

MARITIME UNION

Is It a Good Idea for PEI?

Papers from a Symposium held on Tuesday, February 28, 1996

Sponsored by the Institute of Island Studies at the University of Prince Edward Island and the Institute of Public Administration of Canada, Prince Edward Island Regional Group

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Foreword

In the joint creation of this publication, we have endeavoured to make the process reflect the theme -- how best to work together for the common good. The theme, of course is that always-the-bridesmaid of an idea. Maritime Union, recently in the blush of fresh attention as Canada faces severe constitutional anxieties. The process is a joint undertaking between the Institute of Island Studies at UPEI and the PEI branch of IPAC (The Institute of Public Administration of Canada). We hope this is but the first in a series of such collaborations.

This collection of papers originates from a full-day seminar held in Charlottetown on Tuesday, February 27, 1996; the topic was "Maritime Union: Is It a Good Idea for PEI" The day session was held at the Charlottetown Hotel, with the evening public debate at UPEI. In all, more than a dozen speakers gave formal presentations. Time was also allowed for questions and comments from the large and spirited crowd in attendance.

In selecting speakers for this event, we scoured the Maritimes. We required balance; and in the exploration of an idea which has been around for a long time, we sought out fresh points of view. At the end of the day, everyone went home with some new thoughts about an old concept. As Senator Brenda Robertson said, "This is but the beginning of a long and important debate for the people of the Atlantic provinces."

We originally conceived of this initiative as a public event, not as a publication; thus, we faced some logistical problems in putting together the collection. We had not asked that the speakers prepare formal papers, although some did. Others spoke from notes. These latter we asked to write summary accounts after the event. The result is rather a mixed bag, with some papers considerably longer and more detailed than others. We are satisfied though, that the variety and balance have been maintained.

In this publication, the articles appear in the order in which they were presented. We have also reproduced the seminar programme, so that readers can have a better sense of the dynamics of

the debate. Those who feel the need of a short refresher course on the topic of Maritime Union may wish to begin by reading one of the later papers, the overview article by Henry Srebrnik.

The Institute of Island Studies is a research, education and public policy institute founded in 1985. As part of its four-point mandate, it is committed "to contribute to the formulation of public policy in Prince Edward Island." To this end, the IIS has organized a number of public forums and seminars dealing with major contemporary issues such as land use, Free Trade, the GATT and the Fixed Link. It is Institute policy that no bias be shown and that all sides of controversial public issues be given equal play.

The Institute of Public Administration of Canada is a leading Canadian organization concerned with the theory and practice of public management. Its scope covers governance from the global to the local level. It is an association with 22 regional groups across the country providing networks and forums both nationally and regionally. Formed in 1947, IPAC is a private, non-profit organization. It enables public servants from all spheres of government, university and college teachers, staff and students to exchange ideas on trends, practices and innovations in public administration.

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Programme

DAY-LONG SEMINAR at The Charlottetown: A Rodd Classic Hotel

9:00 a.m. Opening remarks by JOHN CROSSLEY, Vice-President of UPEI and executive member of IPAC

9:05 a.m. HON. ROBERT MORRISSEY, PEI Minister of Economic Development and Tourism, 'From Opportunity to Results: An Update and Outlook on Maritime Economic Initiatives '

9:30 a.m. Discussion

9:45 a.m. BRIAN RUSSELL, Director of the North American Policy Group, Dalhousie, and BRIAN CROWLEY, President of the Atlantic Institute for Market Studies (AIM), 'The Economics of Maritime Union: The Case For and Against'

11:00 a.m. Discussion

11:30 a.m. Break

12:00 p.m. Lunch in the Georgian Room

Introduction by ARCHIE MACFADYEN, President of IPAC. Guest speaker JR WINTER, Wolfville economist and author on Maritime Union

1:30 p.m. Other Perspectives on Jurisdiction

DAVID MILNE, UPEI Political Studies professor and one of Canada's leading experts on constitutional matters, 'The Power of Jurisdiction: Provincehood and Other Alternative Models'
AUBREY CORMIER, directeur general de la Societe educative de l'I.-P.-E. et directeur-fondateur

du Centre provincial de formation pour adultes, 'The Acadian Factor In Atlantic Political Integration'

2:30 p.m. Discussion

2:45 p.m. Break

3:00 p.m. KENZIE MACNEIL, editor of The Cape Bretoner, and ERIC ELLSWORTH, Chair of the PEI Chamber of Commerce and incoming Chair of the Atlantic Provinces Chamber of Commerce, 'A View From Two Islands'

4:00 p.m. Discussion and Summary by JOHN CROSSLEY

EVENING PUBLIC FORUM at Duffy Amphitheatre, UPEI

7:30 p.m. IAN MACDONALD, Chairman of the Board of the Institute of Island Studies, will introduce HENRY SREBRNIK, Political Studies professor at UPEI, who will give a brief overview of the history of the Maritime Union question. Dr. Srebrnik will then moderate the debate.

7:45 p.m. SENATOR BRENDA ROBERTSON from New Brunswick, and ERIC ELLSWORTH, Chair of the PEI Chamber of Commerce and incoming Chair of the Atlantic Provinces Chamber of Commerce, will participate in a panel discussion with HON. MARION REID, former Speaker of the House and Lieutenant Governor of PEI, and TIM CARROLL, MLA and Business professor at UPEI, 'Maritime Union: Is It a Good Idea for PEI?'

8:45 p.m. Public Discussion

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BRIAN RUSSELL

Moving Forward on Maritime Union: Drowning Out the Partitionists¹ Lament

Political and economic Union of the four Atlantic provinces² is a topic with a long and difficult history. It has been debated by scholars, politicians, journalists and citizens at great length, as

long ago as pre-Confederation and as recently as the 1970s, when the Deutsch Commission was appointed to examine the topic and issued its aborted recommendation in favour of Union. Some might argue that it is an idea which has been buried and reburied in the region and should not now be disinterred. To accept such an argument would be wrong. Indeed, the very resilience of the idea recommends it.

It is particularly timely that the idea should reassert itself now, for the economic world in which we live demands it. Increasing integration of international economies through free trade agreements, new technologies and international institutions means that no region can shelter itself from the forces of the broader world. Atlantic Canada is inexorably and irretrievably a part of the global economy, and for this it is better off.

Being part of the global economy creates both opportunities and challenges for this region. New external forces and actors influence our daily lives and our economic well-being. New markets open up to Atlantic Canadian products and services. These forces require that we respond from a position of strength. Division and infighting are counterproductive and foolhardy. As one example, a recent study by the North American Policy Group at Dalhousie University has indicated that while Atlantic Canada has benefited from new opportunities created by free trade, it has done so far less substantially than the rest of Canada. Lack of government policy co-ordination and stretched provincial resources are no doubt one reason for this laggard performance.

In order to seize our economic opportunities, Atlantic Canadians must fundamentally rethink the way in which this region governs itself and conducts its economic affairs. In so doing no strategy recommends itself more highly than the combination of our resources into a single political and economic entity which represents the region to the world beyond its borders in a credible and forward-looking manner.

This, then, is the principal argument for Union; it allows the region to maximize its strengths and minimize its weaknesses in the world in which we live today. The economic future, and hence the prosperity of this region, does not lie in looking inward and focusing on our internal provincial interests and division, but rather in facing outward with a common goal and a plan for achieving it. Only Union can fully achieve this result.

This is not the only reason to recommend unity. Elimination of duplication and regulatory inconsistency, smaller and more efficient government, removal of trade barriers—all of these economic advantages could ensue from Union. Are these changes needed? A 1994 survey of its Atlantic membership by the Canadian Federation of Independent Business found consistent support from 60-70 per cent of its members for greater integration of economic activity. Public opinion polling in all four provinces has repeatedly found majority support for some form of Union. Why, then, has nothing happened?

The political leadership of the region has never been particularly supportive of the concept of Union and in many cases has been openly hostile. Why? Aside from the obvious vested interest of provincial politicians in continuing to provide themselves with employment and pensions from the public purse, it is difficult to discover a sensible answer. Atlantic Canada has a total

population of almost 2.5 million persons; its GDP represents 6-7 per cent of the Canadian total. This region as an economic and political unit would approach Alberta in terms of its importance in the federation. As four single provinces, none of which has a population of one million, or much more than 2 per cent of the national GDP, regional voices are frequently divided, discordant, timid and unheard. While Ottawa's importance to the region will undoubtedly decline as a result of budget cuts and the "downloading" of responsibilities, it will continue to be an important focal point for Atlantic influence.

Equally important, as resources from Ottawa decline and provincial responsibilities grow, it will be crucial to pool our resources and govern ourselves from strength, while promoting increased regional self-sufficiency. Further justification is found in the precarious question of national unity. A unified region constitutes an important part of the plan for dealing with the current discontent in the federation and the possible isolation in the region should a future Quebec independence referendum succeed. Reacting after the fact will be too late. Those who advocate delay are engaging in a high-stakes gamble with our future.

As a single unit espousing a single set of policy positions, the region stands its best chance of well-representing its interest both nationally and abroad. Indeed, the argument for Union is so compelling as to be almost overwhelming. Yet still can be heard the cry of the partitionist in the land. "We must not have Union. We cannot have Union." What are his arguments? Why would anyone support such a negative and self-defeating position?

First, the partitionist will respond that Union is not necessary because sufficient co-operation already occurs, and, perhaps, on some constitutional issues, it does. But how many bureaucratic and political person-hours are wasted achieving that co-operation? Political Union eliminates the need for this wasted effort. Indeed, a similar argument can be made with respect to those few non-constitutional areas where the provinces have managed to achieve some inter-provincial co-operation. What about these areas?

The Maritime Procurement Agreement is frequently touted as the stellar example of such success. Yet, in a Union, no taxpayer dollars need be spent negotiating, arguing about and enforcing such an agreement because government procurement would be unified de facto. It is to be strongly suspected that the savings achieved from eliminating this type of bureaucratic and political time-wasting from trying to "co-ordinate" four policy sets and four political agendas would far exceed any of the supposed costs of Union, which in any event would be one-time, up-front, and far outweighed by benefits over eternity. Seen in this light, even the "golden children-of co-operation reveal themselves as far inferior to Union.

The sensible course of Union has been scuttled on the rocks of "co-operation" for at least the last twenty-five years. The Council of Maritime Premiers (CMP), the most notable attempt to divert the call for union advocated by the Deutsch Commission, has been a thin-reed attempt to appear to make progress on issues where few have been willing to agree on specifics. As a result of this lack of progress, the CMP has been consistently marginalized by conflicting political agendas among the provinces. Its existence, let alone its modest accomplishments over the past three decades, is known to few beyond the Council itself and has very little effect on the life or the problems of the average citizen. It is a failed experiment which resists the compelling logic of its

existence: if co-operation amongst four provinces to achieve unified positions is economically necessary and good, then merger and unity are per force better.

We cease to be distracted by "co-operation" and focus directly on the objectives which it seeks to achieve. These goals are all best achieved by unity.

Some partitionists will also lament the loss of competition between the provinces as a force for greater efficiency. Indeed, it is correct to advocate the cause of healthy policy competition between jurisdictions as a brake on the tendency of government to tax and spend inefficiently. Partitionists point to the example of municipal amalgamations, which they argue have often not gone well. Clearly there are lessons to be learned and pitfalls to be avoided, but more fundamentally, it is wrong to equate provincial units with municipal ones. Provincial governments are held up to a higher level of public scrutiny than their municipal counterparts. Many of the problems which have emerge with some amalgamations would never occur in the glare of regional, national and even international attention focused on political union.

The partitionists ignore the fundamental reality that competition for Atlantic Canadian Government is now manifestly coming from outside the region. Further, competition between the provinces has often been destructive. For example, Atlantic governments consume much-needed resources when they compete with each other to attract business through various subsidies. One need only look to the recent past for examples.

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In the global economy, Atlantic provinces compete with other Canadian jurisdictions, U.S. states and countries around the world to develop and implement the most efficient public policies to create a favourable economic climate and promote investment and growth. The current situation is akin to a baseball team that decides that a series of pitching duels between its own best pitchers is the best strategy to pick a starter against its real opposition in the league.

Unfortunately, what emerges is one tired, weak-armed pitcher. This is the reality of Atlantic Canada today, four strong pitchers wasting their best fastballs against each other while the real competition relaxes and awaits the spent winner. Any discussion of competition within the region cannot ignore these facts. Nor should it ignore the fact that there is an optimal size which jurisdictions must obtain in order to be efficient actors in the global market. In the geographic, economic and political circumstances of Atlantic Canada, no one province is as efficient in economic terms of scale and scope as a combined province would be.

What of the lot of the smallest provinces? Would not the advances of jurisdiction and provincehood outweigh any perceived gains from Union? In a word, no. Jurisdiction is a shibboleth constructed by partitionists which attempts to frighten citizens from enhancing their quality of life. The very purpose of jurisdiction is to create a political entity which best ensures the well-being of citizens. In the case of Atlantic Canada, such an entity is region-wide. It is not only historical anachronism which binds us to our current political boundaries; they are neither immalleable nor sacrosanct. Each current province could maintain its federal representation within a larger Union. Again, the anti-unionist is distracted from his true goal, enhanced quality of life, by an attachment to system, regional partition, which does not best serve anyone's

interests.

There is much evidence that would suggest small economies do better as units of larger ones. In Europe, which is in many respects a political as well as economic Union, two of the best performing economies have been those of Ireland and Luxembourg, two small states able successfully to leverage their own considerable resources as part of a larger entity.

