentage of Québécois who were for free trade rose during the month when the coalition was at its peak of work. I remember it as a most damning thing because at the Bureau National, the Executive of the CEQ, we were tearing our hair out, talking about it, and nobody really could say what did it really mean.

What it meant was that kind of mobilization, community-union mobilization for something that was not a natural cause, had no echo, I believe.

Subsequently, English Canada blamed Quebec for bringing in free trade... Technically, Québécois voted relatively more for free trade. But this does not mean that the unions didn't do their work. ...Nobody was half-hearted about it. ⁶²

Roch and Serge Denis echo Lipsig-Mummé:

The unions fought the free trade agreement, taking a position identical to that of the unions in the rest of Canada. But despite this opposition from the most massive social organizations, it may have appeared that Québec as a whole supported free trade, in contrast to the rest of Canada. ⁶³

Even Reg Whitaker admits that "trade unionists and farmers opposed the deal." ⁶⁴

However, Lipsig-Mummé qualifies her last comment by adding that:

The FTQ was not involved. Except for support of the PQ, the FTQ is not interested in mobilizing its members. But also the FTQ structure is like an OFL structure. It doesn't have the ability to do so. Of the three centrals in Quebec, the FTQ is the least capable of bringing out large numbers. Now, over time in competition with the other two centrals, it has learned how to do it. But there is actually the same weakness in English Canada. You can have very good militant unions. But, when you need a demonstration that crosses the specific union's (jurisdictional) line, you don't get one. 300 is big. So there is something in the structure that doesn't mobilize well. ⁶⁵

However, subsequent mobilizations by the FTQ, on issues important not only to the Federation but to Quebec society in general, have shown that there really is no structural problem in mobilizing its members. What there was in 1988 was a hesitancy over the issue of free trade.

Even non-union observers of the 1988 election credit Quebec unions with having put up a good fight against the FTA but also note that the FTQ, whose membership consists mainly of private sector unions, some of them, international unions, did not participate with the same intensity as the CSN/CEQ. Gagnon and Montcalm, for example, observed that

...free trade, in union circles has become synonymous with the final surrender of the means by which successive Quebec governments since the Quiet Revolution have fought to counteract the ravages of peripheralization on the Quebec economy. Quebec unions, to the extent that they remained autonomous from international (American) unions, played a major role in that fight.⁶⁶

But it was not that the FTQ had received orders from Washington or Pittsburgh to support the FTA. On the contrary, the US labour movement was vehemently against free trade from the start.

Moreover, FTQ President Louis Laberge was emphatically against the Agreement:

In the labour movement, we were opposed to that free trade agreement as they were in the rest of Canada but not exactly for the same reasons. I don't think that English Canada was opposed to free trade per se. Who can be opposed to free trade? We need it because we are a trading people. But we were opposed to **THAT** free trade agreement because

of the things it was lacking... We were against **THAT** agreement because we didn't feel it was protecting us as much as it should.

Among the issues M. Laberge cites as weaknesses were the lack of accompanying adjustment programs for workers, changes in the Canadian content rules within the Auto Pact, and problems of resolving trade disputes with the U.S.A. Moreover, he was just as upset by the NDP's election strategy not to make free trade its central focus as were some of his syndicalist colleagues in English Canada. Laberge says, "We did not much like the position Ed Broadbent took on free trade. But that did not prevent Ed Broadbent from being one of our friends. We had been working many years together. We could agree on so many things." ⁶⁷

Rather, while the FTQ joined CQOLE and opposed free trade in principle, it did not wholeheartedly throw itself into the fight for precisely the same reason that Lipsig-Mummé and the CEQ/CSN found their 1988 anti-free trade campaign to be "a terrible cold water bath" ⁶⁸: much of their memberships supported the view that free trade was necessary for Quebec. Bakvis explains,

...the anti-FTA campaign in Québec was harmed by the fact that opponents of the FTA were, to some extent, perceived as defenders of the status quo. While unemployment in the final months leading up to the 1988 election was running at less than 5 per cent in Ontario, home to half of English-speaking Canadians and vanguard of the anti-free trade campaign, it was double that in Québec. The message delivered by some prominent Conservative cabinet ministers that free trade would help Québec

exporters create more jobs and catch up economically with Ontario, Canada's foremost manufacturing province, probably had more impact on Quebec voters than did ads of the opposition showing the US-Canada border being erased. With unemployment at 10 per cent despite six years of steady growth in the 1980's, many Québec voters must have felt that free trade was a risk worth taking, since the economic situation could not get much worse. ⁶⁹

But the contradiction in which the union leaderships found themselves went even deeper. Many of the members of all three centrals not only belonged to the PQ but held responsible positions in the party.

The reasons for this partisan support, in spite of the events of the early 80's, were that the PQ provided a credible social-democratic alternative to the business agenda of the Quebec Liberal Party as well as an increasingly uncompromising advocacy for Quebec on the national question.

The leader of an affiliate within the FTQ, Gérald Roy, Canadian Director of the ILGWU and a Québécois, recalls the FTQ's fight against free trade as being somewhat uneven, "There was a large push against free trade... But then there were other areas where (the FTQ) was very, very silent. I remember conversations with officials of the Federation who said there were going to be losers in this game and it's very possible that the apparel industry is going to be one of those losers. So we felt a bit left out." ⁷⁰

CLC President Bob White noticed the same nuanced

approach as Roy:

There certainly was (a difference in attitude in Quebec) on FTA. There's no question. If you look at the Quebec labour movement. They opposed FTA but they didn't do it with the same enthusiasm, the same passion, the same commitment and the same energy that we did. We saw this as a fundamental attack on the sovereignty of Canada and on the question of our culture and a number of other things, the same argument that Quebec was making vis-à-vis their relationship with Canada. And the facts are Quebecers didn't see it in that light at all. They came to the position that, if they were a sovereign country, they wanted to be able to deal with the United States . If you look at their position today, they think they would automatically be included in NAFTA and in FTA. So, while there's opposition to NAFTA in Quebec, and there is opposition to FTA in Quebec, it certainly didn't have the same thrust to it that we did in the rest of the country... I think it's the same now. I don't think it has changed significantly. ⁷¹

Carla Lipsig-Mummé offers the explanation for White's observation that Quebecers simply did not feel their sovereignty and culture as much under attack by free trade as English Canadians. Essentially, she says, the Québécois love the U.S.:

Québécois are never afraid of the United States. They love it: At the same time that the discourse about American multinationals and of American imperialism, in my experience which goes back to the 60's, could be real, people love Old Orchard (a resort in Maine) and they love Florida. People love the States and find them, oh, so much nicer and more like us than those drab, cold English-Canadians. ⁷²

In explaining her position, Professor Lipsig-Mummé refers to the work of Chodos and Hamovitch entitled, Quebec and the American Dream. ⁷³ It is worthwhile, at this point to digress a bit to examine the

phenomenon of what the authors describe as Quebec's historical love affair with the USA.

3.4.4.2. Quebec and Americana

According to Chodos and Hamovitch, the pro-US attitude of contemporary Quebec has deep historical roots, which are summarized below. During the American Revolution, for example, there was little enthusiasm, despite appeals from the pulpit, by *les habitants* to take up arms for the king. Instead, initially at least, the invasion of Québec by U.S. revolutionary forces was welcomed by a significant sector of the population. It was only when it became clear that the US revolutionary government lacked the means successfully to consolidate their conquests (and redeem their script for commandeered food and animals) that the prudent Québécois support began to wane. ⁷⁴

During the Rebellion of 1837, *les patriotes* (like their *confrères* in Upper Canada) openly proclaimed the American Revolution as their model. Papineau, in his final public speech, stated his admiration for the U.S. revolutionary ideal as well as that of the French:

The good teachings of modern times, I have found condensed, explained, and given over to the love of peoples... in a few lines of the Declaration of Independence of 1776 and of the declaration of Rights of Man and the Citizen of 1789. ⁷⁵

And, of course, many exiles lived as *Canadiens errants* in the USA where the local population often enthusiastically aided their anti-British agitation.

Papineau and many radical Québécois nationalists went so far as to endorse a proposal by Quebec English merchant class in 1854 for annexation to the US. The merchants, reacting against the British policy of free trade, which had removed the imperial preference that favoured their goods, offered an argument, different from that offered by Quebec business in 1988, but based on sound economic reasons for its own time.⁷⁶

In the aftermath of the execution of Louis Riel, Honoré Mercier, organized the Parti national, drove the Quebec Tories out of office and became "perhaps the most strongly nationalist premier before Lévesque".⁷⁷ Mercier was for annexation. But, like Lévesque, he did not succeed in his dream.

For the ordinary Québécois farmer or worker, low wages, unemployment, hunger, grinding poverty, and scarcity of good land was often the incentive to emigrate. But it was partly the lure of the American Dream (and partly proximity) that attracted hundreds of thousands of Québécois who settled in New England from the mid-nineteenth to the mid-twentieth century, forming their own parishes and tenaciously trying to maintain, against the opposition of US authorities, their language

and culture in the US melting pot. One-sixth of all New Englanders claim Québécois origin today. So there is an organic link from Quebec to the US. Even today, the favourite beaches of Québécois are found in Maine, their favourite holiday spots in Florida. Many fads, fashions, and musical styles are readily copied from US models.

Probably the most important modern cause of Quebecers' benevolent attitude towards the US is their increased self-confidence as a nation since the Quiet Revolution of the early 60's, according to Chodos and Hamovitch. The exuberant flowering (*épanouissement*) of Québécois culture made Quebecers ready to face the US giant as equals. Francois-Marie Monnet, Quebec correspondent for *Le Monde* wrote in 1977 about

the total absence (in Quebec) of that passionate anti-Americanism that poisons the activities of the international left. The manifest immunity of Quebecers to anti-Americanism is a fact of nature: they belong to one of those rare peoples, if not the only people, which while living in the American orbit feels no inferiority complex towards the Americans. ⁷⁸

Self-doubting English-Canadians on the other hand, she argued, fear assimilation by too close association with the US. Lysiane Gagnon, columnist for *La Presse* wrote in 1985 that

Quebeckers don't share the feeling of powerlessness and cultural inferiority that feeds anti-Americanism in English Canada. We are much more aware of our difference which, expressed primarily through language, is much more obvious. ⁷⁹

Daniel Latouche, constitutional advisor to

Premier Levesque, took it one step farther:

The PQ leadership shares with most Quebec elites a deep admiration for the only North American society that is said to have succeeded in providing itself with an autonomous model of development... The socio-economic model for the Québécois is not Canada, for it exists only as an act of will, but the United States, which has succeeded in giving form to the North American myth.⁸⁰

In short, there is a tradition in Quebec of looking to the USA for political and economic inspiration, for family connections, for cultural styles, and for recreation, according to Chodos and Hamovitch.

Following this line of reasoning, Lipsig-Mummé answers Bob White's point. Given the historical experience, she says it is little wonder that the Québécois did not fear the consequences to culture or sovereignty as a result of free trade with the USA.

But Lipsig-Mummé probably overstates the case of Quebec affection for Americana in several ways. First, CQOLE literature from the anti-FTA campaign in 1987-88 cited above, shows a clear concern about the survival of Quebec language and culture under free trade with the United States. Secondly, while the Québécois are indeed more open to US culture, values, and ideas than to English Canadian, it is generally because the main axe that Quebeckers have (and have had) to grind is with their anglophone countrypersons. In Quebec nationalist eyes, English Canada is seen as the main enemy, the oppressor nation that has marginalized Quebec society and

done its best to repress the French language and culture in Quebec as well as throughout the rest of Canada (whereas in English Canadian nationalist eyes, the U.S. is seen as the main enemy, buying out the country with Canadians' own money, reducing Canadians to "hewers of wood and drawers of water", and imposing their ethnocentric culture.) This difference of viewpoint is at the core of the dialectic of the national question. It explains White's comment above that Quebec was making the same argument about domination by English Canada that English Canada was making about domination by the U.S.

A more balanced view of Quebec's attitude to Americana would be one that sees the Québécois as more receptive to US culture than English Canadian, on the one hand. On the other, it would account for the Québécois dislike of any kind of domination, including the kind practised by the U.S. in Africa, Asia, and Latin America, that is usually called imperialism. Québécois sympathy and solidarity with oppressed people the world over is well known. For example, solidarity, notably that to be found in the trade unions, goes back much farther and deeper and has manifested itself in wider organizational ties (and much bigger demonstrations in regards to struggles in Central America and Palestine and against the Gulf War) than anything found in English Canada. Bloc M.P. Gilles Duceppe argues that close ties with Latin

American countries, now manifested in the interest with which Quebec trade unions have expressed in regional economic integration in the Americas, dates back to the days of the Québécois missionary priests ⁸¹.

Anti-imperialism is more popular in Quebec than English Canada. Lévesque himself used his broadcasting career to promote the cause of Algerian independence. No doubt, feelings of being an oppressed nation within the Canadian state is the root cause of this Québécois solidarity with peoples striving for independence from the neo-colonialism imposed by great powers.

So, if the Québécois have consistently displayed a slightly more favourable attitude to free trade than English Canadians, it is not because they loved Americans and Americana but rather because they have had a different and less colonial experience with the U.S. than with English Canada; because, since the Quiet Revolution, they have become more confident in their own culture and institutions; and because they thought it might be good for business.

3.4.4.3. The UPA deserts the Coalition

An event which weakened and demoralized the union's election effort to fight the FTA was the defection of the UPA from CQOLE.

On the one hand, Québécois farmers wanted

protection of their interests under free trade. On the other hand, according to Montpetit,⁸² were willing to listen to arguments concerning the advantages that Quebec might gain under free trade. They urged their provincial government to address their concerns before they would drop their opposition. In fact, in 1987, the Quebec government did adopt the UFA's four demands in toto as its own position on agriculture in relation to free trade and GATT.⁸³ Once Mulroney's Tories were able to promise to the Government of Quebec and to its farmers that the four pillars would remain in place under free trade, farmer opposition to free trade evaporated.

3.4.4.4. The election aftermath

Several rationales for the higher popular vote for the Conservatives in the 1988 federal election in Quebec have been offered.

In their book, Letting The People Decide, Johnston et al argue that there are two distinctive factors about voting in Quebec during federal elections. The first is that, because Québécois are a minority in Canada, Quebec cannot afford to split its vote. Therefore, Quebec tends to vote as a bloc. The second is that, for the same reason, Quebec cannot afford to be on the losing side. Hence, Quebecers look to see who is

going to win in English-Canada and vote the same way. ⁸⁴

In Letters to a Québécois Friend, Latouche tells Resnick,

Most Québécois are convinced that free trade is a federal initiative supported by the English-Canadian community. Most of them are convinced that they voted correctly - as was expected of them. The pro-free trade voices from English Canada were all saying the same thing: free trade is good for the country, free trade will bring us prosperity, no free trade and we are doomed. According to most in English Canada, free trade was for winners. And the Québécois surely want to be on the side of the winners. Few people will explain the vote this way. They prefer pompous words about our new feeling of confidence. Nonsense. Most Québécois voted for free trade because the *Puissants* and the Powerful of English Canada said they should. ⁸⁵

Neither analysis is entirely correct. A more accurate account of the higher Conservative vote in Quebec would include the above but also elements like constitutional concerns, for example, the Meech Lake Accord; concerns about peripheralization of the Quebec economy; the lack of a party in opposition to free trade in the Quebec National Assembly; an uneven and low-keyed opposition to free trade by Quebec three labour centrals; and the general lack of apprehension by Québécois of the U.S.

After the dust had settled on the 1988 election and Ed Broadbent had resigned as NDP leader, Louis Laberge rose to open the FTQ's next convention with his presidential address. Despite his disagreement with Broadbent's over his 1988 election strategy with regard

to the Free Trade Agreement, Laberge paid a glowing tribute to Ed Broadbent. The accolade was notable for two reasons. First, Laberge's support for Broadbent was in direct contrast to the post-election attacks made by Bob White, Gérard Docquier, and Leo Gerard on the NDP leader in Ontario. Secondly, the tribute was all the more significant because English-Canadian politicians are not often lauded in Quebec by francophone Québécois.

In Chapter 4, we shall try to expand upon this example of leaving doors open to political allies that the Québécois trade union leadership is more careful to do than the corresponding leadership in English Canada.

