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GSS - I take it you will show this in due course to Dave Ablett.

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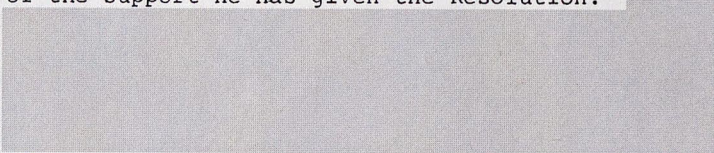
Over the weekend, I talked to several people who had been debriefed by their Premiers on what transpired at that meeting. The situation can be summarized as follows:

- The six Premiers believe that they have the federal government on the ropes. They sense that public opinion in their province is swinging behind their position and away from the federal government.
- They believe, however, that in order to maintain public support for their position, they must avoid appearing to be intransigent. Therefore they must agree on an amending formula. Moreover, in order to be able to affect the current debate in Parliament, they must reach this agreement within the next couple of weeks.
- On an urgent basis, they have asked their constitutional ministers and officials to try to answer all the detailed questions about the Vancouver Amending Formula which arose during last summer's negotiations but which were still unanswered at the end of the First Ministers' Conference (e.g. how does the Formula apply to institutional issues, such as the Supreme Court, for which opting-out does not make sense; what form of compensation will be paid to provinces who decide to opt-out of a program which is partially financed by the federal government, etc.). A number of these issues were raised in the letter which Tom Wells, the Minister of Intergovernmental Affairs in Ontario, sent Mr. Yurko and which was subsequently made public during the Joint Committee hearings.

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- There are mixed opinions among those I talked to about the probability of the six agreeing on an amending formula. Some believe that they will reach agreement. Others are not as confident, pointing out that Lévesque has great difficulty with parts of the Vancouver Formula and that, in addition, he may not want to appear to be flexible in order to maintain his hard line image on the eve of the Quebec provincial election.
- The general assessment is that Peckford, Lévesque, Lyon and Lougheed are absolutely adamant in their intention to wage an all out fight with the federal government. British Columbia and PEI are much less committed to all out war and would like to find some common ground for resolution of the problem or at least to find a way to enable them to move to a position closer to neutrality than they are at the present moment. British Columbia is taking this view because they think that Dave Barrett has scored very well politically in British Columbia by virtue of the support he has given the Resolution.

- While they think they are winning the battle of public opinion in Canada and the battle for support in Westminster, the six are concerned that both the Kershaw Report and the Manitoba Decision completely destroyed the myth that unanimity of the provinces was required before constitutional change can be made. The hard line four are particularly concerned that the federal government will find some way to get more provinces on side and hence isolate them completely.
- The hard line four are convinced that they will eventually win, unless we radically change our current position, because one of four things will stop us: we will lose in the courts, we will be defeated in London, public pressure will force us to back down, or we will lose the support of a large part of the NDP federal caucus. They believe that any of these four things will stop the measure in its tracks.

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- The biggest concern of the hard line four is that we will suddenly do something which will put them on the defensive and once again give us the upper hand as we had most of the summer. They are particularly concerned that we may agree to another federal-provincial First Ministers' Conference in order to clearly establish to the Canadian public and to Westminster the impossibility of agreement among the eleven governments and hence increase public support for unilateral action.

- Finally, the six Premiers are puzzled by the fact that both sides in this dispute believe with considerable conviction that they are winning the battle politically. The reason for this, of course, is that the federal government knows that there is strong public support for the substance of the measure and that the only opposition in the country is based on the process we are using. Moreover, we also believe that opposition to process can not be sustained once the process is over and the popular substance is in place. The Premiers, on the other hand, believe that like the pipeline debate, they can make the process a long standing and semi-permanent issue. Therefore in the months ahead, they believe that the Canadian public will abandon support for the substance because they find the process so offensive. They have concluded therefore that there is no possibility of a political compromise because both sides believe that they are winning politically.

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Michael J.L. Kirby