Since joining the European Union, Ireland has moved from under-performing the OECD average growth rate by .5 per cent to outperforming it by 1.4 per cent between 1974 and 1990. In fact, Ireland has been the fastest growing economy in the European Union for the last five consecutive years. Similar results have been obtained by Luxembourg. Smaller economies should be mightily encouraged by these examples. Common economic policies and considerable political amalgamation have made this possible. Full Union would have produced even better results. Only a central political authority can ever hope to achieve similar results in Atlantic Canada, a thesis which is borne out by the CMP experience noted previously.

Lastly, the ardent partitionist will decry the loss of provincial culture that he is sure will occur as a result of Union. To this suggestion the only appropriate response is "rubbish," or some stronger variant. Culture in this region is vibrant and booming. Union would not weaken it but enhance it, both through opening up new export opportunities and through making sure that its encouragement becomes even more central to our lives. Again, countless examples show the fallacy of the partitionist claim. Surely no one would suggest that the Irish are any less Irish for their membership in the EU. In fact, Irish culture is not only thriving but is being avidly sought out around the world. Union would strengthen our various cultures and develop new sources of revenue which could be channeled into still further development.

Clearly, the argument for Union is strong. However, I am not speaking of a Union which merely combines the four provinces and duplicates existing institutions. The lead-up to union should be viewed as an opportunity to review every aspect of the way in which we govern ourselves in this region. Innovative and new methods of elections, administration, governance and policy-making should be explored and adopted where appropriate. The region should lead in creating a government structure which responds to the wishes of its citizens and the changing nature of life in the 21st century. A single province will have vastly underachieved its potential if it is allowed to be a simple merger of existing institutions.

A new Atlantic province must be designed to serve its citizens for the next hundred years. We must be no less visionary than our predecessors who overcame their narrow interests in Charlottetown over a century ago. We must seek acceptable arrangements with our minority populations and protect the rights of Acadian communities. We must create a government that is responsive to the needs of its citizens and a wise steward of its resources; which is a tough international competitor and is also compassionate to those truly in need. This region has available the single most important resource to achieve these objectives, the people. United in a common purpose, those people can achieve long-term prosperity. Atlantic Union is an important step in taking control of our own destiny and moving forward toward our goals.

1.Throughout this paper I refer to the supporters of the political status quo as partitionists. I believe that their position supports an unnatural division of the region which defies economics, logic and common sense.

2.I speak here of Atlantic Union, as I believe it is the most efficient and logical outcome. Indeed, I believe all four provinces would benefit greatly from their merger. I note, however, for the record, that in the event that citizens of any single province are fundamentally opposed to Union, I would continue to be in favour of the Union of the remaining three.

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BRIAN LEE CROWLEY

Atlantic Union, Maritime Union: Will It Cure What Ails Us?

In the aftermath of the Quebec referendum, many people in Atlantic Canada feel uncertain and vulnerable. Trends we have traditionally feared are speeding up, trends like deepening uncertainty about Quebec's place in Canada, growing pressures for decentralization and faltering national support for many kinds of transfer programs that we have come to depend on.

If one judges by the media and declarations by our politicians, the venerable old idea of Maritime (or even Atlantic) Union should be at the top of our list of responses to our growing angst. But would political Union of the provinces actually help solve any of the very real problems the region faces?

In the 1860s, when Maritime Union was first put seriously on the public agenda, it might have made sense. But that was an era with little experience of modern government. In the 1990s, Maritime Union is almost certainly not the right answer. That is because the idea of Union is based in part on misconceptions about what makes for efficiency in government and in part on the old culture of dependence on government, a desire for more clout in Ottawa.

Why Maritime Union?

Several reasons seem to drive those who favour union. Without question, the first in importance is the notion that we have too much "overlap and duplication." Surely it stands to reason that having only one capital, one cabinet and one set of deputy ministers would be cheaper. If this were true, it would be a good reason for promoting Union. Unfortunately, this reasoning does not stand up.

There is no denying the seductiveness of the idea that having only one provincial government in the region would mean cheaper, more efficient government. These alleged economies of scale are often being touted by business people who want government run more like a business, and see waste and duplication everywhere. But as Gordon Tullock, a prominent economist, has argued in his most recent book, *The New Federalist*, "There is much more centralization in governments than in the economy. This is in spite of the fact that there do not seem to be any

very obvious economies of scale outside of a few very special areas like the military and, possibly, diplomacy.”

Tullock, of course, is drawing our attention to the fact that in both government and the economy, big and small organizations exist, and both can be efficient in those things where they enjoy advantages. But being large in itself is no guarantee of anything.

Big Versus Efficient

In fact, there are good reasons for thinking that bigger government will be less efficient and responsive, not more. To see why, it helps to think, not in terms of governments, but of private companies. It would make no sense to say, for example, that we have "too many" supermarkets and that everything would be much cheaper if there were only one supermarket chain. One could be misled, of course, by looking at superficial things like the elimination of several CEOs, and the fact that each town might now have one big store instead of several smaller ones. Consumers might dream about the economies of scale in transport, warehousing and marketing that could be achieved.

In practice, of course, such large monopolies, freed from the discipline of competition, would provide no such saving. On the contrary, they tend to use their powerful position to raise prices, produce shoddy goods and ignore the wishes of their customers. The entire economy of the former Soviet Union was built on the illusion that competition was wasteful and that large public-sector monopolies were therefore the most efficient form of organization. While not a monopoly, giant IBM achieved such a size and sense of misplaced self-importance that it thought it could ignore its customers. That opened the door to a whole series of much smaller but more dynamic competitors to elbow the sleepy giant aside.

Too Much Government, Not Too Many Governments

In fact, most of the hard economic evidence on the public sector shows that this need for the discipline of competition applies there just as much as it does in private industry. Bob Bish, for example, in *The Public Economies of Metropolitan Areas*, was able to show convincingly more than twenty years ago why promised savings and efficiencies from metropolitan amalgamations have regularly failed to materialize. The reason was that having a single metropolitan government simply insulated that government from competitive pressures to improve its performance.

In the United Kingdom, the abolition of the Greater London Council in 1986 eliminated any central government at all in one of Europe's largest cities. The resulting fragmentation has, according to *The Economist*, been a “source of strength rather than weakness.” Andrew Sanction, in his *Governing Canada's City Regions*, concluded just two years ago that the most efficient urban arrangement in Canada was the Greater Vancouver Regional District, which covered many municipalities that pool authority and resources when it makes sense, and that remain autonomous where it is more efficient.

In each of these cases, what has been shown to work sounds rather like the structure of Atlantic

and Maritime co-operation that already exists and that could and should be carrying more responsibility. It sounds, for instance, like the Atlantic Procurement Agreement. This negotiated pact allows private business in each of the provinces access to the public-sector procurement market in the other provinces and makes them more efficient, while saving taxpayers money. This agreement is actually superior in some respects to the national Internal Trade Agreement. Responsibilities, however, need to be region-wide only when there are genuine savings or demonstrable efficiencies to be realized, or where problems are regional in nature, as in some environmental areas. Such appropriate areas of co-operation are best discovered and dealt with on a case-by-case basis, and not by an indiscriminate political Union.

Power of Choice

Think about those forces that bring pressure to bear on the governments in this region to improve their performance, whether in terms of tax load, administrative efficiency or fiscal responsibility. The most powerful are when people make comparisons with what is going on in the province next door, and when the provinces have to face dwindling resources with which to work. If we can harness these forces more creatively, they will produce far-reaching and positive results. If we take the route of union, we risk sliding even deeper into public-sector inefficiency.

What brings efficiency in the private sector is not size, but the constant awareness that a failure to meet the standards established by competitors means the loss of business and, eventually, of livelihood. The driving force here, then, is the freedom of consumers to make comparisons and to seek the supplier that best meets their needs.

When it became clear that Nova Scotia businesses were seriously considering moving to New Brunswick because Workers' Compensation premiums were out of control, this brought prompt remedial action from Nova Scotia. But this only works when taxpayers and businesses can vote with their feet, and when they can hold up the performance of other jurisdictions as a benchmark for their own. Let us not forget that the Nova Scotia government tried to call foul, because New Brunswick was making Nova Scotia businesses aware of the lower costs of doing certain kinds of business in that province. Yet this is economically valuable information; if we want an efficient economy, it requires businesses to set up shop in those jurisdictions where they get the best value for their tax dollar, just as they shop for the best supplier of the other goods and services they use. Public-sector competition, like private-sector competition, "is not wasteful, but is a healthy discipline that promotes efficiency."

The Influence Argument

Proponents of Union usually buttress their efficiency argument with a political one. Union would, they say, create a bigger population represented by one voice. This would increase our political clout in Ottawa and hence be in our economic interest. Again, however, this conventional thinking has been overtaken by events.

Put simply, Ottawa no longer has the means to be the fount of largesse that it once was. Even if Union would increase our political weight—and that in itself is highly questionable—fluence

in Ottawa is going to be less and less useful in the economic world of tomorrow. Ottawa's fiscal problems continue to be far more serious than those of this region's provinces.

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We all know that Ottawa is going to cut back, but very few people understand the scale of what is to come. Startling as it may sound, if we wanted to bring the federal budget into balance by the year 2000 we would have to eliminate all transfers to the provinces except equalization. And that's after having cut the federal government's own operational spending by 50 per cent and making some very reasonable assumptions about Canada's economic performance. So seeking more influence in Ottawa as the best way to protect our economic interests is to miss the point. It is like trying to influence the course of the French Revolution by being named to the French aristocracy. The old reflex of looking to Ottawa to solve our problems only distracts us from the one strategy that promises worthwhile results. That strategy is to reduce our dependence now and to become more self-reliant. The one kind of prosperity that no one can take away from us is the kind we generate by making goods and services that people want to buy and then selling them around the world.

Union, then, is not the answer for those who are looking for the mechanisms to help this region achieve better public sector efficiency and an improved ability to confront the challenges looming on the horizon. This is no counsel of despair, however. Now we can look forward and identify some strategies that will help us to achieve the self-reliance and public-sector effectiveness that we need to succeed.

J. RALPH WINTER

Behold How Good and Pleasant It Is for Brethren to Dwell in Unity

I have taken the above quotation from Psalm 133 as the text for my sermon today for several reasons, not the least of which is that it was the foreword to Chapter One of my Report on Federal-Provincial Fiscal Relations for the Maritime Union Study in 1970. To be honest, I had hardly looked at it since, until the Institute of Island Studies kindly invited me to this seminar as one of the Principals of that Study—mainly, one suspects, because most of the other participants are now either dead or incontinent. In the event, I was so taken by the brilliance of my analysis that I felt compelled to share it with you today. My text is an obvious platitude which makes us feel all warm inside, but the point to be made is that popular support for a political union has to be primarily emotional, a matter of faith built on myths and truisms.

Nowhere is this more evident today than in the debate over Canadian unity. Federalists have not been able to provide Quebec Francophones with emotionally positive reasons for staying in Canada because there are none, and there are none because we as Canadians have not nurtured our national myths and truisms for some forty years or more. Yet the Separatists have brilliantly created, emotionally charged, negative reasons, albeit based on a distorted and self-serving view

of history. Which is why Trudeau's recent accusations are significant, and why Bouchard has ridiculed Trudeau rather than dealing with the factual basis of the historical events in question. By the same token, the Separatists lose their cool over the partition of Quebec because their mythology has no rationalization for the present boundaries of Quebec. It is their Achilles heel and they know it.

At the same time, negative reasons for Canadian unity based on the economic costs of separation are not only irrelevant to most Quebecers but are largely incorrect. Does anyone really think that the day after a sovereign Quebec is declared there will be any fewer mineral ores in that province, fewer forests, fewer factories, fewer farmers, fewer scientists, fewer anything that would make Quebec significantly worse-off in terms of real economic resources? Of course not. Even federal transfer payments would take years to wind down. There would be winners and losers and though the economy of Quebec would develop along different lines, with essentially the same real resources, who is to say it would be less prosperous, other than the losers? The point I am trying to make is that the real economic concerns are not always reflected in financial accounts, Paul Martin and other finance ministers to the contrary.

I refer to these national issues since they are very much in our minds these days and because roughly the same factors that apply to a federation in disarray will also apply to the formation of a Maritime Union. Then, as you may well ask, if it is more a matter of political make-believe than economics, why would an economist like myself be asked to report on the desirability of such a proposal? Even Jacques Parizeau before his "road to Damascus" conversion turned him into a Separatist had said:

... to define the meaning of a federation in terms of economic theory is more difficult; it is downright impossible.

And yet, as I think back to the principal researchers of the Maritime Union Study, we were nearly all economists, beginning with the Chairman John Deutsch and Executive Director Fred Drummie and thereon down.

There were three reasons for this anomaly. First, there wasn't, and still isn't, any discernible cultural or ethnic imperative for Union amongst the three Maritime Provinces. Second, though Parizeau was correct in that there is not a satisfactory economic model to explain either political Union or disunion, in a democracy the economic implications for various groups will largely determine political attitudes toward such initiatives. Trudeau, not known for economic common sense, stated that even Confederation was "... born of a decision by pragmatic politicians to face facts, as they are... an attempt to find a rational compromise between the divergent interest groups which history has thrown together." As if it depends on whose ox is being gored

Last, and most important, I suggest the Maritime Union Study was intended to create a mythology to support the faith of Maritimers in Union. At the time, the all-pervasive vision of government policy was self-sustaining economic development -- remember the Prince Edward Island Development Plan? Further, the prevailing wisdom was that to achieve this, the Region needed more control over its own destiny, which realistically could only be done through Maritime Union overcoming the parochial attitudes and petty patronage of the existing provincial

governments, much of which is reflected, with some obvious exceptions, in jovial but nonetheless incompetent bureaucracies. It is worthwhile noting that one of the priorities of the Silent Revolution in Quebec was to build up a civil service in the sixties that was superior to Ontario and in the same league as Ottawa.