3.5. Summary and analysis

Just as the Quebec and Ontario economies developed differently, so did their trade union movements. Because of the national question as well as social and economic policies, the three Québécois union centrals after 1975 usually found themselves closer in the provincial sphere to the Parti québécois camp than that of the Liberal Party of Quebec. However, as explained in Chapter 1.3.1., the failure of the 1980 referendum and the PQ's public service clawback of wages and benefits in 1982-83 drove many trade unionists towards support for the federal NDP in 1988.

Like the English Canadian union movement, the

three Québécois centrals formed a coalition to fight the FTA. Significantly, the Quebec centrals did not try to expand the Coalition's membership to include a whole panoply of community groups. Only the farmers' union was invited to join. In this way, the union centrals were able to keep tight ideological control over the coalition, and avoid the loose cannons in their midst experienced by their counterparts in English Canada.

The literature of the Coalition québécoise d'opposition au libre-échange [CQOLE] stressed many of the same points as the Pro-Canada Network but, importantly, did not adopt a doomsday approach to the issue. Those who made wild claims against the FTA were called publicly to account in Quebec. Rather, the FTA was debated mainly on its own merits.

The Québécois trade unions opposed free trade in a less intense manner than their English-Canadian counterparts. The two centrals, the CSN and CEQ, who put a lot of resources into an attempt to mobilize popular opposition to the FTA, albeit late in the campaign, found their efforts led to nought. Despite the strident opposition to the FTA by its president, Louis Laberge, the FTQ appears, from the empirical evidence, to have made an uneven effort to mobilize its members against the deal, probably in view of what it perceived as rank and file support for free trade. The only other coalition

partner, the UPA, dropped out of the struggle when the federal and provincial governments adopted its policies.

What differences of attitude and approach to the FTA were exhibited by labour in Quebec can be explained fundamentally by the fact that the Québécois centrals were operating in a different national milieu. They saw themselves as a product of a different nation within Canada, with a different syndicalist history and a different political role to play. In the context of the FTA, as always in Quebec, the unions had to carry on with a difficult balancing act between class and national interests of their members. The centrals opposed the trade deal because of its neo-liberal orientation and because it appeared, overall more likely to harm than help the Quebec economy. That they did not find a resonance for this approach among their own members was probably due to the acceptance by a large part of their members of the nationalist argument (of both the PQ and the provincial Liberals) that free trade was going to be good for Quebec.

The Quebec labour movement certainly did not oppose the FTA in order to protect the integrity of the Canadian federal state. On this point, Quebec labour differed significantly with that of English Canada, which took an increasingly nationalist orientation and saw in free trade an irreparable loss of Canadian sovereignty

and culture.

The evidence of a 15% vote for the NDP in 1988 in Quebec, ten times its normal vote share and the best showing that party has ever had in the province, indicates that there was a constituency there for the position that a social dimension must be an integral part of any trade liberalization agreements in which Canada participates. As mentioned in Chapters 1 and 2, had Canadian labour focussed on the issue of a social dimension in 1988, a theoretical and practical unity might have been forged across the national divide on a common class-oriented approach to the FTA. What might have been averted was the worsening of relations between English-Canadian and Québécois nations over the bitter recriminations of betrayal arising from the 1988 elections. What also might have been avoided was the marginalization of the NDP.

While the differences of approach to free trade in labour in 1988 were important, the gulf between the labour movements of Canada's two (European) nations widened, as we shall see in Chapter 4, in the struggle against NAFTA.

Endnotes for Chapter 3

¹ Dorval Brunelle and Christian Deblock, Le libre-échange par défaut, VLB Editeur, 1989, page 108.

² Ibid, page 108.

³ Ibid, page 110.

⁴ Ibid, page 112.

⁵ William Coleman, The Independence Movement in Quebec 1945-80, U of T Press 1984, p 136.

⁶ Private communication with John Anderson, April 17, 1995.

⁷ This irregular arrangement was finally sanctioned in practice by the federal NDP under Ed Broadbent, just in time for the 1988 federal election. Simply, the requirement, unique to the NDP, that membership in the provincial and federal parties was simultaneously required, was dropped.

⁸ Carla Lipsig-Mummé, "Future Conditional: Wars of Position in the Quebec Labour Movement", in Studies in Political Economy, 36, Fall 1991, page 93.

⁹ Private communication with John Anderson, July 25, 1995.

¹⁰ Private communication with Louis Laberge, September 5, 1995. M. Laberge makes it quite clear that he has never been a member of the PQ or attended any of its meetings or conventions.

¹¹ A.B. Tanguay, "Quebec's Political System in the 1990's: From Polarization to Convergence", in Alain G. Gagnon, Quebec State and Society, page 176.

¹² This is a scenario that seems to disprove Lipsig-Mummé's contention that it would have made a difference in the early 80's if the PQ was a labour party with formal, internal labour representation. Rather, as pointed out in Chapter 2, social-democratic governments are not immune to limiting the wages of or extracting

concessions from their civil servants. In Europe, this practice is usually accompanied by enhanced employment protection and/or increased social rights for workers. Social democracy, by definition, is an attempt to strike a compromise between national capital and national labour in order to make capitalism work better for workers. Not surprisingly, the policies of social-democratic parties in government vacillate between support for one class and the other.

¹³ A remarkably similar speech was delivered by President Gord Wilson at the OFL Convention following the Ontario Social Contract.

¹⁴ Resnick, *op. cit.*, page 98.

¹⁵ Alain Gagnon and Mary Beth Montcalm, Quebec: Beyond the Quiet Revolution, page 96.

¹⁶ FTQ, "Plus qu'un OUI: Un pays!", a referendum pamphlet, 1995, page 3.

¹⁷ Jacques Rouillard, "Major Changes in the Confédération des travailleurs catholiques du Canada, 1940-1960" in Michael Behiels, Quebec Since 1945, page 112.

¹⁸ Lipsig-Mummé, "Future Conditional", page 80.

¹⁹ Carla Lipsig-Mummé, "The Web of Dependence: Quebec Unions in Politics Before 1976", in Michael Behiels, Quebec Since 1945, page 140.

²⁰ Rouillard in Behiels, *ibid*, page 113.

²¹ Private communication with Carla Lipsig-Mummé, June 16, 1995.

²² Samuel Gompers was leader of the American Federation of Labour (except for 1895) from 1886 to 1924 who, when asked for his philosophy of trade unionism, answered in one word, "More!". He is usually associated with what is called economism or business unionism, which confines itself normally to bread and butter issues and eschews social unionism, the involvement in social and political issues. When such unions do involved themselves in parliamentary/congressional politics, it is usually a temporary involvement and on behalf of the party that seems more appropriate at the moment.

²³ Lipsig-Mummé in Behiels, *op. cit.*, page 148.

²⁴ *Ibid*, page 145.

²⁵ The other two centrals also issued manifestos in the same period. The FTQ's, which is generally considered the most moderate, was called "L'état, rouage de notre exploitation", 1971 (The state: tool of our exploitation). The CEQ issued two: "Phase un" ("Phase one") 1970 and "L'école et lutte de classe au Québec" ("School and class struggle in Quebec") 1974.

²⁶ Lipsig-Mummé, "Future Conditional", page 102.

²⁷ Lipsig-Mummé, "The Web of Dependence", op. cit., page 146.

²⁸ This proposition for renewed constitutional negotiations for new powers for Quebec was speedily repudiated by Liberal Prime Minister Jean Chrétien.

²⁹ Doern and Tomlin, Faith and Fear, page 80.

³⁰ Jean Blouin, "The Secret File on Job Loss: Quebec" in Cameron (ed.) The Free Trade Papers, pages 121-124. The article reports on a leaked but never-released Quebec Ministry of Trade and Commerce document, done under PQ minister, Rodrigue Biron, indicating the projected collapse of a number of non-competitive industries, specifically, clothing, footwear, furniture, machinery and equipment, metal refining, printing and publishing, and information hardware, software and data processing as well as the loss of 230,000 jobs in the province as a result of free trade. The leaked document was published in the Montreal monthly, L'Actualité.

³¹ Doern and Tomlin, op. cit., pages 140-141.

³² Robert Chodos and Eric Hamovitch, Quebec and the American Dream, Between The Lines, Toronto, 1991, p. 11.

³³ Chodos, op. cit., page 14.

³⁴ Ibid, page 197.

³⁵ Ibid, page 197.

³⁶ Ibid, page 198.

³⁷ CEQ, "Mémoire à la commission Macdonald", December 1983, page 24.

³⁸ Ibid, page 33.

³⁹ Ibid, page 34.

⁴⁰ Ibid, page 42.

⁴¹ Monique Simard, "Solidarity, complimentarity (sic), humility: the principles of bridge building", Dossier, #37, October, 1992, page 15.

⁴² Marianne Roy, "Solidarity in Quebec: SPQ's roots", Dossier, #37, October, 1992, page 4.

⁴³ In 1990, the SPQ went on to develop a "Charter for a People's Quebec" with grassroots input for eventual adoption at a National People's Assembly in 1993. The main thrust of the Charter is that Quebec, sovereign or not, must be guided by a liberating social vision, *un projet de société libérateur*. Ibid, page 4.

⁴⁴ Randy Robinson, "Democracy From Below. Action Canada: the story of a movement", Canadian Forum, April 1993, page 11.

⁴⁵ The participation of the CLC in the PCN was also on behalf of all of its provincial and territorial affiliates, like the FTQ.

⁴⁶ Eric Montpetit, "La protection des intérêts économiques du Quebec sur la scène internationale" (essay), Laval University, 1992, appendix 1.

⁴⁷ Peter Bakvis, "Free Trade in North America", in Quebec Studies, No. 16, 1993, page 42.

⁴⁸ Coalition québécoise d'opposition au libre-échange, *Mémoire concernant les négociations sur le libre-échange entre le Canada et les Etats-Unis*", presented to the Québec Commission on Work and the Economy, 15 September, 1987, pages 1-2.

⁴⁹ Ibid, page 3.

⁵⁰ Ibid, page 9.

⁵¹ Ibid, page 11.

⁵² Ibid, page 12.

⁵³ Ibid, page 17.

⁵⁴ Ibid, page 18-19.

⁵⁵ Ibid, pages 22-23.

⁵⁶ Peter Bakvis, "Free Trade in North America", in Quebec

Studies, No. 16, 1993, page 40.

⁵⁷ Ibid, page 45.

⁵⁸ Brodie and Jensen describe this technique of transforming "outsiders" in the political system into "insiders" within a political party as a characteristic of the brokerage party politics system of Canada, whereby political parties breach the cleavages in the political system behind the closed doors of the party instead of in the glare of the public institutions. Janine Brodie and Jane Jensen, "Piercing the Smokescreen: Brokerage Parties and Class Politics," in A.G. Gagnon and Brian Tanguay, eds., Canadian Parties in Transition, Nelson, Toronto, 1989.

⁵⁹ Ibid, page 43.

⁶⁰ Jelle Visser, "The Strength of Union Movements in Advanced Capitalist Democracies: Social and Organizational Variations", in Regini, The Future of Labour Movements, table 1:1.

⁶¹ Private communication with Carla Lipsig-Mummé, June 16, 1995.

⁶² Ibid.

⁶³ Denis and Denis, "Québec Unions in Politics" in Gagnon, Quebec State and Society, Nelson Canada, 1993, page 218.

⁶⁴ Editorial, Canadian Forum, March, 1989, page 12.

⁶⁵ Private communication with Carla Lipsig-Mummé, June 16, 1995.

⁶⁶ A.-G. Gagnon and Mary Beth Montcalm, Quebec Beyond the Quiet Revolution, Nelson Canada, Scarborough, 1990, page 97. It was massive governmental intervention in the economy that was proposed to counteract the ravages of peripheralization on the Quebec economy.

⁶⁷ Private communication with Louis Laberge, September 5, 1995.

⁶⁸ Private communication with Carla Lipsig-Mummé, June 16, 1995.

⁶⁹ Peter Bakvis, "Free Trade in North America", in Quebec Studies, N. 16, 1993, page 45.

⁷⁰ Private communication with Gérald Roy, July 7, 1995. The ILGWU recently merged this year with the ACTWU to form a new union for all clothing and textile workers called UNITE, the Union of Needle Trades, Industrial and Technical Employees. Since the FTA and NAFTA have come into effect, official employment in the garment industry in Quebec has declined by at least 20,000 jobs. However, not all these jobs have disappeared. Instead, M. Roy reports that these jobs have gone underground, that is, into work by women (usually visible minority immigrants in the urban areas) in the home under third world conditions. Home apparel work is characterized by a paternalistic system of a male relative subcontracting out the materials to his female relatives to be finished. Mr. Roy points out that Quebec is the only jurisdiction in Canada where such home work has been legalized and is supposed to be regulated. Home workers are entitled to proper pricing for their garments, vacation pay, remuneration above the minimum wage, and other benefits. However, only 2000 home workers in apparel are registered. About twenty to thirty thousand other (men and) women work illegally in their homes paying no taxes and receiving maquiladora wages, no benefits, no pensions, no health or safety protection, no daycare, and no job security. Two tiers of garment workers are thus created: one underground, paying no taxes and receiving no private benefits; the other legitimate, receiving low wages and taxed highly to pay for the social programs of all. It is precisely this type of system which has developed under the conditions of globalization (of which FTA and NAFTA are parts) that has contributed to the feminization of poverty and the restoration of the competitiveness of transnational corporations on the backs of women. Mr. Roy is disappointed by the lack of resources allocated by the Quebec government to resolve this problem.

⁷¹ Private communication with Bob White, April 18, 1995;

⁷² Private communication with Carla Lipsig-Mummé, June 16, 1995.

⁷³ Robert Chodos and Eric Hamovitch, Quebec and the American Dream, Between The Lines, Toronto, 1991.

⁷⁴ The two authors, however, do not make the point that the *habitants* may also have sensed that the revolutionary forces, who were protestant and anglophone, were none too keen on Catholicism and French, especially after the decades of the French and Indian Wars.

⁷⁵ Ibid, page 58.

⁷⁶ Ibid, page 62: "The proposed union would render Canada a field for American capital, into which it would enter freely for the prosecution of public works and private enterprise as into any of the present States. It would equalize the value of real estate on both sides of the boundary, thereby probably doubling at once the entire present value of property in Canada...It would introduce manufactures in to Canada as rapidly as they have been introduced into the northern states; and to Lower Canada, especially, where water privileges and labour are abundant and cheap, it would attract manufacturing capital, enhancing the value of property and agricultural produce, and giving remunerative employment to what is at present a comparatively non-producing population."

⁷⁷ Ibid, page 19.

⁷⁸ Ibid, page 14.

⁷⁹ Ibid, page 14.

⁸⁰ Ibid, page 13.

⁸¹ Private communication with Gilles Duceppe, August 8, 1995.

⁸² Montpetit, op. cit..

⁸³ Ministère du Commerce (du Québec), "L'Accord de Libre-Echange Entre Le Canada et Les Etats-Unis", pages 17-19).

⁸⁴ Richard Johnston, André Blais, Henry Brady, and Jean Crête, Letting The People Decide: Dynamics of a Canadian Election, McGill-Queen's University Press, Montreal and Kingston, 1992, page 30.

⁸⁵ Resnick, Letters to a Québécois Friend, page 112.

Chapter 4. From FTA to NAFTA: the Québécois response to
the neo-liberal agenda

4.1. The background to NAFTA

Chapter 4 is the mirror image of Chapter 2 in that it deals with the period of struggle in Quebec against NAFTA and the neo-liberal agenda (1989 to 1995). It was during this period that the "free trade recession" and the rise of protectionist agitation in the ranks of English-Canadian labour prompted Quebec labour to re-examine its strategy and plot a new course with regards to regional economic integration. It was also during this period that the resolution of the national question (specifically, independence) became a burning issue. All three trade union centrals declared themselves for sovereignty. Yet each was careful to take a class-based strategy favouring a social-democratic vision of a sovereign Quebec centred on a policy of full employment. We shall see that free trade came to be a complicating factor for Quebec labour in the dynamic of the resolving of the national question in accordance with their social-democratic vision of society.

4.1.1. "The Free Trade Recession"

The self-congratulations of two governments party to the passing into law of the Free Trade Agreement of January 1, 1989 had hardly died away when Canada plunged into the most severe recession since the Great Depression. Canadian GNP began to decline in the second quarter of 1990, while unemployment rose from an official 7.5% in 1989, to 10% in February 1990, and 11% in March 1992. In the second half of 1992, unemployment reached 11.3% in Ontario and 13% in Quebec. The gross national product (GDP) showed no growth well into 1993 even though the Canadian dollar had been devalued by 15% and interest rates finally lowered close to U.S. rates. Also, Canada's trade situation worsened vis-a-vis the U.S. Whereas from 1985-89, Canada had shown on its current account an annual average surplus in the balance of payments in U.S. trade averaging \$4.9 billion (Can.), from 1989-92 it showed an annual deficit of \$3.8 billion (Can).¹

In the manufacturing sector, Ontario suffered more from the economic downturn than Quebec. That was because Ontario had more to lose. From 1989-92, its branch plant economy suffered a loss of 24.8% of its manufacturing jobs, while Quebec's resource-based economy lost 16.5%. Overall, in the same period in Canada, employment in manufacturing declined 20.1%. The Coalition québécoise d'opposition au libre-échange [CQOLE]

estimated that the FTA resulted in a net loss of 50,000 manufacturing jobs in Quebec. ²

Bakvis, who is the Assistant to the CSN's Executive Committee, noted:

But what should have been a public relations victory for the opponents of free trade was diminished to some extent by some rather exorbitant claims as to the negative impacts of free trade made by a few nationalist organizations such as the Council of Canadians. Some pro-free trade Québec newspaper editorialists had a field day ridiculing and association (sic) all FTA opposition to reports that attributed all job losses in Canada to the FTA, even in sectors that had not been included in the agreement. ³

In Quebec, unlike English Canada, the unions never insisted that free trade should take all the blame. For example, the CSN declared, "Everyone agrees in identifying the policy of high interest rates as the cause of the "Made in Canada" recession." ⁴

Significantly, the lesson that was drawn by Québécois trade unionists from "the free trade recession" was distinctly different from that of English-Canadian trade unionists:

...there developed a sentiment as well that, to some extent, the introduction of free trade represented a point of no return. For example, after industries in Canada had already undergone significant restructuring to adjust to the reality of tariffs between Canada and the U.S. being eliminated, little would be gained by moving tariffs back up to the pre-FTA levels. Few people expected the factories closed because of the FTA to be reopened if the treaty were suddenly cancelled. In Québec, the organizations that had opposed ratification of the FTA in 1988 came to the conclusion in early 1991 that tariff reductions that had been already been carried out should be

taken as a given, but that the upcoming negotiations for a NAFTA could serve as an opportunity for opposition groups to promote a vision of trade and economic relations in North America that would require not only a revamping of the non-tariff contents of the FTA, but also a considerable widening of the scope of continental negotiations as compared to what has been discussed in the FTA negotiations.⁵

Thus, unlike the CLC and the Pro-Canada Network in English Canada, Quebec labour chose not to stick to a stubbornly rejectionist attitude to the FTA, calling for its abrogation after six months notice to the U.S. Nor did Quebec labour mire itself in a time warp like its English Canadian counterparts, by refusing to adjust to the changing reality of increased regional economic integration within the Western Hemisphere.

The new Québécois syndicalist strategy required a new popular coalition. But, before this new alliance could be cemented, the national question intervened once again to pose the question in a dramatically different context: sovereignty.

4.1.2 The failure of the Meech Lake Accord

It is hard for English Canadians to grasp just how deeply the rejection of Meech Lake Accord affected Quebecers. Because it represented the most minimal set of demands ever made by a Quebec government to rectify what was perceived in Quebec as a betrayal of Quebec's

interests in the process of Trudeau's repatriating the Canadian constitution, when it went down to defeat early in 1990, the Québécois collectively felt rejected as a nation, by the nation of English Canadians. As a result, that June, Québécois marked their adherence to separatism in record numbers (hundreds of thousands) as they marched in parades marking St. Jean Batiste Day, the festival of Quebec's patron saint. The CSN described the reaction:

The failure of the Meech Lake Accord closed the buckle: the minimal demands of Quebec were rejected. Two days later, on June 25th, (600,000) Quebeckers serenely affirmed in the streets of Montreal **their confidence in the future of Quebec**. Since then, poll after poll has revealed that 60% and more of the citizens of Quebec were favourable to sovereignty. More and more people affirm that *in 1980, I voted NO, but now I will vote YES*. The conviction of being able to govern ourselves and the popular will to take into our own hands our collective future is winning over bigger and bigger sections of Quebec society. {original emphases} ⁶

Meech Lake was indeed "the closing of the buckle". It was, in Quebeckers' eyes, the culmination of years of frustrations and rebuffs, not the least of which may have been being the target of the blame of some English Canadians for the imposition of free trade and the "ultimate betrayal" of Canadian sovereignty (described in the summary of Chapter One.). As it turned out, other frustrations and rebuffs followed, including the English Canadian media reaction to the Oka Crisis (1990) and the 60% vote in English Canada against the Charlottetown

Accord (1992).

In the Québécois trade unions, what was to have been a business-as-usual year, changed dramatically. According to Lipsig-Mummé:

It is by now commonplace to point out that as late as February, 1990, independence was not on the agenda for any of the union centrals. The author's personal experience in working with President Larose of the CSN on his *rapport moral* is testimony to that: by the end of February there was still no mention of the national question in any of the document's many drafts. But two brief months later, by the beginning of May, the CSN in Congress would unequivocally endorse independence for the first time in its history. ⁷

4.1.3 The Bélanger-Campeau Commission

That year, all three centrals endorsed the principle of sovereignty before the Bélanger-Campeau Royal Commission on the Political and Constitutional Future of Quebec established by the Quebec Liberal Party in the wake of the failure of the Meech Lake Accord. In fact, the leaders of all three union centrals were appointed by the Quebec Liberal government to sit as commissioners: Louis Laberge of the FTQ, Gerald Larose of the CSN, and Lorraine Pagé of the CEQ.

The Quebec central that has leaned most heavily towards sovereignty is, of course, the FTQ. It was the FTQ which was the first labour federation officially to endorse the PQ in 1975. And, of the three centrals, it has been the FTQ that has maintained the closest ties and influence over the party.

In the opening paragraph to its brief to the Bélanger-Campeau Royal Commission on the Political and Constitutional Future of Quebec (created by the Liberal government of Quebec in 1990 after the failure of the Meech Lake Accord), the FTQ states unequivocally, "Quebec must decide to attain full and complete sovereignty." ⁸

It goes on:

We want sovereignty for full employment, of course, for the economic policies (politiques économiques) adapted to our industrial structure and not, assuredly, to that of Ontario ... but also, and above all we want sovereignty because Quebec is our only country, which we want to occupy and proclaim, because it is normal that a people have their own country and that Canada will always be the country of others. ⁹

It is highly significant that the first reason listed for sovereignty is full employment. The concept of full employment implies a whole panoply of political, economic, and social policies, few of which are to be found in the liberal and market-oriented vision that has always dominated Canada and prevailed in Quebec (except briefly during the PQ tenure) since the Quiet Revolution.

The policy of full employment is the social equivalent of Pythagoras' "fool's bridge" in geometry, fundamentally distinguishing Esping-Anderson's social-democratic model of the state from the neo-corporatist and liberal models. ¹⁰

According to Ramesh Mishra as well, in his Welfare State in Capitalist Society, the principle of full

employment is one of the three distinguishing characteristics of the classic welfare state. Canada, he concludes, has never had such an orientation. ¹¹

4.1.4. Full employment à la CEQ

The syndical vision of full employment, according to the CEQ's brief to the Bélanger-Campeau Commission, contained three elements:

- i) the macro-economic element
- ii) the labour market element
- iii) the regional development element

For the CEQ, the macro-economic element took in the following great levers of economic management: monetary policy, the interest rate, fiscal and budgetary policy, trade and tariff policy, and public investment. The labour market element included measures and programs concerning the management of work and manpower: training, retraining, relocation, access to work, information, pay equity, employment equity. As for regional development, the CEQ said its purpose was "to aim through structural action to support the internal dynamism of all regions. The perspective is a long term one and concerns all forms of employment generation, private and public." ¹²

Moreover, according to the central, in order to amplify the possibility for all to work, full employment also signifies the following:

- the maintenance and protection of existing work;
- the sharing of existing work through a reduction in the hours of work;

- the creation of new work particularly in the services and the sectors of the future;
- the access to equality at work and in work and pay equity;
- quality jobs free from all discrimination of which the conditions of work should be freely agreed upon;
- conditions which permit the reconciliation of parental responsibilities and of paid work;
- the acquisition, maintenance and up-grading of skills;
- socially-useful work compatible with sustainable development... ¹³

To obtain such a dramatic turnabout in Quebec's political/economic orientation, the CEQ insisted could only be accomplished through independence:

Our economic project implies the repatriation to Quebec and the retention of all the essential powers to put into place such a policy, to wit: professional training, manpower and job creation programs, unemployment insurance, immigration, and regional development. What is more, it is imperative that the Quebec government becomes the master of its macroeconomic strategy - in order to orient the latter towards the priorities and needs of the Quebec economy in regard to the development of employment - it is also necessary to recover and maintain the totality of powers in fiscal matters and foreign trade... and budgetary polices... ¹⁴

In short, the CEQ argues that a strategy of full employment is not possible in Quebec without sovereignty. But can full employment be achieved in a sovereign Quebec while maintaining the (default) liberal type of societal cluster in which Quebec finds itself in North America?

The FTQ argues the contrary. For its part, the FTQ wants to see a social-democratic Quebec. But it is careful not to make its social-democratic orientation a condition of its support for independence:

In the first place, it won't do to confuse constitutional status and vision of society. The FTQ militates always in favour of a social-democratic society, whatever is the constitutional framework. But it is not a question of our adherence to sovereignty. The FTQ believes that sovereignty constitutes the means by which to attain all the necessary levers with which to model our society."¹⁵

On the other hand, the FTQ is adamant that full employment will be the *raison d'être* for an independent, social-democratic, Quebec:

Our social priority at the FTQ is the setting up of a regime of full employment: this is the central axis of our vision of society. We have come, over the years, to a community view of full employment, anchored in the practice of concertation at several levels. This vision, which is ours, presupposes a renewal of social relationships and an enrichment of the role of the State, from now on to be an animator as much as an initiator. But the social dialogue needs to embody a living collectivity, one which shares a culture, its objectives, a history, a solidarity. Quebec society is ready for that challenge.¹⁶

However, the third type of societal cluster is also an option in Quebec, one that was actively promoted by Gérald Tremblay, the Liberal Minister of Industry, Commerce, and Technology in 1991.

4.1.5. Neo-corporatism in Quebec

Of all the jurisdictions in Canada, corporatism has been historically practised in only one: Quebec. And, in Quebec, its practice was concentrated within the Catholic unions that later became the CSN and CEQ. While corporatism within these centrals was discredited by the

defeat of fascism in 1945, the influence of the Catholic Church on the philosophy and social policies of the Quebec government was considerable right up to the Quiet Revolution which began in 1960. In short, there is a close historical precedent for the social collaboration of workers and employers in the province of Quebec.

It was back to this precedent that Gérald Tremblay reached in his call for a German-style, neo-corporatist approach by union centrals and employers' organizations in 1991.

It was precisely the effects of "the free trade recession" that propelled Minster Tremblay into action.

At that time, in the Montreal area, once Canada's leading city, which accounts for nearly half the population of Quebec, National Council of Welfare (NCW) figures for 1993 indicated that more than forty per cent of the population relied on some sort of social assistance.¹⁷ 615,000 Montrealers lived in poverty, more than in all four of the Maritime provinces put together.¹⁸ In Canada, only two cities fared worse: Trois-Rivières and Sherbrooke, both in Quebec. A poignant example from Alain Noël: "In some of these (Montreal Catholic School Commission) schools, teachers avoid giving exams at the end of the month because too many children come to school hungry and unable to concentrate"¹⁹ Despite the fact that there were, in

1989, 374 organizations donating food to the poor in Montreal, three times the number of organizations compared to 1970, one out of five people did not have enough to eat. ²⁰

While both major Quebec political parties congratulated themselves on the international successes of the new francophone business class, the *Conseil des affaires sociales* (Quebec Council for Social Affairs) published its Deux Québec en un (Two Quebecs In One) in 1989. It was a stinging indictment of poverty and inequality in the province.

Quebec unions responded to their changed circumstances (their Common Front defeat of 1982-83, the re-election of the Liberals in 1985, the double-digit unemployment of "free trade recession", and their gradual replacement at the head of the nationalist movement by francophone business class) with massive and successful drives to organize the unorganized and by means of a re-evaluation of their perceived missions, which led them to a new willingness to cooperate with Quebec business.

The changes in orientation of the centrals were remarkable. According to Lipsig-Mummé,

The FTQ's hybrid corporatism sprang from the belief that both direct and indirect state investment and active collaboration with the business community would be needed to create or save jobs in the declining manufacturing industries. But in order to obtain this funding and to weld unions, employers and the state into an effective job-creation mechanism, the ordinary

conflicts of interest which divided the actors would have to be shelved. This meso-corporatism was focussed in two distinct strategies. On the one hand was the Solidarity Fund, a contribution scheme for workers (and others) protected by government-sponsored tax breaks, whose twin goals of job creation and pension contribution to its participants were realized through its risk capital investments in Quebec PME (Petites et Moyennes Enterprises), some of which have been non-union. On the other hand, job creation or retention was also pursued innovatively through "neighbourhood corporatism", the creation of community-based, FTQ-CSN action committees with active participation from local employers in the dying industrial quarters of Montreal's south east and south west, whose objectives were to mobilize the citizens and to force the diverse levels of government to invest in neighbourhood economic regeneration.²¹

The CSN also moved toward neo-corporatism, a change described by Lipsig-Mummé as "a real about face on consultation"²² and "a 180 degree turn" from its anarcho-syndicalism of the 70's"²³ In 1990, CSN President Gerald Larose presented his idea of a *nouveau partenariat* (new partnership) to the CSN convention: union cooperation in the national endeavour to increase Quebec's competitiveness in the global economy. For its part, the CEQ returned to a concern for professionalism.

As early as 1983 and 1986, two Quebec economists, Diane Bellemare and Lise Poulin-Simon, pointed a way out of the dilemma of the two Quebecs by advocating a policy of full employment, applicable to small, homogeneous countries with open economies,

Full employment is not realized by the obligation to work but rather by the possibility for individuals who want work to be able to do so... Moreover, it means that even if full employment

signifies an abundance of employment, it doesn't mean the creation of non-productive work of poor quality. A society that has full employment as its objective aims generally to create employment that responds to the needs of society, that is to say, productive work.²⁴

The initiative was taken up in 1989 in a *Forum sur l'emploi* (Employment Forum) by trade unions and business representatives. (These types of forums, it should be remembered, were formalized during the PQ's first term in office, 1976-79, though they fell into disuse.)

While no concrete results emerged, the meeting did set the tone for following events. The PQ officially adopted full employment as part of its projet de société (the social dimension of its vision of post-independence society) in its 1991 program.²⁵ The Economic Council of Canada, before being closed down by the federal Progressive Conservative government, also endorsed the idea in 1990.²⁶

The PQ reiterated its goal of full employment in 1993 in Quebec in a New World, though only in a few lines:

Like other societies not so different from our own, Quebec can rebuild and strengthen its networks of solidarity and move towards full employment by making job creation the central objective, even the obsession, of its economic development strategy. To reach this point, however, we first need the means to fulfil our ambitions.

Sovereignty will provide us with the conditions in which full employment can be achieved because it will, at long last, make possible reaching the crucial goal of coherence in our policies relating to economic development - job training policies, fiscal and budgetary policies,

industrial and agricultural policies, regional development policies. ²⁷

But, precisely because it is spelled out in so few words, all three union centrals raised these points during the hearings of the Referendum Commission that toured the province during the early part of 1995. Unions and other stakeholders were anxiously waiting to see the amendments that went into the official Act of Independence in September, 1995, in advance of the referendum.