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But let us go back to the beginning. In the 1850s, various governors of the three colonies had broached the matter of Maritime Union without igniting any enthusiasm. This was revived in 1864 as a reaction to the abandonment of the intercolonial railway scheme, although the planned conference would likely have been abandoned were it not for the intervention of Upper and Lower Canada which had their own agenda. The Prime Minister and Provincial Premiers meeting in Charlottetown, held a hundred years later to commemorate the event with the opening of the Confederation Centre, featured short speeches from each leader. Premier Robichaud of New Brunswick rather diffidently asked if the Maritime Union discussions of 1864 should not be completed.

Much to his surprise, his suggestion was enthusiastically endorsed by the other premiers—whether out of nostalgia or boredom is not clear. In the event, the idea was also seized upon by Ottawa, primarily one suspects, because the federal politicians and bureaucrats preferred to deal with a single substantial political entity rather than the three minor nuisances. The appointment of John Deutsch, Principal of the establishment Queen's University and long-time highly respected federal mandarin, to head up the study, plus a substantial cash investment in the exercise, confirmed Ottawa's commitment. Buoyed by such external support. Resolutions of Intent were passed unanimously in the Houses of Assembly of both Nova Scotia and New Brunswick during February 1965, and the same was promised for Prince Edward Island in the Throne Speech in 1968. However, before this could be done, and with the financial support from Ottawa already in place, the three premiers made statements in their respective Houses on March 27th, 1968, declaring the formation of the Maritime Union Study.

The only thing lacking was a groundswell of support from the people of the Region. In regard to the regional newspapers, the Moncton Daily Times was consistently in favour but the Fredericton Daily Gleaner and the Halifax Chronicle-Herald were the opposite. The Charlottetown Guardian swung in the wind but its editorial comment in October 1968 suggests a fundamental distaste for Maritime Union:

The hoary proposal for a political merger in which we would stand to lose much more than we gained does not appeal to Prince Edward Islanders. Our hope is, indeed, that concentration on the broader aspects of the problems will serve to lay the tired ghost of that issue indefinitely.

Obviously it didn't or we wouldn't be here today. Overall, the editorial consensus in the Maritimes was for close co-operation but without political Union.

However, outside the region it was seen as the only sensible solution, for as the *Globe and Mail* editorialized:

Union is an essential part of the foundation for eventual prosperity. Three of the poorest and smallest provinces cannot afford three separate provincial administrations.

Given that attitude, I believe our failure to implement Maritime Union has hastened the erosion of sympathy and good will towards this region in the rest of Canada, which has since virtually excluded consideration of our perilous position in the current national unity debate. To anticipate, let me say that undertaking Maritime Union today wouldn't make much of a difference in this regard, now that the demons of decentralization are abroad in the land.

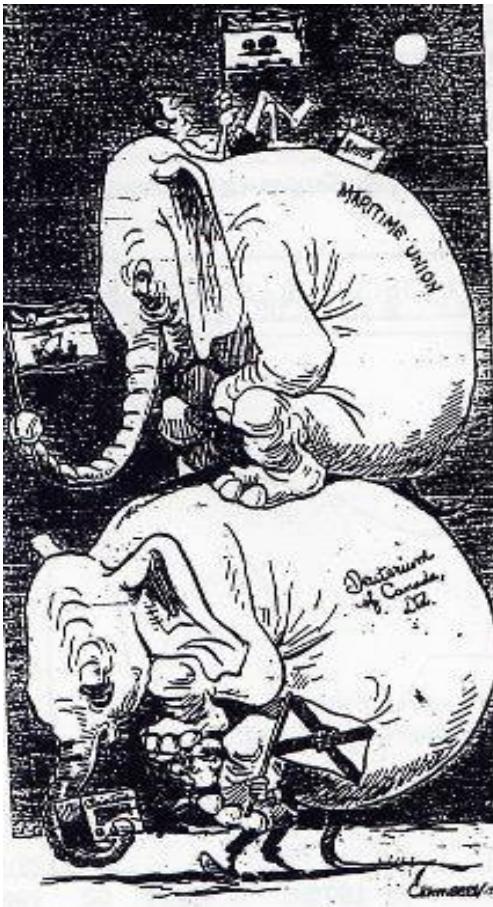
Meanwhile, the public seemed to be more attuned to the virtues of brethren dwelling "together in unity," as opinion polling indicated almost two-thirds of the population in favour of Maritime Union; moreover they weren't concerned whether the costs were borne by the federal government or not. One has to believe that this support was, as they say, "soft." More important was that the one-quarter opposed was hard core, the great majority of them against any form of Union, political or otherwise—especially those in Nova Scotia. As Maritime Union didn't happen, it might seem that this hard core had won, but I argue it was rather because the Trudeau government was too preoccupied with Quebec.

Ironically, when the final report of the Maritime Union Study came out on Friday, November 27, 1970, it had already been delayed a month by the FLQ crisis in Quebec and, in particular, the discovery of the murdered body of Pierre Laporte on October 18. However, we participants had done our job, for our analysis pointed unerringly towards Maritime Union, although the wording was rather circuitous:

If the people of the Maritimes decide that they wish to reverse the trends of the past, and develop conditions which would bring more adequate opportunities in the region on the basis of self-determined objectives, it will be necessary to establish immediately a method of co-operation which would envisage the attainment of full political union as a definite goal.

To achieve this, the Report identified as necessary and sufficient the creation of appropriate institutions, strong leadership, and federal support. For one reason or another none of these conditions was met.

About the only relevant institution to emerge was the Council of Maritime Premiers, and that was a defensive gambit designed to avoid political union. Moreover, the official response was itself less than reassuring when all three Premiers damned the Report with faint praise. This was hardly surprising since Regan of Nova Scotia and Hatfield of New Brunswick had both just come to power within the previous month and the Maritime Union Study had been the creation of their political oppositions. While Premier Campbell had been consistently supportive, his predecessor had initiated it and his province was least in favour.



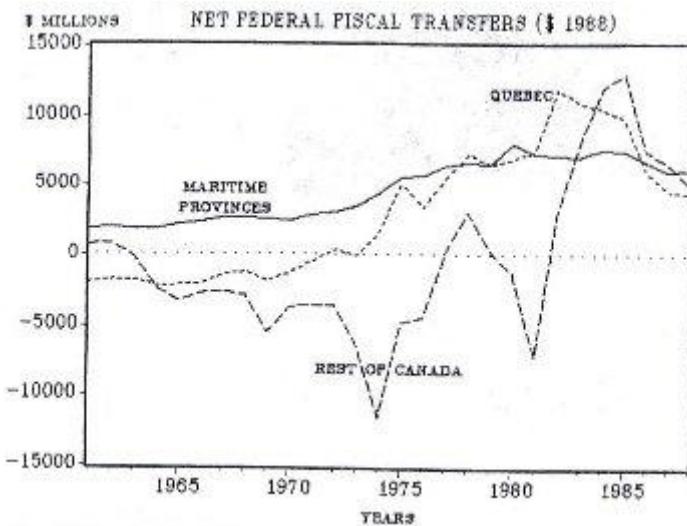
Although the media provided abundant coverage on the release of the Report, it was short lived and less than encouraging. Consider the Halifax Chronical-Herald which carried a Chambers cartoon on depicted Nova Scotia taxpayer carrying on his back Deuterium Limited playing a Clairtone radio, but on top of elephant of Maritime preferential shipping policies for New Brunswick topped by a sun bathing "Spud Islanders." By Monday the Herald was quoting Nova Scotia Conservative M.P. Bob Coates as complaining that merely seeking political Union "could set back the cause of regional co-operation," and on Tuesday former New Brunswick Premier Hugh John Fleming opined that without even reading the Report he was opposed to Maritime Union because it had not occurred back in 1864. By Wednesday there was no mention of the Report whatsoever in the columns of the paper. So much for public opinion.

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What about federal government support? My own Report suggested that a "special grant of two billion dollars in equal installments over ten years" from the federal government to offset the costs of transition would ensure Maritime Union, citing the case of Newfoundland's entry into Canada, but this was never acted upon. Not that Ottawa was miserly—far from it—for it dispensed triple that amount during the succeeding ten years over and above what the Maritime Provinces would have received based on the then current trends. During the seventies, provincial governments in this region had difficulty thinking up ways to spend all the transfer payments they were receiving. In fact, the federal government's generosity discouraged Maritime Union

because the money was arriving without any real commitment to accountability, much less substantive political change.

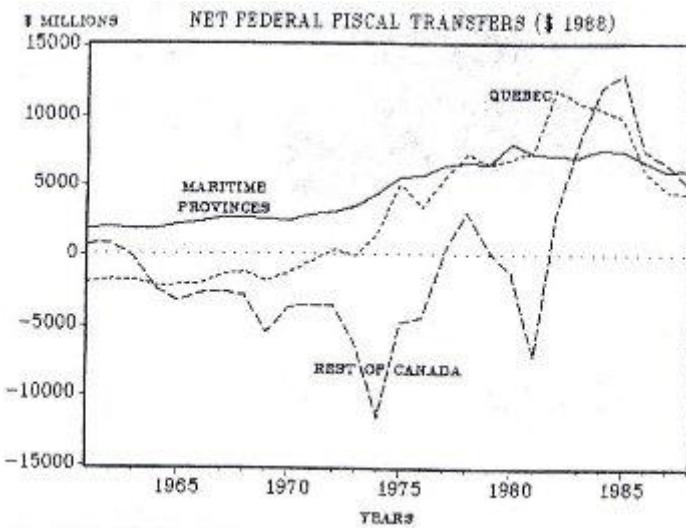
The reason for this was simply that the Trudeau government was intent on



pouring money into Quebec, and to do so it established numerous programs from which the stopovers rained down on this region like manna from heaven. The evidence is pretty clear if we look at net federal spending in Quebec and how it increased both at the time of the FLQ crisis in 1970 and the referendum of 1980, and how this was paralleled for the Maritime Provinces. Eventually all provinces caught on and started cashing in on Ottawa's largesse.

Whereas originally it was a zero sum game of transferring wealth from the haves to the have-nots, it soon became a matter of trying to make everybody richer in the present and this meant borrowing against the future. Thus, starting in the seventies, we ended up with the massive federal government deficits courtesy of Trudeau's belief that he could buy Quebec's allegiance to Canada.

In 1970, Trudeau could have bought our allegiance to Maritime Union instead. This may sound crass and materialistic, but the fact is that precipitate changes in political institutions impose substantial economic costs. Some are immediate, such as those arising from the relocation of government operations leading to new facilities and employee buy-outs; nor is it clear that even these minimal amounts would be offset by long-run gains in efficiency. Others are indirect, such as the costs to government suppliers who have invested in plant,



equipment, staff, technology, and reputation on the expectation of continuing contracts, to say nothing of those who are dependent on the many varieties of patronage Maritimers have managed to invent. These would all be greater in this region where government plays a significantly more important role in the economy than elsewhere in Canada. Lastly, there are the psychological costs of destroying traditions and symbols, the disappearance of ways of life to which people have become accustomed. This is especially true for Prince Edward Island, of course.

Obviously, change would also mean winners who profit from the new opportunities and challenges -- whether based on merit or patronage doesn't matter since they are not likely to agree to reimburse the losers in any case. Therefore, the political opposition of potential losers from Maritime Union can only be overcome by external economic factors. Needless to say at the present time Ottawa is neither able nor willing to underwrite such things--indeed they are in the process of cutting back federal transfers to this region; for example UI benefits for seasonal workers.

Otherwise, I can only foresee the separation of Quebec with its present borders having enough economic impact to force this region to embrace Union, and although an independent Quebec is very possible, I suggest it would necessarily involve partition. Much would depend on the specific configuration of the new Canada as to the effect on the Maritime provinces.

Let me be clear about my own position. I anticipate that in the long run, say in thirty years or so, Maritime Union will inevitably occur as the result of radically different methods of governing everywhere else in the world, arising from change in information and communications technology which we will not be able to control. In much the same way that as individuals we have not been able to resist VCRs, automatic banking machines, and health foods, whether we wanted to or not. But that is a whole other story.

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BARRY BARTMANN AND DAVID MILNE

The Power of Jurisdiction: Provincehood and Other Alternative Models

Is Prince Edward Island really a “toy province,” a Ruritanian theme park in the Canadian federation? Is it simply an absurd anomaly, an historical accident, an affectionate piece of Confederation memorabilia? This is regrettably the frequently bemused and incredulous view of Prince Edward Island from Toronto and even from Calgary. Skeptics there ask whether we can really afford to carry such expensive jurisdictional anomalies into the next century and whether such seemingly pathetic little places can possibly survive in the new international economy.

In this metropolitan view, the following propositions are advanced almost as articles of faith or as truisms: smallness means weakness, lack of power and influence, whereas consolidation and rationalization are the essential logic of our time. Integration alone holds promise in savings from culling jurisdictions and reallocating resources, and in providing a sound and rational foundation for “good government.” And if this logic of rationalization is being so ruthlessly applied to much larger communities in Ontario and elsewhere, why should Prince Edward Island be able to call upon its status of provincehood to resist? While admittedly some Canadians are prepared to defend this Island’s status as a generous and defensible case of diversity in our federation, many see only exasperation at the apparent unfairness and irrationality of it all and feel compelled to put it right: to restore the logic of economies of scale. Even national commentators who, year after year, summer on the Island, and who speak glowingly of its special charms, still remind us that Prince Edward Island’s three counties might be better served within the context of a larger and more “rational” provincial jurisdiction. From the clouded office towers of Toronto and the stuffy committee rooms of Ottawa, Prince Edward Island might indeed seem a quaint little place where almost everything is replicated in delicate miniature.

Well, how should Islanders respond? We might begin by insisting that size is, after all, relative, and that what looks like “rational” size depends very much on our starting point or place. Rational size seen from the context of mainland U.S. or Canada looks different than from other starting points. It is true that Prince Edward Island is the smallest jurisdiction in mainland North America—one-quarter the size of the smallest states in the American union: Vermont, Delaware, Alaska and North Dakota, and one-eighth the size of Rhode Island. Yet, from a more inclusive definition of our continent, we see six island states, wholly sovereign, with populations comparable to that of Prince Edward Island: Saint Lucia, Saint Kitts, Saint Vincent, Grenada, Dominica and Antigua. And there are, of course, many more self-governing and financially independent jurisdictions in our hemisphere with populations smaller than Newfoundland and with jurisdictional powers comparable to that of provinces in our federation.

Seen from elsewhere in the world, Prince Edward Island’s size and status are far from out of the ordinary. From a European perspective, four sovereign states arise with populations less than that of Prince Edward Island, and eight with populations less than Newfoundland. Moreover, there are many home rule or self-governing territories in Europe with populations much smaller than Prince Edward Island, all but two of which are self-sufficient. One wonders how Liechtenstein, or Luxembourg, or San Marino, or the Isle of Man, or the Aland Islands, or Iceland, or Monaco, Andorra, the Channel islands, Gibraltar and Malta or Cypress would fare if this rationalist logic from Toronto and Calgary were to be applied to them? The answer is obvious: in stripping these small communities of their jurisdiction (and their confidence), we would have taken away their

power to speak and represent themselves with international corporations, other governments, and with intergovernmental agencies of funding. We would have removed their "green cards" with which they discuss, define and negotiate their own niches in what is now a highly competitive and hugely integrated global economy.

For such is the heart of our message: jurisdictional status itself should be seen as a resource -- indeed as the most important resource a community can have. As such, it can never be sensibly separated from the question of exploiting opportunities for economic development, nor from the larger social and cultural development of a community. In short, jurisdictional status is about who speaks for a society, with what authority and in what important theatres of action.

Now Maritime Union engages this issue frontally when it proposes that Prince Edward Island (and New Brunswick and Nova Scotia) once and for all cede their provincial status to speak and act for themselves. The question is: what do we really give up with provincehood? how important is it? Contrary to Unionists' claims, it is far from a trivial step. Provincehood in our decentralized Canadian federation is a status more powerful than that enjoyed by state governments in the U.S., and more powerful than the Australian states or the German Lander. Indeed, provincehood, when taken to its limits as Quebec has done, is a status unequalled among subnational jurisdictions in the world.

Consider the formal powers of provincehood: direct taxation (income and corporation taxes); health and social policy; education; municipalities; the administration of justice; management and sale of public lands within the province; large natural resource powers over land and land use, including the exploration, development, conservation, export within Canada of non-renewable natural resources, forestry resources and electrical energy; and even, with the Atlantic Accord, power over seabeds adjacent to the province, including the right to share management rights to explore and exploit the land under the sea adjacent to the province and to apply royalties and taxes "as if these resources were on land within the province." Moreover, provinces enjoy wide powers to regulate the provincial economy, to incorporate companies, and to make law over the whole immense field of "property and civil rights." There are concurrent powers, too (powers shared with Ottawa) -- over agriculture, immigration and contributory pensions. Provinces even have the power to represent themselves internationally, and to implement Canadian treaties where the subject matter is in their jurisdiction. Most provinces have many quasi-diplomatic trade offices abroad, with Quebec's offices in Paris being the most prominent. And, as Canadians have no doubt noted increasingly in recent years, provincial leaders go hand in hand with the federal Prime Minister on international trade junkets, to meet foreign leaders and companies, and to negotiate deals for their own companies and peoples. These are crucial powers in our kind of international economy where success or failure for global enterprises depends heavily upon achieving privileged access to private and public decision-makers. It is for this reason that there has been a tremendous explosion in subnational international activities abroad by all levels of government, including city and regional government.

Powers of provincehood, of course, extend far beyond formal legal powers to include powerful conventions and practices: a seat at the table at First Ministers conferences; rights to intergovernmental financial transfers, including equalization payments, and health, education, and social assistance transfers; rights to representation in the federal cabinet; consultation on

judicial appointments and other senior appointments in the province; regular access to the Prime Minister, and to other key federal decision-makers; and access to and attention from the media. We might ask what jurisdiction in its right mind would trade these and other vital resources now in hand for the vague promises of a fast-talking unionist salesman?

Now, it is true that the Atlantic provinces may not as yet have used these powerful jurisdictional resources as effectively as they might to achieve greater self-reliance. But New Brunswick has been certainly showing the way recently. In any event, the federal government is now vacating much of the field to the provinces in an unprecedented retrenchment driven by unmanageable debt and deficits. While this withdrawal in the short term gravely threatens dependent provinces such as Prince Edward Island, it is also an opportunity for the province to wean itself from this dependency and to chart a self-reliant course as other small jurisdictions have done elsewhere.

Consider, for example, the case of Liechtenstein. In the 1950s this was a quiet little pastoral Alpine community. Its livelihood was based on agriculture, including a variety of rich dairy products. It was largely unknown in international affairs; indeed, whatever representations the principality may have offered were conducted through the good offices of its Swiss neighbours. But successive governments in Liechtenstein soon came to appreciate the value of the principality's separate jurisdictional status. First in tourism and international philately, then in financial services and banking, Liechtenstein marshaled a full range of incentives in the development of a modern diversified economy.

Success was most dramatic in the growth of high-value industries: precision instruments, dental equipment, pharmaceuticals, food processing, electronics, metal products, ultra-high vacuum technology, ceramics, pre-fabricated houses and even protective coatings for spacecraft. Prior to the Second World War one-third of the population was engaged in agriculture, compared to 3 per cent today. Manufacturing now accounts for over half of the country's income.

This once quiet farming society is now a highly industrialized state with the world's highest level of per capita income. Guest workers from Switzerland and Austria cross the border every day to staff the clean, high-tech factories set discreetly in alpine landscapes. With prosperity has come confidence. In keeping with its economic success, Liechtenstein began to assume an active external role in the Council of Europe, the Organization of Security and Cooperation in Europe and the United Nations. Perhaps most significantly, Liechtenstein became a member of the European Free Trade Association and thus a full partner to the negotiations which established the European Economic Area, now the architecture of a new Europe. And, all of this with a population of 28,000!

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Or consider the Isle of Man. With a population half the size of Prince Edward Island, it has over the last two decades expanded its modest autonomy as a crown dependency of the U.K. in order to build an independent strategy of development. Just like all of the provinces in our region, the Isle of Man has known periods of depression, the disappointment of unfulfilled hopes and expectations, and a pervasive sense of helplessness in the face of decline. But the last twenty-five years have been a time of recovery and vindication. In an innovative programme of public- and

private-sector collaboration and through a variety of fiscal legislative incentives, the Isle of Man's economy has been transformed from a traditional dependence on agriculture, the fishery and tourism to a cutting-edge and internationally competitive economy in services and high-value, low-export cost manufacturing. Today the manufacturing sector accounts for 17 per cent of the island's gross domestic product. There are still difficult problems, particularly in a shattered tourist industry, but Man is a story of jurisdictional recovery, and, if you like, jurisdictional chutzpah.

Of course, small open economies risk penetration and undue influence in exchange for the opportunities to target and cultivate niches where larger players may not choose to play. But the manufacture of coatings for spacecraft in Liechtenstein and the production of lenses for the cameras on those spacecraft in the Isle of Man are striking examples of niche targeting. And for small economies, the returns on such targeted niche development may be disproportionately beneficial precisely because of the small size of the jurisdiction. These little places are like streetwise youngsters always looking for opportunities in the corners of their neighbourhood which bigger kids are likely to overlook.

So while the international market may arrive on the shores of Prince Edward Island, there is no reason why Islanders cannot learn to venture out into the world, as they are already doing in shipping abroad their potato products. The point of all this is not to cling to unrealistic dreams of autarky or exaggerated fantasies of independence. Economic integration brings risks and constraints, just as it brings opportunities. But neither should a pervasive sense of dependence lead Prince Edward Islanders to resign themselves quietly to mergers and amalgamations. Arguments for such mergers can, in any event, offer their own share of fantasy and unrealistic promise. What solid assurances, after all, can unionists give that Maritime Union will improve our community' and economy, or provide good government in an entirely untested new polity where the notion of regional consciousness and membership has hardly begun to get off the ground? Surely, there are many productive and challenging ways to promote regional co-operation—to achieve economies and efficiencies through intelligent, co-operative intergovernmental behaviour. But the pursuit of regionalism need not go to the point of "collective suicide."

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AUBREY CORMIER

Maritime Union: An Acadian Perspective

Although Maritime Union has been a popular topic of discussion in the last few years, and in particular since the recent Quebec referendum, the Acadian factor has rarely been addressed in the debate. The intent in this presentation is to focus on this crucial and possibly determining aspect of Maritime Union.

The success or failure of Maritime Provinces integration could very well be determined by the role played by the Acadian people in the decision-making. If the Acadians are included as full-fledged partners in the integration process, the realization of a Maritime political project will

without doubt be much more feasible. On the other hand, if they are excluded as they were when the Maritime provinces were first created, this could prove to be a major stumbling block for the proponents of Maritime Union.

Background

Before we look at the official Acadian position on the possibility of Maritime integration, certain facts should be emphasized in order to understand better their reasoning on this subject.

As the first Europeans in 1605 to settle permanently what is now known as the Maritime Provinces, the Acadians lived a mostly peaceful and prosperous life for over a hundred years. It was during that period that the Acadian identity was forged.

Ironically, it is believed that their independence and neutrality in the 18th-century

French-English wars were the major factors that brought on the most significant events in their history: Les Grande Derangements. The deportations of 1755 and later 1758 so marked the Acadian people that some of the scars are still present today. But, in general, the Acadian people have been able to overcome major obstacles over the years. They are now considered important players in the economic and political future of the Maritime Provinces, particularly in New Brunswick.

There are now close to 300,000 French-speaking Acadians in the Maritimes. The vast majority of them reside in New Brunswick. Through sheer determination and persistence they have created solid institutions such as the Federation des Caisses Populaires Acadiennes (over one billion dollars in assets), l'Assomption-Vie and l'Universite de Moncton.

Although they face many challenges ahead. Maritime Acadians have never been as strong and confident about their future. Their official position on the possibility of Maritime Union certainly reflects that confidence.

Official Position

Ever since former New Brunswick Premier Louis Robichaud promoted the idea in 1964, Acadians have been interested in the integration process of the Maritime provinces. Until the early 1990s, particularly in New Brunswick, Acadians were adamantly opposed to any type of integration. They feared having their numbers diluted in a larger population. Acadians in New Brunswick now represent roughly a third of that province's population. In a Maritime Union the total Acadian population, including those in Prince Edward Island and Nova Scotia, would fall to around 15 per cent of the total Maritime population.

In October 1992, the Société Nationale de l'Acadie, a federation of major Acadian groups, organized what has become an historic Forum on the Economic Integration in Atlantic Canada. A majority of Acadians representing the economic sector displayed unprecedented openness on this usually divisive subject. Clearly, Acadians felt that the time had come to look objectively at this unfolding process and they were ready to play an active role to ensure the continued

development of the Acadian society.

“In summary,” the Forum report states, “even though the Acadian community of Atlantic Canada remains somewhat skeptical about future benefits and vigilant about the impact on their development as an integral part of Acadian people, that is, a French-speaking people, they are keeping the door wide open to all opportunities for increased co-operation among themselves and with the English-speaking community of Atlantic Canada.

“Though recognizing the development of a partnership with authorities concerned and a collaboration on an equal basis for the betterment of the entire Atlantic region as desirable, they demand that their gains be protected and, in some cases, extended to all of the Acadian communities.”

It is obvious that the Acadians have moved from a position of strong opposition to that of a key player wanting to take full advantage of the opportunities that the eventuality of Maritime integration would bring.

Probable Scenario

Under what conditions could this official Acadian position translate into participation in the event of Maritime integration? First of all, Acadians will undoubtedly want a place at the negotiating table. Once at the table, the type of partnership to be negotiated with Anglophone communities will include certain stipulations, such as:

- Extending Acadian rights guaranteed in New Brunswick to other Acadian communities in the Maritimes;
- Granting some form of administrative autonomy to Acadian regions;
- Ensuring linguistic duality in key provincial departments such as education, health and economic development.

Conclusion

The Acadian people's position on Maritime integration has evolved considerably in the last few years. No longer will they accept the position of passive bystander in a process that will fundamentally change their way of life.