In April 1991, Gérald Tremblay, the Liberal Minister of Industry, Commerce, and Technology for Quebec urged business and labour to emulate the German model of neo-corporatism. Specifically, he called for companies to guarantee jobs, training, and continued investment in plants and machinery to their workers while unions agree to long, flexible, no-strike contracts. And the Minister was personally responsible for just such an agreement at Samni-Atlas (a steel plant) and Marine Industries of Sorel. In 1991 as well, Quebec public sector workers uncharacteristically accepted a six month wage freeze for 1992. ²⁸

In September, 1991, Tremblay went further: he publicly admitted that the Quebec economy was "in a state of emergency":

Of all the OECD countries, he noted, only Ireland and Spain had worse unemployment rates than Québec in the 1980's, and if we add to the unemployed those who are able to work but receive social assistance, we can say one worker out of five

failed to contribute to economic growth. At the same time, thousands of positions remained vacant for lack of qualified applicants. Almost 40 percent of Quebec's youth quit high school without a degree, and the same proportion of the adult population had difficulties reading simple material. Business invested almost nothing in training and proved unable to modernize capacities and improve productivity... Québec governments, the Liberal minister concluded, had to push forward major changes, or face the prospect of managing increasingly severe crises of a society sinking into poverty.²⁹

According to Noël, Tremblay's declaration had a profound affect on the *Conseil du patronat du Québec*, the peak organization of Quebec business:

Belatedly, Québec's business leaders were discovering that economic success and international competitiveness have little to do with low wages and unfettered labour market and owed much instead to policies aimed at developing high value-added industries, a qualified work force, and cooperative industrial relations.³⁰

The result was an unprecedented level of agreement on policies and projects at a *Rendez-vous économique* a week later among business and labour leaders. Unions also demonstrated a new attitude:³¹

The overriding policy of the union leadership, nevertheless, seems clearly inclined toward a new approach in their relations with the government and private sector employers, based on *concertation*, economic initiative, and contributing to social development rather than confrontation... One is struck by the new involvement of the unions in joint regional development initiatives with the employers, the government, and other economic "partners". This is the case in particular in the regions with the highest unemployment rates, or disadvantaged neighbourhoods such as those in Montréal. In addition to these initiatives, we should note the increasing frequency of joint statements by the unions and the employers' organizations on such

issues as the environment, monetary policy, etc.

Noël argued in 1992 that, of the three clusters of advanced capitalist societies (outlined by Esping-Anderson), Quebec would most likely, at Tremblay's urging, follow the neo-corporatist (German) model, for the following reasons:

Quebec state intervention has created the necessary dense institutional structures;
Concertation exists among provincial financial structures (governmental, private, cooperative, and union) in promoting economic development, supporting industrial policy, and preventing foreign takeovers;
High union density provides the unions with strong power resources in terms of influencing governmental and business plans as well as control over the workers;
There is a highly organized peak organization of business;
A tradition of concertation has developed among business, labour, and government. ³²

For his part, John Anderson maintains that, of all Canada, it is only in Quebec at present that there even exists the possibility of surpassing the default liberal model of society:

First, the general drift to the right has permitted unions in Quebec to work more closely with management. And Quebec is the only province where there is any real experience of doing it. Secondly, there is a widespread recognition in Quebec of the successes of social-democratic principles of social organization as they have been practised in Europe, especially in small, homogenous countries. Finally and most important, it is the national question which unites people of all classes of Quebec society in wanting to create jobs, increase competitiveness, and generally make their economy succeed... Unlike other capitalists who are just out to make a buck and don't care where, francophone business leaders in Quebec are concerned mainly about the Quebec economy... There

were businessmen for Bob Rae in Ontario. But it was not taken very seriously. However, if there were the Patronat for Parizeau, who is also a social-democrat, that would be a very respectable position indeed.³³

But which model will Quebec adopt: the social-democratic - solidaristic model favoured by the Quebec centrals and the PQ, the neo-corporatist model of ex-Minister Tremblay of the Quebec Liberal Party, or the default liberal model of North America? To answer this question, we need to add the ingredient of free trade to the stew of sovereignty and societal clusters.

4.1.6. The Bloc québécois

The days and months bracketing the official demise of the Meech Lake Accord were exciting times in Quebec. The breath had not yet left the constitutional accord's corpse, when on May 22, 1990, Lucien Bouchard resigned as Mulroney's Minister of the Environment, Minister responsible for the Francophonie (the French-speaking countries and regions of the world), and as Mulroney's Quebec lieutenant. He left the Conservative caucus altogether and continued to sit in the House of Commons as an independent M.P. for Lac-Saint-Jean, traditionally the bastion of the independence movement of Quebec. On June 29, he joined with former Conservative MP's in a sovereigntist parliamentary group of which he was elected leader. On July 3, Liberal Premier Robert Bourassa picked

Bouchard as the first member appointed to the Bélanger-Campeau Commission. On July 25, the parliamentary group adopted "Bloc québécois" [BQ] as their official name and published its mission statement:

The mission of the Bloc Québécois MP and it's (sic) members is

- a) to participate unhampered in the concerted effort to define and build a State with full sovereign powers;
- b) to act both in Ottawa and in English Canada as spokespersons for this effort;
- c) to guarantee the Québec people's free exercise of their right to self-determination by ensuring that this right is understood in the rest of Canada and respected by federal institutions;
- d) to focus our political strength in Ottawa solely on Québec's interest, to clarify ambiguities and to support Québec's march toward sovereignty;
- e) to seek a balance of power favourable to Québec achieving suitable arrangements between Canada and a sovereign Québec. ³⁴

Early in July, a by-election was called to fill a vacant seat in Montreal. Lipsig-Mummé gives her interpretation of what happened: ³²

As the national question erupted on every union's agenda in the spring of 1990, there were some trade unionists who tried to give nationalism a working class definition, to capture the movement for the left. Shortly after the Laurier-Ste.-Marie federal by-election was announced, members of the FTQ and the CEQ's leadership explored the possibility of developing a labour manifesto for independence, and choosing a candidate who would openly adhere to that manifesto. They approached the CSN, whom they assumed would agree, and to their surprise found that the CSN proposed to run one of its own staffers, Gilles Duceppe. In the discussions which straggled forward at the end of June and the beginning of July, the CSN did an end-run around the other centrals, and concluded a deal with the newly-formed, conservative Bloc Québécois, so that Duceppe became its candidate. He won, handily, and history began to repeat itself. Once again the union hesitated, then retreated before the

appropriation of the national question by the working class. Once again, they hoped labour-friendly candidates would influence social policy even though they had not set up the structure or discipline of responsibility to the union movement.

Gilles Duceppe, M.P., has another interpretation of the same events:

It would make good fiction.

I never knew there were discussions between the CSN and other unions. The CSN did not know that I was going to run... except for the local leaders of the hotel sector unions for whom I was negotiating a contract at the time.

When I heard Bouchard (make his resignation speech) on May 22, I decided to go with him...

I had always wanted to go into politics since the 60's. I had never met Bouchard but my friend of twenty-five years is Bob Dufour, who is now BQ House leader. Another friend is Bouchard's personal advisor... On July 6, I met Bouchard for one hour and told him, "If you're looking for someone, I'm ready to go."

Bouchard made some inquiries in the (voting) district... He called me and said, "I want you."

I replied, "First I have to finish the negotiations."

It was then I talked to (CSN President) Larose. He was very surprised. But the CSN never proposed me. They had no idea I was going to run and I had had no discussion with anyone in the CSN except my own (hotel sector) unions...

...The negotiations finished on July 9. I was the candidate on July 11.

I had no idea discussions were going on in the unions to have their own candidate.³⁶

The political conclusion that Lipsig-Mummé drew from the event was the following:

Once again (the unions) chose to subordinate themselves to a political formation which did not share their world view, in the hopes of playing an influential role within a broad-based coalition for independence. Such had been their strategy when the PQ was in the ascendant in the early 1970's, such was their strategy again in 1990 vis-à-vis the Bloc Québécois. Only this time the *independantiste* grouping was under the leadership of an avowed

conservative, who shared not even a minimal social vision with the unions. This time the three Quebec centrals had hitched their star to entrepreneurial nationalism.³⁷

John Anderson differs with her:

Not only does the Bloc have a good track record on labour issues -for example, it was the only party other than the NDP to send observers to the CLC convention (in 1994) and Bouchard went as the guest speaker at the CAW Convention recently in Quebec City - but Bouchard has surrounded himself with left-wing trade unionists. In fact, there are more trade unionists as MP's sitting for the Bloc in the House of Commons right now than for the NDP.³⁸

Duceppe also disagrees with her conservative assessment of Bouchard and the BQ:

Clearly she doesn't know what's going on in Quebec. Bouchard went with the Tories because of the national question. That was the main reason. We are not social-democratic as the PQ calls itself and (we are not) socialist. We're pragmatic, progressive, and democratic. We showed that to the surprise of many Canadians who thought the fight for a sovereign Quebec was a fight for straight nationalism...

Moreover, he disputes her contention that the BQ does not share the syndicalist social vision for Quebec:

We're the only party, for example, having special meetings between our leader, Bouchard, and the leaders of the Quebec centrals on May 1... Bouchard also worked closely with the union leaders on the Bélanger - Campeau Commission... He was invited as the keynote speaker at the CAW Convention in Quebec City... We refused to give unanimous consent to the emergency legislation forcing railworkers to go back to work after only 24 hours on strike.

Also, we say we want a full employment state... It doesn't mean you have a law saying everyone will work. It means the ministries of manpower, industry, and education have to work together and develop policies that work toward that

goal, having everybody employed. That won't be possible, we all know that. Let's say we reduce the unemployment rate to half of what it is now, it means you've made quite a step towards full employment. It means you've developed professional training. One per cent of the gross product of companies should be put into professional training by law. It is now possible under NAFTA to have those kinds of policies. You try to put all the powers you have toward that goal. That's what the QFL was asking for, what we support, and exactly what the PQ tried.³⁹

The Bloc's policy was clearly in support of free trade:

The province of Quebec was solidly in favour of the Free Trade Agreement... Whether it chooses to remain a Canadian province or takes the status of a sovereign state, Quebec will remain an enthusiastic supporter of trade liberalization throughout the continent, even though some analysts have raised legitimate questions about the challenges that trade liberalization poses, particularly at the social level... Quebec is "ready" to become a member of NAFTA, and... will work through alliances with its partners in an expanded free trade zone to temper or strengthen the rules to its advantage.⁴⁰

Clearly, then, according to both the PQ and the BQ, the sovereignty option is the free trade option. The federalist option, however, is also the free trade option. Let us now examine how the labour centrals handled this dilemma.

4.2 - Coalition québécoise sur les négociations trilaterales [CQNT]

When the members of a proposed new Québécois coalition met in April 1991 to deal with the announcement of negotiations leading up to a continental free trade

agreement, they took a sophisticated approach to the question:

Starting from the premise that economic integration was taking place between North American countries and would continue to take place whether there was a NAFTA or not, the Coalition gave itself the mandate of elaborating and promoting an alternative model of integration in which formal agreements between participating countries would enforce basic legislated standards and guarantees, rather than aiming purely at dismantling barriers to the free flow of market forces. The CQNT thus undertook the task of developing detailed proposals which it presented to the Canadian and Quebec government (the latter played a consultative role along with the other provinces) proposing that Canada suggest the inclusion of provisions in the following areas in NAFTA negotiations: adjustment programs, regional development fund, minimum labour standards, basic social programs, human and democratic rights, protection of national cultures, environmental protection standards, Mexico's external debt.⁴¹

There was a second major reason for the change in strategy: avoidance of racism. Peter Leibovitch of the Steelworkers and the OFL Executive makes the point that

some people who talked about stopping NAFTA (in the U.S. and English Canada) from a so-called, supposedly progressive point of view were really appealing to a lot of the biassed and racist fears of the North American working class against third world workers. It's not difficult to whip up the fears of American workers against Mexican workers. In fact, it's one of the themes of U.S. history. In English Canada, you could hear trade unionists speak against NAFTA on a podium and sound like progressives (and I assume people don't do this consciously) but whip up a lot of anti third world hysteria.

Leibovitch concluded:

Unions are not inherently progressive. They are defensive organizations of the working class. And they need good internationalist leadership to avoid falling into these kinds of traps."⁴²

Bakvis puts it slightly differently:

Although it would have been an easy option for Québec unions to appeal to protectionist sentiments towards cheap-labour Mexico in order to convince the population of the evils of NAFTA, they chose the more complicated route of putting the emphasis on the alternative. They felt not only that simply rejecting NAFTA was an inadequate response to growing integration but also that adopting a purely protectionist position would have been in contradiction with positions that Québec unions had long adopted in favour of more openness towards and greater exchanges with the Third World.⁴³

Once again, the unions centrals were careful to limit the membership of the coalition to those organizations it felt would add to the fight, rather than detract from it or take it over, as had happened in some instances in the Action Canada Network. Again, it was important to the centrals that the unions be in the leadership of the movement against free trade. And, significantly, it appears that there was an understanding that none of the member organizations of the CQNT would undertake any public activities or make any public statements about NAFTA, outside of the CQNT. This wise policy meant avoidance of the possibility of undermining the work of the coalition, as had happened in the ACN, for example during the 1993 election, when the Council of Canadians introduced their policy of "strategic voting". The members of the CQNT included the FTQ, CSN, and CEQ, the *Association québécoise des organismes de coopération internationale* (the Quebec Association for International Cooperation) [AQOCI], the *Centre d'études et de*

documentation d'Amérique latine (the Centre for Documentation on Latin-America) [CEDAL], *CUSO-Québec* (Canadian University Services Overseas, Quebec branch), *Développement et Paix* (Development and Peace), and the *Association médicale pour l'Amérique latine et les Caraïbes* (the Medical Association for Latin American and the Caribbean) [AMALC].

In its Joint Declaration of April 1991, the CQNT said:

The free trade negotiations that are about to begin between the government of Canada, Mexico, and the United States are fundamental to the economic, social and cultural development of our three countries and the Americas as a whole. They should contribute to the establishment of fair and equal economic relations and cooperation among the countries of the continent.

The Bush-Salinas initiative, which is the basis of the announced negotiating proposal, runs completely counter to these objectives. The eventual three-way agreement, with its solely commercial approach, does not consider the multiple facets of our countries' development, the negative impacts on employment, nor the long-term social, cultural and political effects that may result from this agreement.

The Coalition, in close collaboration with similar groups and organizations in Mexico, the rest of Canada and the United States, intend to promote and contribute to the widest possible democratic debate around these negotiations.⁴⁴

The coalition was very busy right up to the 1993 election. It met with John Ciaccia, Quebec Minister for International Affairs, in September 1991 to express concerns and offer suggestions on the negotiations. It did likewise with the chief Canadian negotiator, John

Weekes. In March of 1992, a very successful trinational conference was held in Quebec on NAFTA and its impact. Many studies were undertaken and published. For example, in December 1992, ten thousand copies of an attractive 24-page pamphlet analyzing the NAFTA agreement signed in October 1992, complete with cartoons and glossary and entitled, "ALENA: les gagnants et les perdants" ("NAFTA: winners and losers") was published and distributed with the financial help of the CEQ, CSN, CUSO, FTQ, Développement and Paix, and the Action Canada Network. The Coalition felt the effect of all these activities "had succeeded in making their members and the general Québec public aware that there did exist an alternative to the unregulated free market approach consecrated in the Bush - Mulroney - Salinas deal, not the least of which was the European community." ⁴⁵

The real fork in the road dividing the approaches taken to NAFTA by labour in English Canada and Quebec took place early in 1993 when the U.S. president-elect insisted upon labour and environmental side deals. The CQNT tried to use the negotiation of these side deals as the opening by which to insert something substantive in the way of a social dimension into NAFTA. It did so, moreover, in concert with the main anti-NAFTA coalition in Mexico as well as some U.S. anti-NAFTA organizations. In contrast, the CLC and Action Canada Network made no

effort to involve themselves in the negotiations on the side deals.

In March of 1993, the Coalition submitted a brief to the Quebec Parliamentary Commission on Institutions. In it, the Coalition acknowledges some optimism regarding NAFTA as a result of the election of Bill Clinton as U.S. president:

The wind of progress which has blown through the American administration since the rise of Bill Clinton to power gives us hope that there will be some gains in the matters of labour standards and the environment. We are very interested in the recent declarations of the American head of state to the effect that improvements to the chapter on labour standards and the environment will be the object of parallel agreements among the three countries, without specifying what would be the legal effect of these understandings. Considering that jurisdiction over work and the environment fall within provincial powers, we believe that the government of Quebec has to intervene in the discussions on these themes of capital importance for the population and especially for workers.⁴⁶

The CQNT made a number of very specific recommendations, summarized below:

- specific commitments of financial renumeration and adjustment programs for workers in all three countries to compensate for the opening of markets;
- alleviating the Mexican external debt, an important obstacle to development;
- a trinational treaty on workers' rights, including monitoring and enforcement processes and the following specific points:
 - rights to belong to a union, to collective bargaining, and to strike;
 - the immediate end to child labour, especially in Mexico;
 - measures aimed at raising Mexican wages and reducing wage differences among the three countries;
 - equalization of salaries irrespective of gender;

- equal rights for immigrants;
- adoption of policies to maximize employment;
- establishment of environmental norms and mechanisms to put them into effect;
- commitments of funding to restore the environment in degraded areas;
- recognition of the universal right to health care, adequate education, housing, and security;
- fixing at the level of the most advanced country the base level to which each country shall subscribe in social rights;
- inscribe in the continental accord the inalienable rights of freedom of speech, press, and association, as well as due process for all;
- recognition of the fundamental rights of women to autonomy, to work, to a dignified and safe life; to protection from violence (public or family); to guaranteed access to services (health, abortion, daycare); the right to participate fully in public life;
- recognition of the rights of nations and ethnic groups, particularly those of native peoples. ⁴⁷

"The end result was the same," observed Andre Leclerc, FTQ International Relations Officer. The (interventionist) approach tried in Quebec did not succeed neither in changing the nature of the side deals nor in raising the level of the debate. The side deals turned out largely to be window dressing, with no real substance or enforcement mechanisms. Leclerc noted as well that

because all these questions like new international trends are very far from the people, people feel they can't do anything about them. There's a kind of fatalism that anything they might do won't change anything. We didn't have a debate that made people feel like taking to the streets. We just tried to convince people that this way of (in-camera) negotiating that has been chosen between Canada, the U.S. and Mexico is not the only way to negotiate. ⁴⁸

The Coalition made one last attempt to influence the

outcome of NAFTA by initiating an information campaign coinciding with the federal election. The hope was to influence public opinion so as to put pressure on those parties, like the Liberals and the Bloc, who favoured the signing of NAFTA but with major revisions. To this end, the Coalition mass produced a small and colourful, 15-page booklet with cartoons, called, "ALENA: Un Enjeu Électoral!" ("NAFTA: the electoral stakes"). The message of the booklet to voters was to put questions to individual candidates about not ratifying NAFTA without important changes. Its purpose was to "profit from this large electoral campaign to initiate a great public debate, in order to put NAFTA under the spotlight. Politicians have to declare themselves on an individual basis instead of revelling in the silence." ⁴⁹

In the 1993 election, the two parties gained greatly which stood for NAFTA, though with revisions, while the NDP, which had adopted the ACN program, lost significantly.

NAFTA was proclaimed on January 1, 1994. But the coalition carried on with its work on an even more comprehensive scope. Reacting to the expansion southwards of NAFTA, the CQNT reorganized itself as the *Réseau québécois sur l'intégration continentale* [RQIC, the Quebec Network on Continental Integration]. ⁵⁰

On May 11, 12, and 13, 1995, for example, the RQIC

brought to Montreal a number of speakers from unions, environmental groups, and human rights organizations in Europe and North and South America. The crisis of the Mexican peso of 1995 was the immediate context of the conference and was posed in this manner:

NAFTA is the first regional trade agreement in the world bringing together the First World (USA, Canada) and the Third World (Mexico). The present Mexican crisis brings home the fact that joining NAFTA, far from bringing one automatically into the "club of the wealthy", actually involves the risk of increased instability and poverty. Considering that NAFTA could well become the model of future free trade agreements in the Americas, it obviously needs to undergo considerable modifications. It must be thoroughly revised in order to protect the population it is already affecting, but also to guarantee that future projects between the North and the South will be truly harmonious. This is precisely one of the goals of the **International Conference on the Social Dimension of Continental Integration**: determining what kind of economic integration would respect the real interests of the global population in the Americas. ⁵¹

In the "Chronology of the process of integration in America", the conference handbook lists sixteen different regional trade agreements negotiated in the 90's alone as a direct result of the "acceleration of the process of integration after the throwing out of the "Enterprise for the Americas" by George Bush in June 1990.

Bakvis sketched out the direction of the coalition in 1993:

(The CQNT) objective was to influence trade policy on a continual basis in coordination, as far as possible, with groups in the United States and Mexico with which the Quebec coalition shared

similar perspectives on trade and development issues. The CQNT was hoping as well that the new political context following the October 1993 election would favour a greater convergence in strategies on free trade between organizations in Québec and English Canada than had been the case in the period leading up to the election.⁵²

Today, there is a convergence between the strategies towards free trade of labour in English Canada and Quebec. Both accept that regional integration is here to stay and that, consequently, unions must play an active role in influencing the nature of that integration.

It was highly unusual, then, that the Montreal conference described above could not boast even one speaker on its lengthy program from the CLC or OFL.

4.3 Summary

Unlike their English-Canadian counterparts, Québécois trade unionists in 1991 drew the conclusion from "the free trade recession" that there was to be no turning back of the clock: the economic damage had already been done under the FTA. Forming a coalition of their own, that they deliberately limited to a small group of like-minded organizations who accepted the leadership of the trade unions, their emphasis was to participate in the NAFTA negotiation process (especially regarding the side deals) to insert into it a social dimension. In so doing, the Québécois coalition avoided

the racist overtones of protectionism directed against Mexican and Chilean workers that was heard sometimes among the ranks of labour in the U.S. and in English Canada.

However, despite a massive publicity campaign during the 1993 federal elections in Quebec, the Québécois coalition was no more successful in modifying NAFTA than was its English Canadian counterpart, which persisted in rejecting the process altogether.

The failure of the Meech Lake Accord opened the door to the real possibility of sovereignty for Quebec. It also afforded Quebec a choice as to which model of society it wished to adopt. Quebec union centrals opted enthusiastically for the social-democratic.

One question to be handled in the conclusion to this chapter, which follows, is how Quebec unions plan to reconcile the limited scope allowed to governments to intervene in market processes under NAFTA, on the one hand, with the need of a social-democratic party in government to be able to manipulate the levers of economic power to build an economy on the principle of full employment. Another question to be addressed is the following: will workers and unions be better off under a sovereign Quebec?

4.4. Free trade and sovereignty

4.4..1. The October 30th referendum

When Quebeckers go to the polls on October 30, 1995, to vote yes or no on a piece of legislation that calls for independence and authorizes the Quebec government to commence negotiations for a form of economic association with Canada, they will be also be making a choice about free trade: the legislation calls for Quebec to adhere to NAFTA and GATT:

Québec shall take the necessary steps to remain a member particularly of ... the North American Free Trade Agreement and the General Agreement on Tariffs and Trade ⁵³

If the people of Quebec, on the whole, decide to take the opportunity to "Rendezvous With History" (one the slogans of the "yes" side), their decision will be interpreted by those in the leadership of the sovereignty movement as approval of their very positive attitude to trade liberalization:

Whether Quebec remains a Canadian province or achieves the status of a sovereign country, however, the challenges discussed here ⁵⁴ will remain the same. The strategy of alliances referred to earlier is still the best way to ensure that the framework of trade liberalisation in the Americas evolves in a way that accommodates Quebec's interests. ⁵⁵

Núñez, who was an official of the FTQ and who is now the Official Opposition critic on manpower and immigration, is very specific on the manner in which Quebec's interests will be protected:

A sovereign Quebec will most likely not {my emphasis} request renegotiation of certain articles of NAFTA in order to ensure that its interests are met. In our opinion, it is more probable that the new country would work actively with its partners in the various institutions of NAFTA, or of a possible AFTZ (American Free Trade Zone), in order to develop the rules of the game and the framework for action in accordance with its interests. By relying on *ad hoc* alliances on a certain number of specific issues, a sovereign Quebec could better make its interests known.⁵⁶

The alliances referred to above are with the smaller economies of Mexico, Central, and South America, many of whom are now joined in regional trading pacts. Gilles Duceppe, former CSN negotiator and now Bloc M.P., explains:

I strongly believe that within ten or fifteen years, most of the countries, if not all the countries, of the three Americas: South, Central, and North, will be part of a common economic organization, maybe even with political structures. Right now it would be unequal because the U.S. is in a majority position. The day a majority is composed by the addition of minorities, the situation will be completely different.⁵⁷

The strategy expounded by Duceppe is the same kind of multilateral approach to trade traditionally favoured by countries with medium-sized or small economies, like Canada. Previous to the FTA and NAFTA, Canada favoured such a multilateral approach through GATT. And so did its labour movement in the CLC and FTQ. In contrast, economic superpowers, like the U.S.A., prefer the hub-and-spoke strategy to trade, as in the FTA and NAFTA, where the U.S.A. is always at the hub.

The stumbling block to the strategy is the

problem of possible vindictiveness by English Canada to a sovereign Quebec. Will a sovereign Quebec even be allowed into NAFTA?

4.4.2. Problems of Quebec's admission to NAFTA

In the first week of September 1995, the Conference of First Ministers, the annual meeting of the ten Canadian provincial premiers, refused Quebec's request to be granted full access to all the benefits of the Canadian economic union in the event of Quebec's choosing political independence. They did so in the face of the fact that "the Quebec market is the second largest export market for the rest of Canada."⁵⁸ So it is not surprising that federalists, like Brian Mulroney, are also insisting that Quebec's admission to NAFTA would not be automatic:

Those who believe or would have others believe that the free trade agreement, negotiated so laboriously between Canada and the United States, would be automatically transferred to an independent Quebec are putting their finger in their eye.⁵⁹

For their part, the *independantiste BQ* insists that:

Quebec will rapidly join GATT and NAFTA, by virtue of the rules of succession of states. Canada cannot oppose this because its commercial trade depends in great part on the Quebec market.

Canada, in a hurry to see the establishment of

a free trade zone extending from the Arctic to Tierra del Fuego ⁶⁰ (endnote: a reference to the Summit of the Americas, December 9-11, 1994, in Miami, at which thirty-four heads of state agreed to form a free trade area of the Americas by 2005), has every interest in including its second trading partner, Quebec. The recent Latin American tour of Jean Chrétien, the new apostle of free trade who even wishes to extend NAFTA to Europe, amply shows the Canadian interest in increasing its trade partners. ⁶¹

According to Premier Jacques Parizeau after his visit to Washington in November, 1991, the American Secretary of State was already studying the possibility of signing a free trade deal with a sovereign Quebec. ⁶²

The thrust of Bakvis' argument in "Un Québec libre de ses échanges" (a pun, "A Quebec free of this trade") is that a sovereign Quebec would be better off outside of NAFTA. He noted that Gallup polls of 1991 had shown a consistently declining approval of free trade: "only 32% of Canadians are favourable to the (FTA) while 54% of Canadians and 47% of Québécois were against it."

⁶³ This decline in popularity he attributed to the negative effects of the free trade deal, specifically because none of the promised benefits of free trade were realized, because the U.S. still used countervailing powers as a protectionist measure, and because of job losses and the worsening balance of payments for Canada in trade. Yet, Bakvis declares, both the federalist and sovereigntists in the debate act as if free trade were full of benefits for Quebec.

The independentists, he says, are wrong to want into NAFTA because there are grave risks that will harm the sovereigntist cause and the interests of Quebec: as a member state of NAFTA, Quebec will lose many of the exemptions that NAFTA granted to sub-national governments (like Canadian provinces and U.S. states). The following is a summary of the exemptions Bakvis says will be lost:

- Chapter 13 of the NAFTA treaty exempts provincial and local governments as well as crown corporations from scrutiny of their contracts of purchase. If Quebec becomes a national government, its own governmental procurements would now be subject to scrutiny and those of crown corporations like Hydro Quebec. Favouritism to Quebec suppliers will not likely be permitted.

- Chapter 17 would reduce the power of an independent Quebec to stop the eventual takeover of Quebec financial institutions by Americans.

- Chapter 9 prevents the signatories from establishing a national energy policy and one that charges lower prices for energy to Quebecers. The PLQ liked this provision because it weakened federal influence over Quebec's sales of hydro. But if Quebec becomes independent, the Quebec government will become subject to a ban on the creation of an energy policy or of a policy of differential pricing.

- The U.S. will be particularly severe against Quebec's policy of subsidizing industry. In fact, the U.S. would be likely to try to wring further concessions from an independent Quebec in this respect.

In short, under NAFTA, an independent Quebec would find its margin of manoeuvre severely restricted in economic policy. Finally, just as the overly-eager Mulroney government limited its negotiating options with the U.S. in the FTA negotiations because it insisted to the Canadian public that it had to have a trade deal, so a

sovereign Quebec would find itself in a poor bargaining position if it approached the negotiations as an absolute necessity.

The alternative, according to Bakvis, is for Quebec is to conform to the position of the CQNT and to demand a social dimension be put into NAFTA, before joining. Far from isolating the Quebec government, he postulated, it would be a popular position among English-Canadians who are more opposed to the treaty than Québécois and would win support for Quebec in Latin America, except for the Salinas government of Mexico.⁶⁴

Bakvis' position in 1991 is apparently on the published agenda today of only one Quebec union central, that of the CEQ (and not the central for which Bakvis works):

From the two sides (federalist and separatist), the point of departure is that free trade is not only desirable, but it also will automatically engender prosperity. We are of the opinion that jumps a little too quickly to the conclusion taking into account that not a single analysis on the effects of NAFTA on the Quebec economy has been done and that the most recent GATT agreement raises numerous questions about its potential effects...

Because Quebec will be the first provincial government to take the route of ratification of these NAFTA and GATT accords, and taking into consideration the importance of international alliances in the case of the attainment of sovereignty by Quebec, the CEQ feels it is imperative to favour a public debate on this question. There should not be a question, according to us, that Quebec ratifies these accords without having debated them first in a royal commission. It would be, according to us, premature to hold these debates before the referendum. In our opinion, such

a membership would have to inspire the practice that has been developed in Europe, where agreements of economic association are the objects of referenda. ⁶⁵

Bakvis' own central, the CSN takes a slightly different view:

An independent Quebec must establish an international trade policy vis-a-vis the world and more particularly, Canada and the U.S. Quebec already possesses a very open economy. It has no interest in turning towards protectionism. It has everything to gain from policies that favour continental commercial trade...

It is a question now of spreading NAFTA to other Latin American countries (the negotiations for which have to begin with Chile in 1995) and the independent Quebec will certainly decide that it wishes to continue to belong to NAFTA. We believe that the approach enunciated above, to the effect of favouring a process of integration which goes beyond that of strictly commercial questions (towards a social dimension) is largely shared here as it is by the people of many Latin American countries. The extension of NAFTA to other countries furnishes therefore an excellent opportunity to put forward our social preoccupations in the integration process, and Quebec can play a particularly innovative role in this regard. ⁶⁶

The quote above poses an interesting question. In the GATT and NAFTA negotiations, the governments of many less-developed countries (LDC's) have opposed the inclusion of labour and environmental standards because, they argued, such standards removed a trade and (foreign) investment advantage for them, which conversely was seen by them as an unfair trade advantage for the advanced capitalist economies of the North. It is important to note, therefore, that the CSN view above refers to "the

people" of the countries rather than the governments.

In spite of the merits in the arguments of Bakvis and the CEQ, it seems more likely that Quebec will remain within NAFTA whether the referendum succeeds or fails. Nonetheless, the argument raises a fundamental question: if the three union centrals as well as the BQ and PQ are really for a social democratic state whose focus is full employment, how can it possibly be accomplished under NAFTA which is a trade agreement with a neo-liberal, political agenda?

4.4.3. Are NAFTA and Social-Democracy Compatible?

The union centrals in Quebec have an answer to this question as well. If globalization and free trade in the North American context means that fewer and fewer levers of economic management are left in the hands of national governments, then the Québécois want those levers to be in hands of their own national representatives in Quebec City:

Quebec needs (control of) all the levers in order to create a coherent policy in making full employment a priority... Macroeconomic policy constitutes a prime element that the adoption of a policy of full employment necessitates. (But) certain large tools (fiscal and monetary policy, foreign trade, interest rates...) are closely guarded at the federal level. And Ottawa and Québec dispute the capacity to levy taxes and spend in different ways.⁶⁷

They do not want them in the same federal hands that, they feel, helped to marginalize Quebec society in the

first place:

Even if we, at the FTQ, are convinced that the federal pact will never permit the optimal development of the Quebec economy, it is in the political nature of things that the federal government will adopt measures to the advantage of the province of Ontario, which has always been the backbone of the Canadian economy. ⁶⁸

According to these sovereigntist arguments, Quebec City and Ottawa are constantly bickering over jurisdiction and over funding. This bickering and the continual intrusion of the federal government into areas of traditional provincial jurisdiction like education (in terms of retraining) and labour (in terms of addressing the problem of unemployment insurance and the redeployment of labour) hamper the ability of Quebec to develop programs to benefit its economy. Furthermore, a lot of resources are wasted in duplication of government departments.