For the Acadian population, Maritime integration represents an underlying opportunity to reunify the Acadian people for the first time in two hundred years. Let's remember the Acadians were not asked -- nor did they want – to participate in the creation of Maritime provinces where they did not even have the right to vote. One cannot underestimate the strength of a people finally united by a common and shared vision in which they are equal participating partners.

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KENZIE MacNEIL

Maritime Union: A View From Another Island

For Prince Edward Islanders to give up their existing autonomy in order to become absorbed in an amalgamated Maritime or Atlantic Province would constitute a “folly-full” act of historic proportions.

From a Cape Bretoner’s perspective—speaking as one from an Island which has lost its autonomy—Prince Edward Islanders would simply have to be “out of their minds” to consider such a move.

The balloon recently flown by some Atlantic Liberal M.P.s (with the Prime Ministers tacit urging, one wonders?) was a proposal to amalgamate the Maritime or Atlantic Provinces (if Newfoundland was so willing). It was adroitly “pitched” as a move toward Maritime Union -- thereby tapping into the traditional fondness most Maritimers feel towards an autonomous Maritime Nation State.

I submit that a significant motivation for the promotion of various amalgamations in vogue across the country is to achieve a greater convenience for the promoters. For the federal leadership, one Atlantic Province would take far less time to dispense with than having to continue to deal with the current four pesky Premiers. The claim that amalgamation would enhance the region’s autonomy is dubious and flies in the face of history and experience.

In 1820, Cape Breton Island was annexed to Nova Scotia and remains so in spite of years of protestation and constitutional battles. Nowadays, to underscore the point, we resort to jokes—“Cape Bretoners can’t control themselves!” We are living proof of prolonged adolescence—the teenagers of the Maritimes.

Isn’t the ultimate goal of democracy to develop a society composed of informed, responsible and autonomous adults? That goal has been clearly beyond our grasp from 1820 to the present.

Since that time, and unlike Prince Edward Island, we have not been able to exercise the constitutional and legal decision-making authority over such provincial jurisdictions as health, education, transportation, cultural and social policy and, above all, our resources.

Over the past 176 years, Cape Breton has been governed by absentee managers. Our resources have been exploited and the significant capital which our people have spent their lives to develop has been carted off to other centres.

In 1967, when our cornerstone industries (coal, steel, forestry and fishing) began to totter -- thanks in no small part to the kind of irresponsible and careless management which absenteeism seems to engender -- the absentee owners abandoned the Island.

When the federal and provincial governments of the day stepped in to fill that breach (by establishing the steel and coal Crown Corporations), they did so with much expressed

benevolence and compassion. They then began to kill us with their kindness.

Every conceivable Regional Development scheme has been attempted on Cape Breton. Planners, consultants and professionals of all kinds – people trained in universities using urban models -- consistently failed to achieve sustainable development for an area which works on rural and village based systems. The square peg wouldn't fit in the damned hole and, of course, to add insult to injury, somehow Cape Bretoners are responsible for the lack of success.

Over the past few years, a new wrinkle has developed. Now that the federal and provincial treasuries are empty, governments are telling Cape Bretoners (who are without capital) that they have to be more entrepreneurial and take charge of their future without, of course, granting us the constitutional autonomy we would need to make that happen.

That's the kind of hypocrisy that Prince Edward Island will face in an Amalgamated Maritime Province. Such a province would likely see a greater centralization of power and services in centres such as Halifax and Moncton. If you doubt that, look at the levels of government services currently functioning in Cape Breton. In 1994, 3.1 per cent of all cultural spending in Nova Scotia was spent in Cape Breton -- where 20 per cent of the population resides. A quick glance at a government department phone book will show similar or less numbers of employees living on the Island.

How about another alternative? Given what's happening in the rest of the country, maybe it's time to pursue a real Maritime Union -- an autonomous Maritime Nation State, composed of constituent Provinces -- Prince Edward Island, Nova Scotia, New Brunswick, Newfoundland and -- yes -- the Province of Cape Breton Island.

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ERIC ELLSWORTH

Political and Economic Union in Atlantic Canada

The Atlantic Provinces Chamber of Commerce, the voice of the business community in Atlantic Canada, has endorsed the necessity for a stronger integrated economy involving political Union.

The Quebec referendum was a wake-up call for all Canadians and especially for Atlantic Canadians. A country which we take pride in almost fell apart, yet came together “from Coast to Coast” in the last hours to stave off a vote which was destined to have the province separate from the rest of Canada.

The idea of political Union in the Maritimes, as many of you know, started well before our time in 1864 and got derailed in favour of a greater region, called the Confederation of Canada. Later on, our Maritime region became Atlantic Canada when Newfoundland and Joey Smallwood joined Confederation. The idea of political Union in our region makes sense, but, while many are prepared to talk about it, few are willing to take up the challenge and actually try to make it happen. The present structure of the Council of Maritime Premiers (CMP) has done little since

its inception in 1971 to foster economic co-operation and political Union. With the CMP and Newfoundland we still have four sets of rules, regulations and systems which sometimes paralyze business in our Atlantic region, with the likes of Workers' Compensation, sales tax, motor vehicle registrations, etc., being different in each province.

The Atlantic Provinces Chamber of Commerce conducted a poll in the late fall of 1995 and the results were certainly stronger for political Union (76 per cent) than we had ever anticipated. Our concern has been that the process towards economic union and integration is not working in a way that benefits our region. Provinces are doing their own economic development planning and competing against each other to attract business. There are no strong signs of economic co-operation other than at a superficial level. Yet our world, country and economy have changed, creating new challenges for us to be economically stronger in our region if we are to survive and compete in the global marketplace.

Our population base of 2.5 million, less than one-tenth of all of Canada, produces \$34-39 billion GDP out of approximately \$700 billion, which is only 5 per cent of the total Canadian GDP. Forty per cent of our GDP is in transfer payments, making us quite reliant on the federal government. What are our defences for shrinking transfer payments? How do we deal with a federal government that is downloading responsibilities for services like health, education and welfare, and, as a result, becoming a weaker central government in doing so?

What are we trying to achieve? What are our goals? I suggest that we should be:

- a) maintaining the level of prosperity to which we have become accustomed;
- b) sustaining and increasing job opportunities;
- c) sustaining our essential social services;
- d) stabilizing our economic development within a renewed Canada.

Will political Union make the region economically stronger? We believe it will take the forces of both political and economic union to achieve our end result -- that of a stronger economic region.

There are many fears that one voice will not be stronger in Ottawa—especially since we now have four voices and especially when Ottawa is becoming weaker and poorer. We may not be able to justify that this is the case.

We certainly cannot say amalgamation is the “be all and the end all,” when we see what has happened in recent municipal amalgamations. One has to stop and think only for a moment to see that this has not been proven to be a cost-effective, efficient approach. Governments tend to build bureaucracies, raise salaries and provide for inefficiencies through regulations, acts and processes that leave the whole system less effective than it was.

We maintain that we are over-governed at all levels and certainly on a per capita basis. This is where our region gets into serious difficulties with the rest of Canada, over the level of transfer

payments from the "have" provinces to the "have-nots." With 8.5 per cent of the population and 5 per cent of the GDP, it is obvious that we must strengthen our economic position to become less reliant on transfer payments in the future.

If we are to achieve our goals then we must be more aggressive, and achieve higher levels of performance by pooling our resources in the four Atlantic provinces. By doing this we strengthen our economic base and open doors for new opportunities in the marketplace, begin to learn how to do business in those new markets, and get a bigger bang for our buck, while creating jobs and wealth in our region.

We are moving towards a more regional economy because of the political changes where our fiscal realities will be more regional as a result of the decentralization and changes in transfer payments.

I fully believe we have to create a new economy in Atlantic Canada, whereby we use our resources, become more aggressive, and make Atlantic Canada businesses more aware of the older traditional maritime markets in New England and the Caribbean.

The Atlantic Provinces Chamber of Commerce is providing a leadership role by looking at initiatives such as the Pan Atlantic Conference in 1997 (North Atlantic Rim), involving the four Atlantic provinces and the New England states, and creating flexible business networks involving Canadian and offshore companies which will be an economic benefit to our region.

In summary, Atlantic Union is essential to building a stronger, more productive and self-sustaining regional economy. We must maximize the economic development potential of the region, creating more jobs and wealth in order to sustain the relatively high standard of living to which we have become accustomed in recent years.

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JOHN CROSSLEY

Maritime Political Union; An Overview of the Symposium

Until I moved to Prince Edward Island in 1987, I thought that the idea of Maritime Union was a quaint historical artifact, something that was seriously—if briefly—considered before the people of this region came to their senses (some more slowly than others) and joined Confederation (did I say that I moved here from Ontario?). Of course, it took very little time for me to realize that the idea of Maritime Union plays an important ongoing political role in this region. It is one of those good-sounding ideas that comes to mind whenever economic or political turmoil occurs. In this way, it is like the idea of free trade, a source of hope for salvation when dramatic change seems called for.

Needless to say, saddled as I was by such an attitude, I approached the symposium organized by the Institute of Island Studies and the Institute of Public Administration of Canada with more than a little bit of skepticism. However, it quickly became clear to me that for almost everyone in

this room, Maritime Union—both political and economic Union—has become a more serious option in 1996 than it has been since the 1860s. The reason this idea was being taken seriously by both its proponents and opponents, it seemed to me, had a lot to do with the spirit of our age: the sense that we are going through a period of almost unprecedented fundamental change in all aspects of society.

To put the underlying mood and assumption bluntly, everyone who spoke at the symposium today began from the premise that the status quo is not sustainable. Indeed, the status quo is so far from being sustainable, most speakers implied, that any attempt to sustain it would be dangerously counterproductive.

Three basic reasons were given for believing that we cannot continue with our current political and economic order in Atlantic Canada. These reasons are familiar to all Canadians. First, the fiscal crisis of the Canadian state is undermining the ability of the federal government to continue transferring large amounts of money to individuals and governments in this region. Furthermore, that same fiscal crisis is undermining the ideological, cultural, and political support for a strong federal government that is capable of imposing and paying for national standards in social programs. All of this adds up to a serious threat to the fiscal viability of governments and government programs in Atlantic Canada.

The second reason for supposing that dramatic change is necessary is closely related to the first: the crisis of Canadian federalism is about to undermine the ability of the Canadian government to support activities in this region. Indeed, faced the prospect of a sovereign Quebec in the near future, the people of the Maritime provinces might have to fend for themselves completely.

The third factor calling for dramatic change, according to many speakers, is really a cluster of factors all relating to changes in the economy. The argument was made (or, in some cases, assumed) that globalization of markets the development of an information-based economy, and changes in the nature of work amount to change on the order of the industrial revolution. Historically, political systems have changed and adapted when the economy underwent such dramatic changes. We need to prepare ourselves for a similar political restructuring.

This, then, seemed to be what most Speakers at the symposium could agree upon: the crisis we are facing are so great that this moment in political and economic history is unlike any previous moment. Dramatic change is more likely now than at any other time in recent history.

If everyone had agreed entirely, of course, the day would not have been very interesting. Indeed if everyone agreed, we would be well on our way to unify the three Maritime provinces. But there was vigorous disagreement on we ought to react to the challenges facing us. At least four plans were offered.

Economic cooperation: This plan came closest to preserving the status quo According to this approach, the existing governments in the region should continue to exist in roughly the same way they exist now, but they should work vigorously to expand their areas of economic co-operation, thus creating a single economy and securing the economic benefits of union without giving up the political advantages of remaining separate.

Political Union: This plan was presented forcefully. The argument went something like this. If we are to create an efficient economic unit that is capable of competing successfully in global markets and that is capable of supporting government without help from a national Robin Hood, we must break away from traditional attitudes and we must break out of traditional patterns of decision-making. The only way sufficiently to disrupt attitudes and established power structures is to unify the three Maritime provinces into a new single political unit. This would also have the effect of reducing the cost and inefficiency of government, which would be a benefit in itself.

Reduce the size, not the number of governments: In important ways, this argument is similar to the second one. Both arguments look to the freeing-up of market forces and entrepreneurial spirit to save the region. Both arguments see governments as obstacles to the good work of economic markets and entrepreneurship. However, this argument sees Maritime political Union as wasteful of time, energy and money. The barriers that have to be overcome on the way to political Union are so formidable that huge amounts of money will have to be diverted to overcoming them, and equally huge amounts of planning and thought will have to be devoted to political Union rather than to other, more pressing, problems. We should, the argument goes, continue with the same number of governments, but each of those governments should stop doing many of the things it currently does.

Political jurisdiction is a resource for economic and cultural development: Not only does this argument reject Maritime political Union, it positively embraces disunion. A look at small independent and nearly independent political units elsewhere in the North Atlantic suggests that a community's control of political jurisdiction can be crucial to its economic strength and to the well-being of its citizens. Small communities elsewhere have used their control of legislative and executive powers to direct and encourage economic development. Furthermore, communities with strong unifying cultures, such as Cape Breton or Prince Edward Island, can use political independence as a means for cultural, as well as economic, development. From this perspective, the lack of Maritime political union is a blessing! In fact, we might want to dissolve some of the union that exists already, by setting Cape Breton on the path to independence. In the end, then, Maritime political union became only one of a number of alternatives available to the region. It remains a possibility, but not a necessity. Still, the idea of Maritime political union dominated the discussion and will continue to do so in the future. It is, after all, an idea rooted in a hope for a better future, an idea that spurs creative thinking and innovation. In the 1860s, people started from the idea of Maritime political union and ended up with Canada. In the 1990s, we might end up someplace equally exciting and rewarding.