On the other hand, however, the sovereigntist argument must be tempered by several facts. First, in the continuing Canadian constitutional crisis, Quebec has actually gained the devolution of a number of powers which no other province has managed to secure, including control over pensions, family benefits, and immigration. Secondly, and contrary to the FTQ view expressed above, federal policy does not always benefit Ontario. For instance, free trade hurt Ontario's economy worst. Thirdly, we may speculate whether foreign or domestic

capital will want to invest in a Quebec that places greater restrictions on them than other jurisdictions. If there is less investment, will there be the necessary economic growth to sustain a policy of full employment?

It appears that there is no way to gauge, at present, whether or not NAFTA will permit the use and indeed the extension of economic levers of power necessary to institute a policy of full employment. There are compelling arguments showing NAFTA's orientation towards limiting the role of government, on the one hand. On the other hand, some argue that NAFTA provides a convenient rationale for public consumption for the downsizing of government by those parties who were already predisposed to do so. Their detractors point out, very simply, that no government in North America has ever tried to institute full employment policies.

While it is clear that only time (and the referendum) will tell if social democracy and free trade (North American style) are compatible, two points are very clear.

First, despite the "delicate balancing act" that the sovereigntists must execute in pleasing, not only labour, but also "owners of small and medium-sized businesses, who would oppose new and expensive programs", (and despite different political outlooks in the coalition for the "yes" side), the PQ has not abandoned its social-

democratic orientation. According to the Globe and Mail, "Our Hearts in Our Work", the booklet containing the blueprint for an independent Quebec issued by the "yes" coalition, "promises improved social programs for women, unemployed young people and the working poor, saying that Quebecers have rejected the North American trend toward right-wing policies and they refuse to sacrifice social programs 'on the altar of blind capitalism'." ⁶⁹

Secondly, if we judge by the sentiments of Louis Laberge, who was the most influential trade unionist in Quebec for a quarter of a century, the labour movement in Quebec is ready to give its support for the PQ to try to establish the social-democratic state model:

We believe, yes, we would have much more to say in a PQ government and in determination of Quebec policy with a sovereign government than with the rest of Canada being involved... As a matter of fact, we decided at the Quebec Federation of Labour not to put the PQ in the position where they have to put something like that in writing because we knew it might be used against them. And we feel very confident indeed (there would be) a closer relationship, a closer participation. For instance, the PQ decided a couple of months ago that they would establish financial funds in all parts of Quebec to create employment... The Solidarity Fund has been selected by the government to establish these regional funds in all those fourteen regions. It's the kind of working relationship that we have much confidence of establishing in a sovereign Quebec... This is the main reason the FTQ was so directly in favour of the referendum. It's because we believe it would be easier if we were sovereign to have a Quebec government decide on a full employment policy. ⁷⁰

Finally, there is something to be said for the proverb, "When there's a will, there's a way." A neo-

liberal trade agreement being administered by neo-liberals, like Chretien and Paul Martin Jr., in Ottawa, has translated into the cutbacks of social programs, the failure to provide adjustment programs, lower transfer payments to schools and universities, and further cuts in unemployment insurance, among other things. Duceppe, however, shows how the PQ government tries to get around the NAFTA restrictions in order to maintain an interventionist role for government:

The PQ, the Bloc, and the National and Regional Commissions which went through Quebec last year, said one very important thing: that we have to have a new regional structure in Quebec with power - and not only discussion power but also certain taxation powers. So it means that (there will be) those intermittent (sub-national) structures with regional powers. By that means, it will be possible to keep that kind of (governmental procurement) policies that we now have in subsidizing certain sectors. There will be a law deposited to this effect this fall establishing that regional structure.⁷¹

He also described earlier the 1% tax on employers for professional retraining that is the beginning of an adjustment policy for workers adversely affected by free trade.

Therefore, in view of Duceppe's remarks, can we now conclude, that social democracy and NAFTA are indeed compatible? Are there the loopholes through which Parti québécois, governing an independent Quebec, can outmanoeuvre the neo-liberal agenda implicit in the North American regional trade pact? The answer remains to be

seen - only in the practice of a sovereign Quebec. In such a scenario, we have seen that there are at least two courses of action open to a sovereign, social-democratic Quebec. Like the Réseau québécois sur l'intégration continentale [RQIC] (the Quebec Network on Continental Integration - the new coalition led by the Quebec trade union centrals regarding the expansion southwards of NAFTA), and the BQ, some scholars are optimistic the neo liberalism is not so stable as to prevent that, over time as new members are added to a free trade agreement for the Americas, Quebec will succeed in helping to insert a social dimension. This is the view of Ernest J. Yanarella:

Any astute political observer who peers into the future of free trade beyond the realization of an independent Quebec surely looks through a glass darkly... But a sovereign Quebec may yet play a vital and progressive role in future trade negotiations over the shape and substance of prevailing and new trade accords. A PQ-led independent Quebec worthy of its ideological foundations and highest aspirations, a sovereign Quebec facing a new millennium and a turbulent world of promise and peril, will take the initiative in future forums of continental and other trade negotiations and become an advocate and leader for sustainable development, workers' rights and collective interest representation across national boundaries, and social equity in Quebec and its partners in all the Americas. If indeed Quebec has its own rendezvous with destiny as envisaged by the PQ, it could do no better than to fulfil this humane and sorely needed role in new and unfolding phases of economic integration in North and South America and around the world.⁷²

The other course of action would be for a sovereign Quebec to look for loopholes through which to institute

measures to protect (or even strengthen) social programs, to promote Quebec industries, and to develop the adjustment programs promised for workers adversely affected by trade opening. Of course, in trying to operate through loopholes, the Quebec government would run the risk of inviting countervailing action by its NAFTA trade partners. In either case, we have to wait at least until October 30, 1995 referendum, to see what transpires.

4.4.4. Is sovereignty in the interest of Quebec workers?

Since it remains to be seen if social democracy and NAFTA are compatible, or might become so in the long run, we cannot yet objectively answer the question posed in the introduction to this thesis; namely, are Quebec syndicalists, as Lipsig-Mummé contends, erring in endorsing the sovereigntist political formation and its sovereignty option?

We can demonstrate, however, that, according to Bill Coleman, the PQ's *projet de société social-démocrate* amounts to an option of counter-hegemony to the neo-liberalism of virtually all the political parties and classes currently in power in North America. Coleman goes so far as to maintain that the defeat of the sovereignty option in Quebec would be, in fact, a victory for neo-liberalism. ⁷³

For Quebec working people, as we said in the Introduction, *free trade may turn out to be a "liberating framework."* Voting "yes" in the referendum of 1995, as described earlier, is a practical endorsement of the attempt to introduce a social dimension into NAFTA, in several ways. First, it indicates agreement with the BQ-PQ position that will use its influence to modify future trade deals to include a social dimension. Secondly, as in the case of the 1% retraining tax, sovereignty will mean some form of adjustment program to offset the negative effects of trade liberalization. Thirdly, the sovereignty option contains the promise (by the BQ and PQ) of the continuation or restoration of social programs gutted by the neo-liberal, federal Liberals in Ottawa. A Québécois social-democratic orientation of government, along the lines practised in some small western European countries, might be difficult to maintain in North America. But it would provide the structural format for trade union participation in governmental planning, allowing for tradeoffs between immediate monetary issues and long term job security and/or social rights. According to the "Yes" forces, it may also mean prosperity:

Because we are free-traders, we export half of what we produce beyond our borders. At present we cannot take proper advantage of this flexibility and openness, because we always have to wait for the rest of Canada, which often doesn't have the same interests, or quite simply can't come to an

agreement on the steps to follow. So we miss out on opportunities. Just think: Without Quebec, Canada wouldn't have agreed to join in free trade with the united States. Quebec's great blueprint for society means taking full advantage of our ability to adapt quickly, to forge consensus and, like other peoples who possess these qualities, to be among the most prosperous.⁷⁴

It is no wonder, then, that all three trade union centrals in Quebec - even though they engage in face-to-face confrontations on a regular basis with the PQ over immediate issues like hospital or factory closures - are all firmly on board the sovereignty bandwagon.

Endnotes for Chapter 4

¹ Figures from Statistics Canada and the OECD, quoted in Peter Bakvis, "Free Trade in North America, Québec Studies, No. 16, 1993, page 44-45. There was a period of denial in which the "r" word [recession] was not even acknowledged by the federal Conservative government, even though the textbook definition of recession is simply the passing of two quarters (of a year) with no economic growth or negative growth. Finally, Mr. Mulroney agreed that Canada was indeed experiencing a temporary recession, from which it would shortly turn the corner. The "d" word [depression] was never countenanced by the government or the media during the early 90's.

In fact, judged by the percentage of working people cast onto social assistance, the recession of the early 90's reached and may even have surpassed that of the dirty thirties. During the Depression, unemployment rates reached 33%. "Public relief" was not always available. In the early 90's, most major Canadian cities at some point recorded between one third and two-fifths of all households receiving some form of social assistance. Says economist, Atif Kubursi, "If that social assistance had not been available in the 90's, the economy of Canada would have gone through the floor." Private communication with Atif Kubursi, Department of Economics, McMaster University, 1994.

- ² Peter Bakvis, op. cit., page 45.
- ³ Ibid, page 46.
- ⁴ CSN, "La CSN et les élections fédérales du 25 octobre 1993", 5 octobre 1993, page 4.
- ⁵ Ibid, page 46.
- ⁶ CSN, "Un Choix Clair Pour La CSN: L'Indépendance du Québec", a (107-page) brief submitted by the CSN to the (Quebec) Commission on the Political and Constitutional Future of Quebec, November 1990, page 13. Now that Quebecers have to deal with the reality of making a choice on October 30, 1995, recent polls have indicated that the Quebec population is split on the issue. Sarah Scott, "'Yes' forces lose ground, poll says", Hamilton Spectator, September 16, 1995, page A1.
- ⁷ Lipsig-Mummé, "Future Conditional: Wars of Position in the Quebec Labour Movement" in Studies in Political Economy, 36, Fall 1991, page 103. The *rapport moral* is the traditional presidential address to the confederation's biennial convention.
- ⁸ FTQ, "Mémoire présenté par la Fédération des travailleurs et travailleuses du Québec (FTQ) à la Commission sur l'avenir politique et constitutionnel du Québec", November 1990, introduction.
- ⁹ Ibid, page 2.
- ¹⁰ Cf. endnote #38, Chapter 1.
- ¹¹ Ramesh Mishra, The Welfare State in Capitalist Society: Policies of Retrenchment and Maintenance in Europe, North America, and Australia, University of Toronto Press, Toronto, 1990, pages 18 and 71.
- ¹² CEQ, "National Independence and Popular Sovereignty, Mémoire de la CEQ à la Commission parlementaire élargie sur l'avenir politique et constitutionnel du Québec", November 1990, page 91.
- ¹³ Ibid, page 92.
- ¹⁴ Ibid, page 93.
- ¹⁵ "Mémoire présenté par la Fédération des travailleurs et travailleuses du Québec (FTQ) à la Commission sur l'avenir politique et constitutionnel du Québec", November 1990, page 4.

- ¹⁶ Ibid, page 7.
- ¹⁷ National Council of Welfare, Provincial and Territorial Welfare Benefits, 1993.
- ¹⁸ CEQ, op. cit., page 26.
- ¹⁹ Alain Noël, "Politics in a high-unemployment society", in Alain Gagnon (ed.), Quebec State and Society, Nelson, Scarborough, 1993, page 422.
- ²⁰ Ibid, page 437.
- ²¹ Lipsig-Mummé, op. cit., pages 98-99.
- ²² Ibid, page 102.
- ²³ Private communication with Carla Lipsig-Mummé, June 16, 1995.
- ²⁴ Quoted in CEQ, op. cit. page 91.
- ²⁵ Parti québécois, Programme du Parti Québécois, Montreal, 1991, pages 80-97.
- ²⁶ Noël, op. cit., page 440.
- ²⁷ Parti québécois, Quebec in a New World, Lorimer, Toronto, 1994, page 20-21.
- ²⁸ Noël, op. cit., page 440.
- ²⁹ Ibid, page 437.
- ³⁰ Ibid, page 438.
- ³¹ Roch and Serge Denis, "Quebec Unions in Politics" in Alain-G. Gagnon (ed), Quebec State and Society, page 218.
- ³² Noël, op. cit., page 441.
- ³³ Private communication with John Anderson, July 25, 1995.
- ³⁴ BQ, "Manifesto of the Bloc Québécois", June 1991, page 4.
- ³⁵ Lipsig-Mummé, "Future Conditional: Wars of Position in the Quebec Labour Movement" in Studies in Political Economy, 36, Fall 1991, page 103.
- ³⁶ Private communication with Gilles Duceppe, August 8,

1995.

³⁷ Lipsig-Mummé, *op. cit.*, page 103.

³⁸ Private communication with John Anderson, July 25, 1995.

³⁹ Private communication with Gilles Duceppe, August 8, 1995.

⁴⁰ Osvaldo Núñez, (Bloc) MP, presentation to the International Conference on NAFTA, San Juan, Puerto Rico, March 16-17, 1995, pages 1-2.

⁴¹ Bakvis, *op. cit.*, page 46.

⁴² Private communication with Peter Leibovitch, July 9, 1995.

⁴³ Bakvis, *op. cit.*, page 47.

⁴⁴ CQNT, "Joint Declaration", April 1991, page 2.

⁴⁵ Bakvis, *op. cit.*, page 47.

⁴⁶ CQNT, "Mémoire sur l'accord de libre-échange nord-américain [ALÉNA] présenté à la Commission, parlementaire des institutions," page 6.

⁴⁷ *Ibid*, pages 26 and 27.

⁴⁸ Private communication with André Leclerc, June 21, 1995.

⁴⁹ CQNT, "ALENA: un enjeu électoral!", 1993, page 14.

⁵⁰ Besides the three trade union centrals, CUSO-Québec, the Quebec Association for International Cooperation (AQOCI), the Centre for Documentation on Latin-America (CEDAL), and the Canadian Catholic Organization for Development and Peace (OCCDP), it now includes two environmental groups, *Centre québécois du droit de l'environnement (CQDE)* [the Quebec Centre for Environmental Rights] and *l'Union québécoise pour la conservation de la nature (UQCN)* [the Quebec Union for the Conservation of Nature]; *Solidarité Populaire Québec (SPQ)*; as well as two academic research groups, *le Groupe de recherche sur l'intégration économique de l'Université du Québec à Montréal (UQAM)* [the Research Group on Economic Integration of the University of Quebec at Montreal] and *le Groupe de recherche sur l'Amérique latine de l'Université de Montréal (U de M)*. AMALC, the

Medical Association for Latin American and the Caribbean is no longer listed separately as a member organization.

⁵¹ Conference handbook, "Conférence internationale: La Dimension Sociale de l'integration continentale", May 11-13, 1995, University of Quebec at Montreal, page 6.

⁵² Bakvis, op. cit., page 48.

⁵³ Clause 9 of the draft bill on Quebec sovereignty, 1994, in Osvaldo Núñez, M.P., "Québec's Perspective on Social Aspects and the Broadening of Free Trade in the Americas", presentation to the International Conference on NAFTA, San Juan, Puerto Rico, March 16-17, 1995, page 13.

⁵⁴ The impact on Quebec's industrial structure and employment, on social programs, minimum labour standards, and on safeguarding Quebec culture. Ibid, pages 5 -13.

⁵⁵ Ibid, page 17.

⁵⁶ Ibid, page 16.

⁵⁷ Private communication with Gilles Duceppe, August 8, 1995.

⁵⁸ Núñez, op. cit., page 4.

⁵⁹ Brian Mulroney, December 2, 1991 in Le Devoir, quoted in Peter Bakvis, "Un Québec libre de ses échanges" in Alain-G. Gagnon and François Rocher, Répliques aux détracteurs de la souveraineté du Québec, VLB Éditeur, Montreal, 1992, page 409.

⁶⁰ A reference to the Summit of the Americas, December 9-11, 1994, in Miami, at which thirty-four heads of state agreed to form a free trade area of the Americas by 2005.

⁶¹ Bloc québécois, Parlons D'Avantages, pages 40-41.

⁶² Peter Bakvis, "Un Québec libre de ses échanges" in Alain-G. Gagnon and François Rocher, Répliques aux détracteurs de la souveraineté du Québec, VLB Éditeur, Montreal, 1992, page 409.

⁶³ Ibid, page 410.

⁶⁴ It is also possible that a vindictive English Canada and an overbearing United States might make the terms for an independent Quebec for belonging to NAFTA so onerous that Quebec could not afford to join. It is perhaps for

this reason that Premier Parizeau has made several trips to visit the president of France, in order to keep open a back door for a trade agreement with the European Union.

⁶⁵ Centrale de l' enseignement du Québec, "Mémoire à la Commission nationale sur l'avenir du Québec", March, 1995, page 32. The work of the CQNT is noted in this document: *In this regard, it's worth remembering that a Quebec coalition about NAFTA was put into place and made representations before the federal government in the period of negotiations of that trade treaty among Canada, the U.S., and Mexico. The point of view taken by the Coalition québécoise sur les négociations trilaterales [CQNT] differed on several points with the position defended by other syndical organizations across Canada, but reflected our preoccupations with the defence of working conditions, social rights, and environmental protection. Neither the CEQ or CQNT position was well understood across the national divide in Ontario. For example, David Eaton, General Secretary of the Ontario Secondary School Teachers' Federation, (the closest corresponding organization to the CEQ in Ontario) said that the CEQ had "gone soft on free trade...By and large, I wouldn't say that they were pro-free trade but they're not anti-free trade (either). They are on record for sovereignty. Part of the sovereignty platform was some sort of free trade and a me-too free trade approach. If Quebec separates, it wants to be another partner in NAFTA..."* Private communication with David Eaton, June 15, 1995.

⁶⁶ Confédération des syndicats nationaux, "Un choix clair pour la CSN: la souveraineté du Québec", submission to the Broader Royal Commission on the Future of Quebec, March 1995, page 52-3.

⁶⁷ Fédération des travailleurs et travailleuses du Québec, "Mémoire à la Commission sur l'avenir politique et consitutionnel du Québec", November 1990, pages 8-9.

⁶⁸ Ibid, page 8.

⁶⁹ Rhéal Séguin, "Sovereigntists unveil blueprint", Globe and Mail, Friday, September 22, 1995, page A1.

⁷⁰ Private communication with Louis Laberge, FTQ President 1964-91, September 5, 1995.

⁷¹ Private communication with Gilles Duceppe, August 8, 1995.

⁷² Ernest J. Yanarella, "Quebec and NAFTA: The future of free trade and sovereignty-association", a paper prepared for the annual meeting of the Midwest Political Science Association, April 6-8, 1995, Chicago, Illinois, page 25.

⁷³ Private communication with Bill Coleman, September 22, 1995.

⁷⁴ Rhéal Séguin, "Sovereignists unveil blueprint", Globe and Mail, Friday, September 22, 1995, page A5.

Conclusion

This thesis opened by suggesting that it would challenge a number of conventional views concerning unions and free trade: that the structures of the union movement are driven by economics; that labour is, by definition, opposed to trade liberalization; that free trade is inherently inimical to the interests of workers; and that regional economic integration automatically pits workers of one country against workers of other countries.

Let us begin with the first.

5.1. State Centric Approaches

The Introduction to this thesis set out its main proposition that it is not simply economics that motivates trade unionism but rather politics as well. In fact, of the two, politics is the more decisive factor. We said: *On each side of the national divide, trade unionists demonstrate state-centric approaches to analyzing the place the economy of each holds in the global economy, the political role the state should play in that context, and the role that labour should play within that state.*

In Quebec, we have seen that the largest labour central has a distinctive *projet de société social-démocrate*, that is, a social-democratic vision of society. It is most clearly expressed in the FTQ as a combination of three elements: a policy of full employment, an industrial strategy, and a policy of regional socio-economic development. The policy of full employment, in turn, is composed of two main elements: first, that all policies and governmental measures are to be centred on employment and, secondly, that the social partners have a real voice on the subject.¹ The other two centrals are not quite as clear on social democracy as the FTQ. Though both have a history of abstention from the mainstream political process, we have seen that both presently support the PQ's sovereignty referendum and stand for a political order based on the policy of full employment.

Free trade plays a role in this state-centric approach because, as the sovereigntist argument goes, Quebec's is an open economy requiring the widest possible liberalization of trade in order to escape its peripheralization in North America. Yet, the unions are careful to qualify their support for free trade in Quebec with demands for a social dimension. According to the Réseau québécois sur l'intégration continentale [RQIC, the new coalition led by the Quebec trade union centrals

regarding the expansion southwards of NAFTA], this social dimension will be achieved by means of alliances with coalitions in the countries of the hemisphere yet to be brought into the trade pact. In this way, free trade may yet turn out to be a "liberating framework" for Québécois workers.

Some may argue that the RQIC strategy is merely wishful thinking. We have already seen that many less-developed countries of the South oppose the inclusion of even the most minimal labour and environmental standards in trade agreements because they feel such standards are a built-in disincentive to foreign investment in their countries (and are therefore an unfair trade advantage for the advanced capitalist economies of the North). Others argue that the neo-liberal forces behind the free trade initiative in the FTA, NAFTA, and now the FTAA, are dominant in the hemisphere, not only in North America but also in Central and South America. Therefore, the RQIC strategy to unite with unions and coalitions in the latter countries is to unite with the powerless. However, after witnessing the destabilizing effects on Mexico of the peso crisis (which both the CLC and RQIC link to the too-rapid accession of Mexico to membership in NAFTA), one might be tempted to wait and see just how stable the neo-liberal hegemony in Central and South America really is. Drawing an analogy from the union movement, moreover,

of the inspiration that unions draw from the successes of other unions in collective bargaining, one can foresee a similar inspiration being drawn by the less developed countries of the Americas from the successes of less developed countries in the European Union, like Spain and Greece, which received generous assistance from the EU to bring their economies and social systems in line with EU member nations.

Quebec trade unions are profoundly concerned about the success of the Quebec economy. According to John Anderson ², this concern goes beyond the syndicalist necessity for employers to stay in business in order to continue to employ workers. It is part of a long term passionate attachment to the national cause in Quebec to which Quebec unions have given considerable leadership. On behalf of the success of the nationalist cause we have seen that they are also willing to enter into concertation arrangements with business and government that might involve compromise and even concessions.

The state-centric approach taken by Quebec labour is predicated on an interventionist model of the state which coincides with the view of the governing Parti québécois (as well as all other classes and mainstream political formations in the province.) This working model of an interventionist state puts Quebec into what William Coleman calls "a counter-hegemonic relationship" to the

neo-liberals in Ottawa and Washington. In fact, we have seen that Coleman describes the possible defeat of the referendum as a victory for neo-liberalism.

In an independent Quebec, labour would clearly enjoy a greatly expanded structural role as one of the main social partners in a type of government that would approximate, at best, (under PQ hegemony) the social-democratic model of western European countries like Sweden, or, at worst, (under the leadership of the Quebec Liberal Party) the neo-corporatism of Germany or Austria.

From their point of view, then, the election of the Parti québécois in 1993 and the referendum in 1995 put the goals of their state-centric approach almost within the grasp of Québécois unions.

A little more removed from the situation, however, we can also speculate about a not-so-rosy scenario of independence for Quebec. A vindictive Canada, that denies Quebec full access to interprovincial trade and the use of the Canadian dollar or that encourages a flight of capital from the former province, would severely limit the options available to the Québécois government. Such a government would have great difficulty developing a society based on the social-democratic model, whose attributes, according to the FTQ are regional economic development, an industrial strategy, and a policy of full employment. In short, a vindictive

English Canada could cause serious difficulties for a sovereign Quebec, limiting its ability to improve the condition of its working people. But this is the gamble, which we noted in the Introduction, that Quebec labour is willing to take.

In contrast, labour in English Canada, which has, in part, de-linked itself from its social-democratic party, is kept out in the cold. The CLC still officially maintains social democracy as its political orientation but practically abandoned that vision, as we have seen during the free trade fight, in favour of the English-Canadian nationalism espoused by its coalition partners in the Action Canada Network. Its party, the NDP, has been marginalized, partly through mistakes made by labour in English Canada during two elections. Until very recently, its own stubbornly rejectionist policies towards NAFTA prevented it from having any input into government. (Of course, the Conservative and Liberal federal governments have never seriously solicited the participation of labour in anything but minor advisory roles.) And, in its long term view of government, it sees its political space constantly shrinking and possibly disappearing into the U.S. melting pot.

In the 1990's, the English-Canadian economy, based mainly in Ontario, suffered even worse in the 1990's than that of Quebec from misguided federal policies like high

interest rates, the GST, and cutbacks in social programs (which had the effect of decreasing the disposable income available to consumers) as well as from the effects of the global restructuring of industry brought about in part by the two free trade agreements, FTA and NAFTA.

For all these reasons, since their unsuccessful attempt to defeat NAFTA during the 1993 election, English-Canadian trade unionists, unlike their Québécois colleagues, have had no clear-cut state-centric approach on which to base a strategy. For them, free trade is what Grinspun and Kreklewich called a "conditioning framework." Their doomsday approach to free trade and their short-sighted approach to political parties, specifically the Ontario NDP, left them in the disarray that Audrey McLaughlin described in Chapter 2. They are having a difficult time regrouping their forces or, as McLaughlin put it, "getting their act together." And their coalition partners are likewise fragmented, according to McLaughlin, and in disarray.

These two distinctively different outlooks are the direct result of the historical fact of two (European) nations that became partners in the founding of Canada and the kinds of economies that developed in each national area. The national question, which has been the motivating force in so many issues in Canadian history, has been shown in this thesis to be a major

ingredient in the struggles of the union movement as well. The mishandling of the free trade issue in English Canada was shown to have worsened relations between unions and workers on both sides of the national divide.

The future for Québécois labour is clearly mapped out - provided the OUI side wins the referendum. English Canadian labour would do well to emulate its many significant achievements. At the very least, in the context of the October 25, 1995, referendum, labour in English Canada might prepare in two ways to help its counterpart in Quebec (and benefit itself at the same time) in the event of separation. First, English-Canadian labour should honour its policy of solidarity with Quebec's right to national self-determination in the face of what we have already seen will be a vindictive reaction in English Canada to separation. Secondly, it should now prepare, whether or not Quebec leaves Confederation, to establish the practical unity over a social dimension that has been the missing link in the chain of solidarity during the struggle in Canada against free trade.

5.2. The CLC and Quebec's Right to Self-Determination

On February 21, 1995, Bob White spoke to a special meeting of the FTQ on the Quebec referendum. He began by reminding the participants of the CLC's historic

resolution of 1978 recognizing Quebec's right to national self-determination. He then went on to draw a parallel between the CLC's continuing support for that principle in 1980, in the face of Lévesque's referendum on sovereignty-association, and his presence at their meeting on February 21, 1995, in view of the 1995 referendum. Concerning the 1980 referendum, he quoted Dennis McDermott, contemporary CLC President:

Two years ago we had a long, intensive debate on the issue. We said this labour movement believes in the right to self-determination; we expressed the hope that, whatever the outcome, there would be continued solidarity in our ranks. And I say to you that we can debate that one until doomsday without ever coming to a better conclusion than that. It is the unanimous determination of the Executive Council that self-determination means self-determination. ³

White also referred to the "historic protocol that reflects the formal expression of a relationship akin to sovereignty-association" signed between the CLC and FTQ in 1993 as a result of the Cousineau affair at the 1992 CLC convention. Finally, White concluded by noting he was present to declare that "the Canadian Labour Congress" would respect and accept the decision that Québec workers take":

It is easy to support that policy (recognition of Quebec's right) when sovereignty is not front and centre on then political agenda. It is more meaningful to support it when a vote on sovereignty is just around the corner... In the forthcoming referendum, whatever democratic decision is made by the majority of those who participate must be accepted and respected - not only by the Canadian Labour Congress but also by the various political and other institutions in Canada.

...If the referendum results in a "Yes" vote, would everything then fall neatly into place? - Of course not. It would mean serious, undoubtedly tough negotiations on a multiplicity of issues, but those negotiations would have to proceed on the basis of usual respect and recognition of the new reality. ⁴

There are, of course, several problems with White's line of reasoning. In the first place, the CLC's track record in dealing with Quebec is mixed. During the free trade fight, it fell in with the nationalism espoused by some of its coalition partners, notably the Council of Canadians, and helped to create the mystique that Quebec had betrayed English Canada because it voted a little more strongly for Mulroney's Conservative Party than Ontario. In 1992, it allowed a long-standing tradition of understanding between the labour movements of the two nations to fall by the wayside by not automatically elevating the FTQ's candidate to the CLC vice-presidency. Therefore, Quebec trade unionists may have justifiably been a bit sceptical of White's remarks.

However, they may have been more than a bit sceptical of his remarks in view of the fact that the policy recognizing Quebec's right to self-determination has never been explained in a significant way to the CLC's anglophone membership. Essentially, there has never been the massive educational program on this policy as there was, for example, on free trade or the GST. Outside of the leadership at local, provincial, and national

levels, most members are probably not even aware the policy exists.

If Canada is to avoid the conflict that has arisen in the breakup of some federal states, it is important that organizations with a stake in international solidarity, like the CLC, should begin such an educational campaign at once.

5.3 Common Ground - the social dimension

At several points in this thesis, it has been suggested that English-Canadian labour missed its chance to build a practical unity with its Quebec counterpart over the issue of inserting a social dimension into NAFTA and future trade deals.

In concluding this thesis, it is appropriate to suggest it one more time as a practical strategy right now. If Quebec separates, Québécois labour will be looking for allies in English-Canada not only to argue for continued trade links with Canada but also for partnership in the struggle to introduce a social dimension into future hemispheric trade arrangements. Quebec labour has been working hard to make this point the rallying cry for trade union movements throughout the hemisphere. If Quebec elects to remain in Canada, syndicalist unity on the question of a social dimension could act as the basis on which to rebuild a formidable

popular alliance against the neo-liberal policies of the federal and provincial governments,

However, in order to make this syndicalist and popular alliance for a social dimension a reality, labour will need friends in the political arena. In Europe, it was among socialist and social-democratic parties that the dream of the European Union got its start in the 1950's. While the European labour movement is far from satisfied with its economic and social role in the EU, the same parties that put together that model of regional economic integration also ensured that European labour would have an official, institutional role in the governing structures of the European Union from which to agitate for improvements.

In Quebec, we have seen that, though the PQ has let its trade union supporters down on several occasions, trade union leaders have been careful not to burn their bridges behind them. For example, Laberge strongly differed with Broadbent over the 1988 campaign strategy but ending up praising him before a francophone audience shortly afterwards. The PQ clawed back wages and benefits in 1982-83 from public sector workers. Yet the same public sector unions that were then the targets of the PQ clawback are now supporting the PQ's referendum initiative. Even the CSN has moved away from its traditional abstentionism from politics. Its leader,

Gerald Larose, has been visibly present on the podium at many events sponsored by the PQ in support of the "Yes" side.

English-Canadian trade unionists who publicly excoriated Ed Broadbent after the 1988 election; countenanced their coalition partners playing the game of strategic voting in 1993, which hurt the NDP in that election; and caved in to a spontaneous outcry about Ontario's Social Contract, would do well to take a lesson from Quebec.

The lesson is that unions cannot afford to be without allies in the political arena. They are defensive organizations of the working class. They play the same reactive role today in Canadian society that they did in 1961 when the CLC helped to form the New Democratic Party so that labour could have a pro-active voice in the public life of the country. While it is true that coalition politics added a whole new dimension to the Canadian political scene during the fight against free trade, it is also important to recognize that a coalition, no matter how massive, is not a substitute for a party affiliation. Tony Clarke, ACN Chairperson from 1987 to 1993, points out the distinction very clearly:

The political role of the ACN has been to help form the basis of a social movement, not a political party *per se*. Its primary field of activity is extra-parliamentary, not parliamentary, politics. The ACN's role is to develop an extra parliamentary opposition to the corporate agenda. In so doing,

the ACN helps create the social base required for progressive party politics in this country. Our long term task has been to cultivate a political culture that is more socially responsible. {original emphases} ⁵

Unfortunately for the labour movement and the NDP, during the fight against free trade, some English-Canadian trade union leaders decided that coalition politics was a suitable substitute for party politics and not an adjunct to them. The "pink" unions they lead, like the CAW, so labelled earlier by Audrey McLaughlin, are one of the main reasons that, as McLaughlin put it, labour cannot seem right now "to get its act together."