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HENRY SREBRNIK

Maritime Union: Revisiting An Impossible Dream

Older than Canada itself, Maritime Union is an idea whose time has come... and gone ... and come ... and gone ... and come yet again. Today as in the past, two main forces, both of them external to the region, drive it. First, there is the fiscal agenda that now informs politics in the rest of Canada, and which has led to a retreat by Ottawa from the affairs of Canadian citizens and

an anticipated major drop in transfer payments to Atlantic Canada. Second, there is the looming threat of Quebec secession, which might result in the dismemberment of the country, leaving its four easternmost provinces isolated and adrift, cut off geographically, and perhaps even economically and politically, from the richer regions of Canada. After all, though we speak of a Canada split in two in the event Quebec attains sovereignty, in reality the four Atlantic provinces constitute 11 per cent of the population, 6.5 cent of the land area, and 8 per cent of the gross domestic product of a Canada without Quebec.¹

The 1993 federal election, which all but extinguished the federal Progressive Conservatives, is also a cause for concern. It totally altered the political landscape of the country, with potentially disastrous effects in this region. There are now two major parties in the House of Commons, Reform and the Bloc Québécois, with no seats here; they represent, basically, western Canada and Quebec. Each, as well, stands for programs which, if ever implemented, would pose a major threat to the area. This, too, is part of the backdrop to the renewed calls for Union.

In any case, the “downsizing” of government bureaucracies has led to a “merger mania” across the country, as the quest for efficiency and “economies of scale” becomes paramount. Small and relatively poor provinces outside the Atlantic region have not been spared either: Manitoba and Saskatchewan have been told by some to become “Saskatoba.”² Proponents claim such larger units would facilitate regional economic planning, save administrative costs by eliminating the duplication that comes with competing layers of government, streamline and combine departments, provide less costly delivery of services, and lessen competition for jobs and investment. Prince Edward Island historian Francis Bolger some two decades ago noted that “there has always been a desire in central Canada to treat the three provinces as one,”³ and just last year Prime Minister Jean Chretien remarked that an economic union of the four Atlantic provinces might be “more efficient” and provide the region with “a lot of advantages.”⁴

Is There a Maritime Political Culture?

Given their small size and proximity, and their distance from the rest of English-speaking Canada, the Atlantic provinces are often considered one Canadian region—even though only two were original partners in Confederation. Certainly, they share many characteristics, including a coastal environment and economic reliance on the sea; a depressed economic base and dependence on primary industries, often seasonal in nature; dependency on federal contributions; high unemployment and poverty; and large rates of out-migration and negligible immigration. They also have a greater degree of interprovincial co-operation than any other province in Canada.⁵ Yet, while Canadians often think of areas outside their home province in regional terms, this rarely extends to those living within those regions. Hence, while an Ontarian may refer to "the prairies" or a British Columbian to "the Maritimes," studies demonstrate that within the region most people identify first with their own province. Regions may be heuristic and analytical devices but provinces are concrete political realities with institutions and bureaucracies; many groups have a vested interest in their survival. Canadians engage in province-building, not region-building.⁶

Some two decades ago J. Murray Beck stated categorically that these provinces “do not constitute a region in any meaningful way” and could not be treated as though they were “a

political actor with an identifiable common consciousness. He quoted Alex Campbell, a former premier of Prince Edward Island, who in 1977 had said that the only people who consider Atlantic Canada a region are those who live outside Atlantic Canada: “We are four separate, competitive, jealous and parochial provinces.”⁷

James Bickerton agrees that Atlantic Canada is in some ways an artificial construct which obscures the distinct political cultures of the four provinces; he does, however, suggest that Atlantic Canadian regionalism is “a socio-political phenomenon that exists ... in symbiosis with the federal government, its policies and programs.” Bickerton points to manifestations such as the Maritime Rights movement of the 1920s to demonstrate his point: since Confederation, the fortunes of Atlantic Canada have tended to rise and fall together, most often as a result of actions taken in central Canada, either by commercial and industrial interests or by the federal government. Transfers from Ottawa and federal programs have bound the region as a collectivity to Ottawa; the response from Atlantic Canada political elites when these are threatened has therefore also often been collective.⁸ Robert Finbow notes that, even though the provincial governments still sometimes “act as rivals for limited economic prospects rather than as allies in a regional project of economic renewal,” they do share a common economic vulnerability—and one which would be greatly exacerbated should Quebec secede. In any event, he warns, “The region of Canada least equipped to deal with the breakup of Confederation is Atlantic Canada.”⁹

The History of “Maritime Union”

It is, of course, well known to all students of Canadian history that the Maritime provinces were, inadvertently, the catalyst for Confederation. When they agreed to meet in Charlottetown in 1864, at the urging of Nova Scotia, it was to discuss Maritime Union. Was Nova Scotia, in the words of Bolger, perhaps “yearning for a restoration of the ancient boundaries she had enjoyed until Great Britain detached Prince Edward Island in 1769, and New Brunswick in 1784?”¹⁰ In any event, the Maritimes exhibited little interest in the rest of British North America. They were almost cut off from central Canada by the wilderness of northern Maine and commercial relations were minimal; they faced the sea and traded mainly with Britain and the United States. A suggestion made to Prince Edward Island by the Governor General of Canada in 1859 to consider union, for example, had been summarily rejected by the Island’s Assembly. Only due to the continued urging of British colonial authorities were delegates from what are now Ontario and Quebec even allowed to participate in the meetings in Charlottetown.

When it came, federation with the two Canadas was greeted with little enthusiasm by the citizenry in New Brunswick and Nova Scotia; in neither colony was there much regional consciousness or loyalty to the new federal arrangement. Indeed, many were bitter and it seemed as though anti-Confederation forces might prevail. In New Brunswick, an anti-Confederation government was elected in 1865; in Nova Scotia, Joseph Howe led a movement for secession almost immediately after his province had joined Canada. As for Prince Edward Island, it had been lukewarm towards Maritime Union and rejected Confederation altogether; the “Cradle of Confederation” only joined six years later, due to financial problems, and under duress.

In the mid-1870s there were some halfhearted attempts to revive Maritime union, initiated by New Brunswick legislators, but they went nowhere. In 1879 the federal government instituted

the “National Policy,” a protectionist system of high tariffs on imports, of benefit to central Canada; but this only exacerbated the economic problems of the Maritimes, whose exports were hard hit by retaliatory American duties. In 1886-1887, William S. Fielding’s Liberal government in Nova Scotia supported a repeal movement which advocated the withdrawal of the three Maritime provinces from Canada. While there was a widespread sense of grievance against central Canada, the lack of regional consciousness -- indeed, suspicions in the other two provinces that union would substitute the hegemony of Halifax for that of Ottawa -- prevented secession.

In the twentieth century the centre of Canadian political gravity shifted westward. Already a chronically depressed area which kept losing industry to larger Canadian centres, the Maritimes, with little population growth, found their political power greatly diminished. Would a union of the Maritime provinces halt this loss of political power? In 1905, the Maritime Board of Trade passed a resolution in favour of political union and the influential monthly periodical *Acadiensis* ran a series of articles by Reginald Harris, a member of the board, favouring Maritime Union. “Many political thinkers,” he informed his readers, “are beginning to realize that the three provinces ... would be to-day a far greater force in Federal politics and in the development of Canadian nationality were they united and fighting shoulder to shoulder for what they are justly entitled to as partners in the Confederation.” Harris advocated a “legislative union” which would merge all power and authority exercised by each province into one administration.¹¹ It is remarkable how contemporary many of his arguments seem: in one large province there would be economy of administration, with a single legislature and bureaucracy instead of three; uniform executive, judicial and taxation systems; economies of scale; greater revenues; obliteration of those “sectional jealousies” and “petty discords” inherent in small governments; a lessening of undue influence by local cliques, syndicates, family compacts, and other vested interests; and increased self-reliance and influence within Canada, to the benefit of the entire nation. Harris suggested the old historical name “Acadia” for the new province and thought that Moncton, Sackville or Amherst, all centrally located, might serve as the capital.¹² The premier of New Brunswick, John Douglas Hazen, did indeed in 1908 call for a “united Acadia” to resist further loss of influence.

The First World War, while not directly affecting the security of Canada, did, in the words of another advocate of union, “re-open problems long supposed to have been settled.” John B. M. Baxter, a future premier of New Brunswick, proposed to the New Brunswick legislature in 1917 a union of his province and Nova Scotia; in the March 1918 issue of *The Busy East of Canada* he remarked that social and political relations were “in a state of flux” and thus a “re-alignment” would be possible as soon as the war ended. Only a united province, he argued, could develop such industry and commerce as would challenge the hegemony of central Canada and attract immigrants to the region. Once the Maritimes were “clear of the ruts of political tradition the wheels of progress would move at an accelerated pace.”¹³ On the other hand, Joseph Read, an MP from the Island, told the Halifax Commercial Club that Prince Edward Island had been “betrayed” into joining Canada as the result of a “conspiracy” between the federal government in Ottawa and the British authorities. So, while he favoured a Maritime Union, he argued against a legislative amalgamation; the three provinces each had the right to continued self-government. Read proposed, instead, a federated province, a “Maritime Legislative League,” with an advisory assembly composed of equal numbers of federal and provincial legislators from the three

provinces; the premiers would take turns as presiding officers. Each province would retain its autonomy, while the new assembly would promote the common interests of the three in matters of immigration, commerce, tourism and fishing, education, public health and provincial rights.¹⁴

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A Maritime Rights movement, demanding better terms for the region in Confederation, began to make significant headway after the First World War and demonstrated the high level of discontent; the Liberal government of William Lyon Mackenzie King responded by forming a royal commission on Maritime claims, called the Duncan Commission, which in 1926 accepted some of the claims made by critics and suggested various remedies, including a reduction in freight rates and increased subsidies to Maritime industries such as coal and steel to offset the negative effects of high national tariffs. However, it did not think the creation of a unified Maritime province would result in any fiscal advantages.¹⁵

During the Depression, as today, many Canadians felt the country was “over-governed” and advocated a reduction in the number of political jurisdictions. The *Guardian* in 1935 expressed its anger with certain Ontarians, including the editors of the *Toronto Telegram*, who “know much better what is good for us than we do ourselves” and who had proposed in an “offhand manner” that a province as small in area and population as was Prince Edward Island be eliminated. The newspaper replied that Nevada had the same population, and Delaware was the same size as Prince Edward Island, yet “there is no agitation” for depriving them of statehood.¹⁶ The Mackenzie King government, in the meantime, appointed a Royal Commission on Dominion-Provincial Relations, the Rowell-Sirois Commission, and once again the issue of Maritime Union appeared on the agenda. But, readers of the *Guardian* were assured, though it might remain “an issue of live interest in Central Canada,” it had been “emphatically” rejected by premier Thane A. Campbell in hearings before the Commission.¹⁷

The years immediately following the Second World War saw a revival of Maritime Rights rhetoric. In 1948, George Nowlan won a by-election to parliament from a Nova Scotia constituency on a platform of Maritime Rights, and the following year the editor of the *Maritime Advocate* and *Busy East*, successor to the *Busy East of Canada*, always an advocate of regional union, called for a “united Atlantic front” to demand “Maritime rights from Ottawa.”¹⁸ The addition of Newfoundland that year also increased the relative importance of the region within Canada.

There was also increasing co-ordination on the economic front. The Atlantic Provinces Economic Council (APEC) had been founded in 1954 and in July 1956 the four premiers met together for the first time, to forge a common strategy in fiscal negotiations with Ottawa. Demands were made for federal aid and investment; a booming post-war economy soon allowed Ottawa to begin its program of equalization payments. Provincial governments could finally invest in infrastructure, including roads, educational institutions and health care facilities, and living standards rose appreciably.

By the mid-1960s, Quebec’s “Quiet Revolution” had unleashed the forces of Quebec nationalism and there were fears the province might eventually choose independence, isolating the Maritimes

from Canada. New Brunswick premier Louis Robichaud in 1964 began to wonder aloud whether the time had come to revive the old idea of Atlantic Union; by 1968 he had convinced his fellow Maritime premiers to sponsor an extensive Maritime Union Study, chaired by John Deutsch, to examine the feasibility of greater regional co-operation and comprehensive planning. The Deutsch Commission's report, published in October 1970, spoke of "the severe difficulties for the nation which could result from ... Quebec separatism." Noting that by 1970 there were already some 181 active interprovincial organizations in the region, it advocated greater Maritime co-operation; but it also recommended the eventual attainment of full political Union, not merely administrative collaboration, as a definite goal. Such political consolidation would reduce the cost of government (Deutsch noted that there were 2 times as many civil servants per capita as in the rest of Canada), provide the Maritimes with greater bargaining powers and hence a better deal from Ottawa, and eliminate the counter-productive economic competition which impeded sustained growth.¹⁹

All of this was a bit too extreme for some political tastes, especially after Richard Hatfield and Gerald Regan, who were less than enthusiastic about the Deutsch proposals, defeated Robichaud and George Smith of Nova Scotia in provincial elections that very October. Regan told an American journalist, "I am not convinced the people of Nova Scotia are prepared to surrender the existence of this state," while Prince Edward Island premier Alex Campbell said his province would "lose a good deal of the leverage we enjoy at present."²⁰ Hatfield said that he would consider full Union only if such an enlarged province proved economically viable.

The Maritime premiers did agree to work towards greater economic integration, though, and the Council of Maritime Premiers was established on May 25, 1971, to improve communications and create a unity of purpose between their governments; Hatfield hoped that the Council "could become one of the most significant experiments in regional consultation and planning in Canada."²¹ This was not to be. Though the Council would soon spawn various offspring, such as the Higher Education Commission, established in 1974, and was provided with a permanent secretariat and staff, no truly regional level of jurisdiction was created. The Council was given no independent powers of taxation and its regional activities were funded by the provinces themselves, out of their own budgets.

At the end of the 1980s, economist Charles McMillan was hired by the Council to review its work. Identifying "parochialism, a short term horizon, lack of vision, institutional inadequacies and federal/provincial squabbling" as factors impeding Maritime co-operation, he warned the premiers that they would have to set aside their "old attitudes" and "partisan political concerns" and work together to create a competitive economy. He suggested a common trade promotion strategy to increase exports; the development of institutional links with Quebec, New England, Scandinavia and the Pacific Rim; removal of internal trade barriers; and creation of a Maritimes Savings Development Fund to pool investment capital. Unlike Deutsch, McMillan was careful not to offend political elites in the region and steered clear of advocating political Union; he stated bluntly that it was "not a viable option for the region."²² He continued, in particular, to express doubts about the level of support for Union in Newfoundland or Prince Edward Island.²³

As the Meech Lake Accord came unravelled in 1990, New Brunswick premier Frank McKenna, fearful that Quebec might leave Confederation, proposed a common market among the three

Maritime provinces that would put an end to all Intel-provincial trade barriers.²⁴ That seemed moderate when compared to the statement made by Nova Scotia premier John Buchanan, who in April of 1990 had concluded that in the event of Canada splitting apart, union with the U.S. might prove the only realistic option.²⁵ Buchanan's remarks created an uproar and he left office soon afterwards. McKenna's initiative, on the other hand, was received favourably by politicians and business leaders in the region, including Don Cameron, the new premier of Nova Scotia. Modeled on the European Community, it proposed joint government purchasing, regulation of motor vehicles, campaigns to promote tourism, some health care co-ordination, a Maritime energy grid, and the portability of professional qualifications. Even Newfoundland premier Clyde Wells began to express interest.²⁶

Another study published by the Council of Maritime Premiers in May 1991 identified continuing barriers to economic integration and proposed various remedies, including more employment mobility, the co-ordination of corporate registration, tax simplification and transportation regulation. The three premiers, meeting in March, had announced that "the Maritime Provinces are too small to put up walls," and the study advocated greater co-operation among the provinces in agriculture, the fishery, electric utilities and tourism. However, said the premiers, "political Union could threaten the unique culture and identity of our citizens," so the study prefaced its recommendations by restating its belief in the "sovereignty" of each province. The premiers, this time including Clyde Wells of Newfoundland, again met in Moncton in June 1991; they agreed to provide, among other things, a level playing field for Atlantic firms competing for government contracts or bulk purchases, through the Atlantic Procurement Agreement, signed in 1992. Nova Scotia premier Don Cameron remarked, "We're dead serious about making real change and being self-reliant."²⁷

In 1992 the legislatures of the three Maritime provinces passed the Maritime Economic Co-operation Act, which formalized their commitments to a strategic program of economic co-operation, including the building of a single Maritime market—it was shortly thereafter extended to include Newfoundland. By 1994, work was in progress on some 65 projects in 29 policy sectors, and private-sector groups were also taking steps to promote regional co-operation.

Conclusion

A full 90 years ago, Reginald Harris declared Union to be so necessary that "neither old fogeydom nor officialdom nor jealousies can hinder it much longer. If the politicians are too light-weight to tackle the difficulties, they need not be surprised if the many take the matter into their own hands and settle the terms and fix the capital city, and do the other things that are necessary to promote the interests of this great country."²⁸ Union was, he wrote, "indispensable and an urgent necessity. Let us submerge petty jealousies and get to work."²⁹ Well, as we know, it didn't happen. And while there has been substantial increase in economic co-operation and integration of services since the publication of the Deutsch report a quarter century ago, almost no progress has been made in moving forward towards political Union; Beck has referred to this blockage as "the supremacy of politics over economics in the Maritimes."³⁰ Perhaps Maritime Union will always remain a work in progress; Beck had himself contributed a volume for the Deutsch Commission, aptly titled *The History of Maritime Union: A Study in Frustration*, in which he had written that it would be essential "to demonstrate that substantial positive good-

would result from Maritime Union, given “the wastage through ill will and conflict that will inevitably follow any attempt to effect it.”³¹ Still, as James Bickerton has noted, the combined effect of free trade, federal fiscal problems and continued cuts in services and fiscal transfers to the provinces, and the ongoing constitutional crisis, may force a rethinking of past³² patterns; contemplation of Union may finally be replaced with “concrete action leading towards its realization.”³³ In the wake of the Quebec referendum of October 1995, the question of Maritime Union has definitely once again emerged, front and centre.

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1. Robert A. Young. *The Secession of Quebec and the Future of Canada* (Montreal: McGill-Queen's University Press, 1995), Table A2, pp. 310-311.
2. *Globe and Mail*, Jan. 12, 1996, p. A21. (all references to this newspaper's national edition)
3. *Guardian*, Charlottetown, March 18, 1977, p. 1.
4. *Chronicle-Herald*, Halifax, June 29, 1995, pp. A1-A2.
5. Rand-Dyck, *Provincial Politics in Canada*, 2nd ed. (Toronto: Prentice-Hall, 1991), pp. 33-44; Roger Gibbins, *Conflict & Unity: An Introduction to Canadian Political Life*, 3rd ed. (Toronto: Nelson Canada, 1994), pp. 154-155.
6. Gibbins, pp. 188-189, cites a study which found that only six per cent of Atlantic Canadians stated that they identified first with their region rather than with either their region rather than with either their province or the nation.
7. J. Murray Beck, “An Atlantic Regional Political Culture: A Chimera,” in David Jay Bercuson and Phillip A. Bruckner, eds., *Eastern and Western Perspectives: Papers from the Joint Atlantic Canada/Western Canadian Studies Conference* (Toronto: University of Toronto Press, 1981), pp 147-148.
8. James Bickerton, “Creating Atlantic Canada: Culture, Policy and Regionalism,” in Alain-G. Gagnon and James P. Bickerton, eds., *Canadian Politics: An introduction to the Discipline* (Peterborough, Ont: Broadview, 1990), pp. 325, 332-341.
9. Robert Finbow, “Atlantic Canada: Forgotten Periphery in an Endangered Confederation?” in Kenneth McRoberts, ed., *Beyond Quebec: Taking Stock of Canada* (Montreal: McGill-Queen's University Press, 1995), pp. 61-62.
10. Francis W.P. Bolger, “Nation Building at Charlottetown, 1864,” in Francis W.P. Bolger, ed., *Canada's Smallest Province: A History of P.E.I.* ([Charlottetown]: The Prince Edward Island 1973 Centennial Commission, 1973), pp 137-138. In the 20th century, on the other hand, New Brunswick has tented to take the lead in proposing union.
11. Reginald V. Harris, “The Union of the Maritime Provinces,” *Acadiensis* 6, 3 (July 1906): pp.

- 172, 181.
12. Reginald V. Harris, "The Union of Maritime Provinces, (Concluded)," *Acadiensis* 6, 4 (October 1906); pp. 247-254.
13. J.B.M. Baxter, "Maritime Union," *The Busy East of Canada* 8, 3 (March 1918): pp. 11-12.
14. Joseph Read, "The Question of Maritime Union," *The Busy East of Canada* 8, 8 (August 1918): pp. 5-8.
15. For more on this protest movement, see Ernest R. Forbes, *The Maritime Rights Movement, 1919-1927: A Study in Canadian Regionalism* (Montreal: McGill-Queen's University Press, 1979). Arguments in favour of full Maritime union also continued to circulate. See, for instance, Hance J. Logan, "Twenty-One Reasons for Maritime Union," *The Busy East of Canada* 18, 3 (March 1928): 10, 12. Logan had also suggested that if Maritime grievances could not be satisfied within Canada, than perhaps secession, and the creation of a new British dominion, "in close relationship" with Newfoundland and the British West Indies, might be the answer. *The Canadian Annual Review of Public Affairs, 1926-27* (Toronto: Canadian Review Co., 1927), p 360.
16. *Guardian*, Charlottetown, Nov. 18, 1935, p. 4.
17. *Guardian*, Feb 12. 1938, pp. 1, 8.
18. Margaret Conrad, "The 1950s: The Decade of Development," in E.R. Forbes and D.A. Muise, eds., *The Atlantic Provinces in Confederation* (Toronto and Fredericton: University of Toronto Press and Acadiensis Press, 1993), pp. 402-403.
19. The Report on Maritime Union Commissioned by the Governments of Nova Scotia, New Brunswick and Prince Edward Island (Fredericton: Maritime Union Study, October 1970), pp. 9, 55, 61-73.
20. *New York Times*, Jan. 1, 1971, p. 6.
21. *Toronto Star*, May 27, 1972, p. 20.
22. Charles J. McMillan, *Standing Up to the Future: The Maritimes in the 1990s* (Halifax: Council of Maritime Premiers, December 1989), pp. 1-3, 43-46.
23. *Chronicle-Herald*, Halifax, Oct. 28, 1991, p. A9.
24. *Globe and Mail*, June 4, 1990, pp. B1, B4.
25. *Toronto Star*, April 19, 1990, p. A1.
26. McKenna stressed that he was not advocating political union, given the "unique reality" of

linguistic duality in his province. *Guardian*, Charlottetown, Sept. 12, 1990.

27. Chronicle-Herald, Halifax, March 26, 1991, p. A1; *Globe and Mail*, March 27, 1991, p. A19; May 24, 1991, p. A3; Challenges and Opportunity: A Discussion Paper on Maritime Economic Intergration (Halifax: Council of Maritime Premiers, May 1991), pp. 2, 4-24; "Forging Links to Economic Prosperity," *Commercial News*, 70, 7 (July 1991); p. EP20; Richard Starr, "Maritime Union," *New Federation* 4, 2 (March/April 1994): 14; James Bickerton, "Waiting for the Future; Atlantic Canada After Meech Lake," in Frances Abele, ed., *How Ottawa Spends: The Politics of Fragmentation 1991-92* (Ottawa: Carleton University Press, 1991), pp. 147-158.

28. Harris, "The Union of the Maritime Provinces," p. 173.

29. Harris, "The Union of the Maritime Provinces (Concluded)," p. 258.

30. J. Murray Beck, "The Maritimes: A Region or Three Provinces?" in *Transactions of the Royal Society of Canada*, Series IV, 15 (1977): 312.

31. J. Murray Beck, *The History of Maritime Union: A Study in Frustration* (Fredericton: Maritime Union Study, November 1969), p. 46.

32. Bickerton, "Waiting for the Future," p. 150.

33. Ibid.

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THE HONOURABLE MARION REID

Maritime Union: Is It Good for Prince Edward Island

The topic for debate this evening is "Maritime Union: Is It Good for Prince Edward Island?" Prince Edward Island has a long history of political autonomy. Prominent Island landowners petitioned Great Britain for separation from Nova Scotia and, accordingly, status as an independent colony was granted June 28, 1769. Islanders achieved Responsible Government in 1851, resulting in an even more profound attachment to independence.

Maritime Union was first discussed seriously in 1864, with the motivation coming from Nova Scotia and New Brunswick. These two colonies wanted an intercolonial railway, and reasoned that a united Maritime region would have more potential clout.

At that time the two Canadas were experiencing constitutional problems of their own, and when the politicians heard of the Maritime Union Conference, they requested an invitation to attend. An invitation was extended and the eight-man Canadian delegation, aboard the steamer Queen Victoria, arrived in Charlottetown. The Canadians from Upper and Lower Canada, later Ontario and Quebec, under the capable leadership of Sir John A. Macdonald, George E. Carter, George Brown and others, were able to convince the Maritimers to set aside the idea of Maritime Union

for the proposed Union of all of the British North American colonies. From that meeting, Charlottetown, Prince Edward Island has the distinction of being known as the “Birthplace of Confederation.”

Initially, Prince Edward Island saw no advantage to this union. The Island was experiencing a period of uninterrupted political growth and economic expansion. The population was doubling every thirty years and the revenues every twelve years. There was little debt, and Islanders felt very confident about their future prosperity.

The period from 1830-1880 is often referred to as the Golden Age of Sail. During that period, over 2,500 vessels were built on the Island, the largest being the Ethel, a three-decker of 1,795 tons.

The shipment of produce to the New England States brought prosperity to the Island. However, times were changing. The Reciprocity Treaty of 1854 which had been so favourable in terms of trade with the United States, was revoked in 1866. The result was economic hardship for the people of Prince Edward Island.

For Islanders, union with Canada now became a viable option. The building of the Island railroad had put the province deeply in debt, the question of transportation to the mainland needed to be addressed, and the absentee landlord situation was a burning issue. In 1873, albeit reluctantly, the Island joined Confederation.

Ever since July 23, 1767, when the whole of the Island, comprising 67 lots or townships, was given away in London to prominent individuals from the military, business, and gentry classes, ownership of the land for Islanders has had special significance.

It has been said we are not only makers of history, we are made by history. Islanders' love for and association with the land have been shaped by the struggle to gain title to their leased land. Leases of 999-year duration would be granted to the tenant farmers, but freehold titles were generally denied. Rents were paid by the farmers for generations. On a personal note, the Reid Century Farm was settled in 1837, the proprietor being J.C. Pope. In 1874 the Reid family finally was able to get legal title to the land. My husband, Lea Reid, is a great-great-grandson of the original settler, John Reid. When the Canadian Charter of Rights and Freedoms was being drafted, strong Island representation ensured that property rights were enshrined in the Charter.