In a nutshell, there seem to be three elements to the successful regeneration of a popular mobilization in Canada against the neo-liberal agenda. The first is a strong labour movement united across both nations on a common demand: the social dimension. The second is a federal social-democratic party which makes the achievement of the social dimension a central theme and which can also accommodate, within its philosophy and program, the national aspirations of both European nations (and not just that of English Canada). The third is an extraparliamentary opposition that consciously takes leadership from both the unions and the party, particularly during election campaigns.

5.4 Trade liberalization and international solidarity

Another stereotype put to rest in the course of this thesis was that labour fears trade liberalization. The opposite is true. We have seen that the CLC and the Quebec centrals are all on record favouring trade liberalization, though they prefer the multilateral forum of GATT to bilateral or trilateral arrangements with the giant U.S. economy. Trade is seen as good for business and therefore good for employment. Moreover, according to Peter Leibovitch, "labour traditionally favours openness of trade because the opposite is so undesirable: trade wars usually lead to shooting wars."⁶

A second stereotype that needs to be dismissed is that freer trade is inimical to the interests of workers. The author has recently completed a paper analyzing the effect of forty years of free trade within the European Community upon unions there.⁷ His conclusion, based on the fact that union densities in various EC member countries rose, fell, and stayed the same over four decades, was that other factors were at least equally responsible for changes to the relative strengths of unions as freer trade. Those other factors include a country's specific institutions, history, and cultural milieu; its labour legislation; (international and national) economic conditions; attitudes of governments and employers to unions; services provided by unions and attitudes of their leaders; new technologies resulting in

changing occupational structures; and finally, the institutional framework under which trade is opened. These factors can be shown also to influence significantly the rise and fall of union density and, consequently, the strength of trade unionism.

Of the factors listed above, probably the most significant is economic conditions: when the economy is expanding and unemployment is low (as it was generally during the first thirty years of the EEC), labour's bargaining power is greatest. When economic conditions deteriorate and unemployment rises (as in the EC during the 1980's), labour is particularly vulnerable to attack by employers and governments.

It is important to discredit the stereotypes about trade and labour because every single trade unionist interviewed for this thesis agreed, not only that the pace of globalization of the world economy was probably going to increase, but also that the world seems to be dividing into (three) rival trading blocs. If they are correct, then, there is one important pitfall to be avoided from the Canadian experience: protectionism.

Protectionism, as expressed within the English-Canadian anti-free trade coalition, was only a minor concern for Québécois trade unionists in the fight against the FTA. The argument posed in English-Canada at that time was that free trade would open Canadian workers

to competition from "low-wage areas in the American south." However, it was during the struggle against NAFTA, when English-Canadian trade unionists and ACN members warned about the possible flow of jobs to Mexico, that their Quebec colleagues, according to Peter Bakvis, "began to feel uncomfortable." ⁸ They felt uncomfortable because, as was pointed out by Leibovitch, in Chapter 4, protectionist sentiments against Mexican workers, made in public, might appear progressive while, in essence, they appealed to racist fears about third world workers. These workers were portrayed, in effect, stealing jobs from English-Canadians. Protectionism in the ranks of labour, then, served to divide, rather than unite workers across national boundaries.

Part of the radicalization of the trade union movement in Quebec during the 1960's and 1970's was a powerful component which described Quebec itself as an exploited colony, as part of the Third World. Moreover, it was during this period that the CSN and CEQ began some of their overseas aid projects in the less developed countries, including the Americas. Thus, the Quebec trade union leadership (particularly in the CSN and CEQ) became intimately connected with unions in less developed countries, developed an empathy with their problems, and came to realize the need to build an alternate North-South dialogue, based on equality and solidarity rather

than relationships of power.

The appeal to racist fears implicit in the English-Canadian agitation against NAFTA ran against the grain of the twenty years of practical experience in international unionism on the part of the Québécois union leaders, who themselves feel part of an oppressed nation. This was the spur, described earlier by Bakvis, for Québécois unions to develop a new trade strategy and "another kind of North-South relationship than that defined by capitalists." Thus was born the CQNT.

Today, syndicalists in both English Canada and Quebec focus on real and not just symbolic links between the trade unions of different countries. The CEQ's Michel Agnaïeff believes that:

The worldwide answer (to North-South inequality) is the spread of worldwide trade unionism, especially in those countries rapidly becoming industrial powers. This will create the elements of equilibrium but not in one or two years. It is by their own struggles, which we will support, that they will increase their salaries and opt for social advantages that they are deprived of presently. Those workshop nations are organized on almost a militaristic model. That is why the fight for democracy is important, for human rights is important, for trade union rights is important. It's an extraordinary period of time in terms of challenges. What was considered to be a theoretical integration of human rights and trade union rights is now a fact of life. We have to go boldly in this direction. We did that as teachers. In January two years ago in Stockholm was founded one big organization, The International Education Union, with 22 million members. ⁹

"We don't confront the big boss across the negotiating table (here in Canada) any more," says André

Leclerc of the FTQ. "Therefore, at the long term level, if we are not able to develop the *rapport de force* (combination of forces) at the level at which the game is played, we cannot win... In (light) of this, we need not just symbolic links but to develop an international solidarity that would be effective in concrete circumstances. We have to try. If we don't make mistakes, we won't go ahead." ¹⁰

Leibovitch also believes that union movements have to build true solidarity. True solidarity for him does not mean attending conferences and passing resolutions. It means:

a practical solidarity on common issues in contract fights, responding to the multinational corporation with a multinational alliance of trade unions. We have to take this multinational trade union alliance and integrate it into the structures of the union movement. What is the core responsibility of the union movement? The answer is the ability to bargain collectively. Only by integrating international solidarity into the negotiation process can you really demonstrate the practical results of unity. ¹¹

If the sentiments expressed by these labour leaders are put into practice by their respective labour movements in English Canada and Quebec, there will be a certain irony involved. We said in the Introduction to this thesis that we wished to challenge the view that regional economic integration automatically pits workers of one country against workers of other countries. How ironic it would be, then, if free trade turned out

instead to be the incentive for trade unions in English
Canada and Quebec to help develop a practical labour
solidarity on a hemispheric scale!

Endnotes for the Conclusion

¹ FTQ, "Plus qu'un OUI: Un pays!: La souveraineté et notre projet de société", referendum brochure, 1995, pages 1-2. Six measures are listed as examples leading toward the achievement of full employment: strategic planning of infrastructure work, firm control over overtime, decentralizing public services, adopting appropriate fiscal measures, and putting into place mechanisms of national and regional concertation.

² Private communication with John Anderson, July 25-26, 1995.

³ Speech by Robert White, President, Canadian Labour Congress to the Québec Federation of Labour's Special Meeting on the Québec referendum, Feb. 21, 1995, page 3.

⁴ Ibid, pages 10-12.

⁵ Tony Clarke, "Action Canada: The makings of a movement", paper prepared for the 22nd Assembly of the Action Canada Network, November 1993, page 5.

⁶ Private communication with Peter Leibovitch, July 9, 1995.

⁷ Ken Stone, "The Effect of Trade Openings on Union Density", an essay for Professor Henry Jacek, School of Graduate Studies, McMaster University, 1995 (mimeo).

⁸ Private communication with Peter Bakvis, June 5, 1995.

⁹ Private communication with Michel Agnaïeff, June 22, 1995.

¹⁰ Private communication with Andre Leclerc, June 21, 1995.

¹¹ Private communication with Peter Leibovitch, July 9, 1995.

APPENDIX "A"
LIST OF ABBREVIATIONS

- ACN - Action Canada Network - the coalition fighting the FTA and NAFTA in English-Canada
- AFL-CIO - the main trade union federation in the USA
- ALE - French acronym for the Free Trade Agreement between the US and Canada, 1989
- ALENA - the French acronym for NAFTA
- AMALC - Association médicale pour l'Amérique latine et les Caraïbes (the Medical Association for Latin American and the Caribbean), part of the CQNT
- Andean Pact - the integration of the economies of Colombia, Ecuador, Peru, Bolivia, and Venezuela, 1992
- AQOCI - Association québécoise des organismes de coopération internationale (the Quebec Association for International Cooperation), part of the CQNT and RQIC
- BC - British Columbia
- BCNI - Business Council on National Issues (Canada)
- CAW - Canadian Autoworkers Union, formed in 1985(?) by breaking away from the parent UAW
- CBC - Canadian Broadcasting Corporation, Canada's public radio and television broadcaster
- CBRT - the Canadian Brotherhood of Railway, Transport, and General Workers
- CCL - Congress of Canadian Labour representing the CIO (industrial unions) in Canada (FUIQ, in French)
- CCPA - the Canadian Centre for Policy Alternatives
- CCU - the Confederation of Canadian Unions
- CEDAL - Centre d'études et de documentation d'Amérique latine (the Centre for Documentation on Latin-America), member of the CQNT and RQIC

- CECQ - Canadian Religious Conference, part of the SPQ
- CEGEPS - the junior colleges of Quebec, a product of the Quiet Revolution
- CEQ - Centrale de l' enseignement du Québec, the Quebec teachers' federation
- CIO - the US federation of industrial unions put together under the leadership of John L. Lewis of the United Mineworkers. The CIO was the parent organization of the CCL.
- CIQ - Corporation des instituteurs et institutrices catholiques (the Professional Association of Catholic Teachers), forerunner of the CEQ
- CLC - the Canadian Labour Congress, the principal union federation representing organized labour in Canada
- CMA - Canadian Manufacturers' Association
- CN - Canadian National, a federal crown corporation dealing with Canada's publicly-owned railways and their assets
- CNTU - the Confederation of National Trade Unions, the English name of the CSN, no longer in use
- COC - Council of Canadians
- CQDE - Centre québécois du droit de l'environnement [the Quebec Centre for Environmental Rights], part of the CQNT and RQIC
- CQNT - Coalition québécoise sur les négociations trilaterales, the union-led Quebec coalition against NAFTA
- CQOLE - Coalition québécoise d'opposition au libre-échange, the labour-led, anti-free trade coalition in Quebec formed to fight the FTA
- CSN - Confédération des syndicats nationaux, used to be known in English as the Confederation of National Trade Unions (CNTU)
- CTCC - Confédération des travailleurs catholiques du Canada, the original catholic trade union formation in Quebec, forerunner of the CSN
- CTF - the Canadian Teachers' Federation
- CTM - the Confederation of Mexican Workers
- CUFTA - the Canada - US Free Trade Agreement, commonly known as

"the FTA"

- CUPW - the Canadian Union of Postal Workers
- CUSO-Québec - a non-governmental international development and aid organization, part of the CQNT and RQIC
- CWC - the Communications and Electrical Workers of Canada [CWC]
- EC - European Community, the old name for the European Union
- EU - European Union, the current name for the economic and political union linking many countries of Western Europe
- FAT - Frente Autentico del Trabajo (Authentic Front of Workers), an independent Mexican labour central
- FFHQ - la Fédération des francophones hors-Québec (the Federation of Francophones Outside of Quebec)
- FTA - also known as CUFTA - the Canada-US Free Trade Agreement which came into effect on January 1, 1989
- FTAA - Free Trade Agreement for the Americas, the proposed name for an expanded NAFTA
- FTQ - Fédération des travailleurs et travailleuses du Québec (Quebec Federation of Labour)
- GATT - the General Agreement on Tariffs and Trade, the regime under which rules and norms have become established for trading between nation states. The latest round of GATT, known as the Uruguay Round, established the World Trade Organization (WTO).
- GCIU - the Graphic Communications International Union
- GST - the federal Goods and Services Tax, a value-added tax of 7% imposed in 1991 (TPS in French)
- ICFTU - International Confederation of Free Trade Unions
- ILGWU - International Ladies Garment Workers' Union, merged in 1995 with the Amalgamated Clothing and Textile Workers Union [ACTWU] to form UNITE
- ILO - International Labour Organization, an organ of the United Nations, situated at Geneva
- ITAC - International Trade Advisory Committee, a committee of the Government of Canada on which the CLC had five members

LDC - less dev

MERCOSUR - the common market between Brazil, Argentina, Paraguay and Uruguay

Métallos - the French name for the United Steelworkers of America

NAC - National Action Committee on the Status of Women, the main English-Canadian women's organization

NAFTA - the North American Free Trade Agreement encompassing trade relations among Canada, the USA, and Mexico, which came into effect on January 1, 1994 (known as ALENA, in French)

NCW - National Council of Welfare

NDP - the New Democratic Party, the social democratic party which organized labour in Canada helped to form and to which it maintains an organic link

NFB - National Film Board

NGO - non-governmental organization

OCCDP - Organisation catholique canadienne pour le développement et la paix (the Canadian Catholic Organization for Development and Peace), a member of the CQNT and RQIC

OECD - Organization of Economic Cooperation and Development

OFL - the Ontario Federation of Labour, the peak organization of labour in Ontario, one of the twelve provincial and territorial affiliates of the CLC

PC's - Progressive Conservative Party (of Canada), also called the "Conservatives" and the "Tories"

PLQ - the Parti libéral du Québec (Liberal Party of Quebec), a federalist party, now forming the official opposition in the province

PME - Petites et Moyennes Entreprises, Quebec's small business sector

PSQ - Parti socialist du Québec

PQ - the Parti québécois, the sovereigntist and social-democratic party of Quebec, which presently forms the provincial government

ROC - rest of Canada, excluding Quebec

RQIC - Réseau québécois sur l'intégration continentale (Quebec Network on Continental Integration), the new coalition led by the Quebec trade union centrals regarding the expansion southwards of NAFTA

SAGIT - Sectoral Advisory Group on International Trade, subcommittees of the ITAC

SPQ - Solidarité Populaire Québec, part of the RQIC and the PCN

TARP - Technology Adjustment Research Program, a program of the Ontario Federation of Labour, formed and partly funded under the NDP government of Ontario

TLC - the Trades and Labour Congress, the craft union-oriented federation that later joined with the industrial unions to form the CLC structure

TPS - French acronym for GST

UAW - the United Autoworkers Union

U de M - l'Université de Montréal

UE - the United Electrical, Radio, and Machine Workers of Canada

UFCW - the United Food and Commercial Workers

UPA - Union des producteurs agricoles, the Quebec farmers' union

UQAM - l'Université du Québec à Montréal

UQCN - l'Union québécoise pour la conservation de la nature [the Quebec Union for the Conservation of Nature], part of the CQNT and RQIC

USWA - United Steelworkers of America (also known as *Métallos* in Quebec)

WTO - the World Trade Organization, formed as a result of the Uruguay Round of GATT

Appendix B: List of Interviews

Andrew Jackson, Senior Economist, Canadian Labour Congress,
March 15, 1995;

John Anderson, Director, TARP Program, OFL,
April 17; July 25-26, 1995;

Bob White, President, Canadian Labour Congress,
April 18, 1995;

Fred Upshaw, Past President, OPSEU,
April 18, 1995;

Peter Leibovitch, President, USWA Local 8782, OFL Executive,
May 31, July 9, 1995;

Peter Bakvis, adjoint au Comité exécutif, CSN,
June 5, 1995;

David Eaton, General Secretary, OSSTF,
June 15, 1995;

Carla Lipsig-Mummé, Director of the Centre On Work and Society, York
University,
June 16, 1995;

André Leclerc, responsable des relations internationales, FTQ,
June 21, 1995;

Michel Agnaëff, Directeur général, CEQ,
June 22, 1995;

Gérard Roy, Canadian Director, ILGWU,
July 7, 1995;

Gilles Duceppe, M.P.,
August 8, 1995;

Ed Finn, Associate, CCPA,
August 28, 1995;

Louis Laberge, FTQ President, 1964-91,
September 5, 1995;

Ed Broadbent, former leader, federal NDP,
September 20, 1995;

Audrey McLaughlin, M.P., federal NDP leader,
September 21, 1995.

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