Most Islanders recognize that people and land are our two most valuable resources. Agriculture is our main industry and good land management is of great concern to the farming community. Soil erosion and overcropping are problems that must be addressed. The production of food and control of the land by multinational corporations are pressing problems that require strong leadership if Islanders are to pass on to future generations a heritage of good stewardship of one of our greatest resources. We won't have a society if we destroy our environment.

As one of ten equal partners in Confederation, the Island has a rightful share in Canada's resources. Our provincial autonomy gives Islanders the power to legislate and control our resources. Regional disparities do exist and national policies have attempted to address the

problem. Granted, Prince Edward Island is small in size, material wealth and political influence, but these factors should not be everything in a federal state. If they are, then the federal system will have failed.

Would Maritime Union save money in the governance of the region? This is debatable, since in any new political union, as with any new institution, new layers of bureaucracy tend to be needed to implement new legislation, etc.

Increased economic union, however, is practical, and savings could be realized in the areas of education, health, technology and goods and revenues. A formal economic agreement ratified by the three provinces would, I believe, be very cost-effective.

Canada is a land large enough for everyone to build their dreams, and a land generous enough to let others build the dreams they want. We are one of the equal partners in the greatest country in the world. As an Island people we are facing challenging times; we can best meet that challenge by retaining our autonomy and charting our own future.

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SENATOR BRENDA ROBERTSON

The Maritimes: Our Future Together

Thank you for the invitation to participate in this important seminar on the topic of “Maritime Union: Is It a Good Idea for PEI?”

The idea of preparing for the future by studying and understanding what is appearing around us is my introductory theme this evening. My second theme is that the status quo is not an option for our future into the next century. And my concluding theme is that the factors influencing our future dictate a thoughtful consideration of broad strategies for coping with them. What are the trends shaping our future? Important to understanding our future are the economic and political factors causing the Maritime provinces to rethink our relationships with one another, with Canada and with the world:

1. the federal government's diminishing capacity to fund Equalization, Established Programs Financing, transfers for highway construction, regional economic development and social assistance — in a region which historically relies tremendously on public spending and public sector jobs;
2. our younger and our more productive people moving out of the region, leaving too few of us behind to support the level of public services; and
3. continuing constitutional uncertainty surrounding the future of Quebec in Canada.

These factors strengthen my conviction that the status quo is not an option for the Maritime provinces and is my second theme this evening.

Let's look at federal spending in Atlantic Canada as a per cent of the Gross National Product. In Atlantic Canada it is 42.7 per cent. In Canada as a whole it is about one-half of Atlantic Canada's at 23.5 per cent.

In terms of federal employment as a percentage of total employment, in Atlantic Canada 7.7 per cent of the labour force is employed by the federal government while in Canada 4.1 per cent of the labour force works for the federal government. It is this continuing dependence on federal spending, when the stark reality is that the rest of the country can no longer afford to pay our bills, that deepens my resolve that the status quo is not an option for our future together in the Maritimes.

This brings me to my third theme — which is that the factors influencing our future dictate broad strategies for coping with them. I would argue that the starting point for developing these strategies should be thinking through the way our region is governed. As the federal government reduces program spending and devolves powers, are our region's governing institutions capable of effectively managing the challenges? In terms of providing education, health care and transportation services, for example, are the Maritime Provinces duplicating efforts, increasing costs while reducing the effectiveness of our public officials to manage these inevitable challenges?

Although evolving economic co-operation is a step in the right direction toward regional self-sufficiency, it raises fundamental concerns.

For years, the Council of Maritime Premiers has been talking a good line on integrating the region's economy, and, indeed, to the Premiers' credit some progress has been made. However, it has been a painfully slow and inefficient process.

I know from my own experience in dealing with regional social issues that the inescapable reality is that when you have three or four governments at the table — and merely getting them to the table can often be a feat — more often than not, the end result is the lowest common denominator that they can all agree on.

And, in fact, New Brunswick's Premier McKenna has recognized this dilemma in his recent statements, where he has, on the one hand, talked hopefully about economic integration, and, on the other, has been candid about its limitations.

Political union may or may not be the answer. Obviously, achieving it would not be easy. But it is an option that must be thought through.

One Maritime province has a certain logic. It would be larger and more economically powerful than any single province, and its future economic development prospects would be greatly enhanced because it would be driven by a single economic development strategy. As well, one larger stronger province would have more influence in national policy making and would better represent the region's common interests and its unique character than three competing small provinces.

A vital consideration in any strategy for our future "governance" is that it must both protect and enhance the cultural and linguistic characteristics of our Acadian population. And it must ensure that the unique lifestyle of our individual communities, such as we find, for example, in Cape Breton and, indeed, right here on Prince Edward Island, are encouraged to flourish and prosper.

That is why Maritimers must be involved in defining our future together. But that future must be an informed one based on informed debate. We have to study carefully all aspects of our future "governance," but at the end of the day it will be the people of the Maritimes, not the politicians or economists or lobbyists, who must decide what option will be in their best interest and in the best interest of future generations.

We are all in this together; the pressure is on. Our people must not be held hostage to a false vision of our future. We will not be doing ourselves a favour by avoiding the tough thinking that is required now. What form of governance best reflects the unique character of our region? What approach to governance would most Maritimers feel comfortable with? How do we achieve real self-sufficiency? How do we protect our values while increasing our prosperity that will result in our region becoming a stronger partner in our confederation? The future has overtaken us. We must urgently come to grips with the necessity of a distinctly different Maritime region in the Canada of the 21st century.

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TIM CARROLL

Rethinking Maritime Union: The Third Alternative

As Dr. John Crossley, Vice-President of the University of Prince Edward Island, outlined in his summary of the daytime discussions which focussed on the whether Maritime Union is a good idea for Prince Edward Island, the choices before us seem to be the status quo, Maritime Union and what I call the Third Alternative. We all seem to be in agreement that the status quo is not a viable alternative. I also reject the option of Maritime Union for many of the reasons mentioned earlier today. More importantly, I believe the Maritime Union choice indicates an unwillingness on our part to face a new bolder option — the Third Alternative.

I am compelled by the Milne/Bartmann presentation on the possibilities that may emerge from the study of other North Atlantic Islands, such as Iceland and the Isle of Man. I have been involved on the periphery of this work and had the great experience of visiting Iceland. I was truly impressed. I recall that when I arrived in Iceland I wanted immediately to discover what made up "the great plan." What combination of programs, policies, institutions and infrastructure came together to allow this sparsely populated island with limited resources to achieve such remarkable economic and social success? At first I was afraid that maybe Prince Edward Island would have to become a state independent from Canada to achieve the same results. This, thankfully, is not the case.

There is a lesson to be learned from both Iceland and the Isle of Man. I quickly concluded,

without any great depth of research, that the secret of their successes did not lie in any unique economic plan or institutions. Although differences do exist in these areas and lessons can be learned, I believe the bigger lesson lies within the minds and hearts of the people.

I discovered that there is an attitude and a belief among these island people that it is their destiny to survive as an economically self-reliant entity. They have the same challenges as the rest of us with globalization and increasing competition, yet there never seems to be a thought given to turning to someone else to solve the problem. This condition exists as a nation, as communities, and as individuals.

Closely associated with this attitude is some kind of anchor or common identity which ties the collective community together. In Iceland, this anchor would seem to be literacy. Iceland takes great pride in its high rate of literacy, which extends back into its early history. This perception of mine may or may not be true. The real issue is that in some way the Icelandic people have forged an identity which translates into economic success. I believe a similar situation exists in the Isle of Man. In both cases the path they have chosen is not the easy road. In both cases there was a price to pay. In their recent history, they have had to resist the temptation to "plug in" and pay the price of making it on their own.

I believe that on Prince Edward Island our anchor is the land. We are all aware of our history with the "Land Question" and how our courage and determination in facing that issue coincided with a period of prosperity prior to Confederation. It seems to me that our path to facing the future lies first in rediscovering ourselves as Islanders. If we can reconnect with our souls as a people, then we have taken the first step towards self-reliance. As my colleague, the Hon. Marion Reid, suggested, we have a spirit that brings us together and in the past we have demonstrated our ability to be self-reliant.

Therefore, I reject the option of Maritime Union. As was pointed out today, the promise of increased efficiency and greater power in Ottawa are hollow objects. They are old ideas based upon old notions of economic thinking. They represent the worst kind of incrementalism. Large corporations and governments are going through processes called reform, re-engineering and so on. Inevitably we seem to follow the same evolution. At first we downsize, delayer, centralize and amalgamate. At first, we enjoy some increased efficiency from this exercise but quickly discover that we are still not competitive and are doing things the same old way — only with new names on the boxes. Then quite often the next step is to remove the top executives. We have seen this in a number of major corporations. For the few that keep going, they finally realize that the old patterns and assumptions about business and management will not work. The company is faced with completely redefining itself in a new way.

I believe the same situation faces us on the Island. Maritime Union is an old idea based on old assumptions. Prince Edward Island is a province with all the powers and privileges of any province in Canada. Could it be that we have failed to use our powers over education, justice, direct taxation, etc., to our best possible advantage? Furthermore, within the context of renewed federalism, this challenge is before the federal government as well; we cannot create a condition of self-reliance on our own. Will the federal government be up to the challenge?

Will they, along with some of their most closely allied power structures in Upper Canada, be able to let go and allow us to create our own self-sustaining economy? The details could make up another debate.

I believe our best chance is to reconnect with our spirit as an Island people and use all our resources, including our powers as a province, to face the challenge of future.

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JOHN CROSSLEY, the Vice-President of the University of Prince Edward Island, is an executive member of IPAC and an Advisory Board member of the Institute of Island Studies. Dr Crossley has expertise in researching and teaching Canadian and PEI public policy, with special interests in aboriginal-government relations, Canadian government, and Public Administration.

BRIAN RUSSELL, Director of the North American Policy Group at Dalhousie University in Halifax, has served as an advisor to various national and subnational governments, agencies and industry associations including Canada, Mexico, Ontario, New York and California. He is the Director of the Canadian Council for the Americas and chair of the International Business Committee of the Metropolitan Halifax Chamber of Commerce.

BRIAN CROWLEY, the founding president of the Atlantic Institute for Market Studies (AIMS), is a member of the Board of Directors of the Canadian Council for Public-Private Partnerships. He has served as president of the Atlantic Provinces Economic Council (APEC) and as professor of politics, economics and philosophy at Dalhousie University. He has acted as advisor to several international, national and sub-national organizations and governments, including Nova Scotia, Manitoba, Quebec and the UN.

RALPH WINTER was a professor of Economics at Acadia University from 1966-1995 and was an author of the Maritime Union Report for the Maritime Union Study in 1970. Since then he has published other papers and reports on the subject. The latest was the 1993 book, Federal-Provincial Fiscal Relations and Maritime Union, which he co-edited with Donald Savoie, published by the Canadian Institute for Research on Regional Development, University of Moncton.

DAVID MILNE, Chair of the upcoming International Summer Institute on small island studies at UPEI, is also actively involved in a three-year research programme of the Institute of Island Studies on the islands of the North Atlantic. He is a Political Studies professor at UPEI and a widely-published author on Canadian constitutional issues. Dr. Milne has acted as advisor to national and subnational levels of government.

AUBREY CORMIER is founding director of the Centre provincial de formation pour adultes which, in collaboration with College de l'Acadie at the University de Moncton and Holland College, offers distance education to Island Acadians. He is director of La Société educative de l'I.-P.-E. and past director of the Société Saint-Thomas d'Aquin. M. Cormier has also had a career in journalism with La Voix Acadienne, and was instrumental in the promotion of Acadian culture through Tours Acadie.

KENZIE MACNEIL, editor and publisher of The Cape Bretoner, is a well-known writer and performer who gained national recognition in the early 70s, appearing frequently on national radio, television, film and stage. He created and produced The Rise and Follies of Cape Breton Island, the hit musical and comedy production.

ERIC ELLSWORTH, Chair of the PEI Chamber of Commerce and incoming Chair of the Atlantic Provinces Chamber of Commerce, is President of Island Control Limited, with export markets in the New England States, England and the Caribbean Islands. He is also Secretary-Treasurer and shareholder for PEI Trade Enterprises and a partner in the accounting firm. Rupert, Ellsworth Associates.

HENRY SREBRNIK, Political Studies professor at UPEI, received his doctorate from the University of Birmingham. He is a specialist in comparative politics and has published in Canada and abroad, both as a journalist and as a scholar.

HONOURABLE BRENDA ROBERTSON, a member of the Senate of Canada, served in the New Brunswick government as Chairman of the Treasury, Minister of Social Program Reform, Minister of Health and Minister of Social Services and Youth. She is Chair of the Senate Standing Committee on Standing Rules and Orders, and a member of the Senate Standing Committee on Fisheries.

HONOURABLE MARION REID, former Lieutenant Governor of Prince Edward Island, has served as both Deputy Speaker and Speaker of the Legislative Assembly. Prior to her days as a member of the Legislature, Marion Reid was a teacher and a school principal.

TIM CARROLL, a member of the PEI Legislature, is also an assistant professor at the School of Business Administration at UPEI and Casewriting Coordinator for the UPEI Business Institute. A former Minister of Agriculture in the PEI Government, Carroll has also served as a marketing consultant specializing in primary resource marketing and management.

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