

RESTRICTED
FM OTTAWA
TO PRIORITY FCO
TELNO 329
OF 251535Z MAY 90
INFO ROUTINE MONTREAL, TORONTO, EDMONTON, VANCOUVER, WASHINGTON

ms Prime Minister
Mr. Mulroney's added Private Secretary
told me yesterday that Mulroney
was convinced he would get through
at the last moment.
CAF.

MY TELNOS 323 AND 324: CANADIAN POLITICAL SCENE AND MEECH LAKE ACCORD

1. AS THE DUST BEGINS TO SETTLE FOLLOWING THE RESIGNATION OF LUCIEN BOUCHARD, THERE ARE INDICATIONS THAT THE KEY PLAYERS MAY BE PREPARING FOR A FINAL EFFORT TO ACHIEVE COMPROMISE.
2. FOR THE MOMENT, THE PRIME MINISTER AND SENATOR MURRAY ARE STICKING TO THEIR LINE THAT THERE IS NO POINT IN CALLING A FIRST MINISTERS' MEETING AT PRESENT. AN INFORMAL DINNER FOR FIRST MINISTERS (ARRANGED BEFORE THE EVENTS OF THIS WEEK) TENTATIVELY PLANNED FOR 24 MAY HAS BEEN CANCELLED. BUT MULRONEY IS SEEING IN OTTAWA ALL OF THE PROVINCIAL PREMIERS IN A SERIES OF INDIVIDUAL MEETINGS DURING THE NEXT FEW DAYS TO SEE WHAT COMMON GROUND THERE MAY BE. THERE ARE REPORTS THAT THESE DISCUSSIONS MAY BE A PRELUDE TO THE PRIME MINISTER'S BRINGING ALL FIRST MINISTERS TOGETHER, POSSIBLY ON 31 MAY. CLEARLY MUCH WILL DEPEND ON THE OUTCOME OF THE VARIOUS BILATERAL CHATS. IN THE MEANTIME, PROVINCIAL PREMIERS ARE CONTINUING TO PRESS FOR AN EARLY MEETING. NEW BRUNSWICK'S FRANK MCKENNA HAS SAID THAT PANIC IS RISING IN THE COUNTRY AND A FIRST MINISTERS' CONFERENCE WAS REQUIRED SEMICOLON A SIMILAR CALL CAME FROM DAVID PETERSON OF ONTARIO AND DON GETTY OF ALBERTA, MEETING IN TORONTO. AFTER REPORTS OF DISCUSSIONS BETWEEN HIM AND GARY FILMON OF MANITOBA, PREMIER BOURASSA OF QUEBEC REITERATED HIS WILLINGNESS TO ATTEND A FIRST MINISTERS' CONFERENCE SEMICOLON BOURASSA STATED THAT THE CHAREST COMMITTEE REPORT CONTAINED SOME ELEMENTS WHICH DID NOT AFFECT QUEBEC, AND THAT QUEBEC WAS READY TO DISCUSS THOSE ELEMENTS WHICH COULD BE SEEN AS A SECOND ROUND OF CONSTITUTIONAL NEGOTIATIONS. BUT HE ADDED THAT QUEBEC WAS STILL UNWILLING TO DISCUSS AMENDMENTS TO THE MEECH LAKE ACCORD ITSELF. BOURASSA'S COMMENTS APPEAR DESIGNED TO LEAVE HIM AS MUCH ROOM FOR MANOEUVRE AS POSSIBLE DURING THE FINAL STAGES OF NEGOTIATION - WHICH MAY WELL CENTRE ON THE DISTINCT SOCIETY CLAUSE.
3. DURING HIS WHIRLWIND TOUR OF PROVINCIAL CAPITALS LAST WEEKEND, SENATOR MURRAY WAS CANVASSING PROPOSALS, BASED LARGELY ON THE CHAREST COMMITTEE'S REPORT, WHICH THE FEDERAL GOVERNMENT BELIEVED MIGHT FORM THE BASIS FOR A COMPROMISE. THESE WERE REASONABLY WELL RECEIVED BY

AT LEAST SOME OF THE MAJOR PLAYERS (INCLUDING LEADERS OF ALL THREE POLITICAL PARTIES IN MANITOBA). BUT THERE IS SPECULATION THAT IN THE LIGHT OF THE EVENTS OF THIS WEEK, MURRAY'S TEXT MAY NOW BE TOO DETAILED TO ENSURE ACCEPTANCE. AS BOUCHARD CLAIMED, THEY PROBABLY PAID TOO LITTLE ATTENTION TO QUEBEC'S CONCERNS TO STAND MUCH CHANCE OF ACCEPTANCE FROM THAT QUARTER. MURRAY AND THE PRIME MINISTER HAVE BEEN WORKING ON A MODIFIED, AND SUBSTANTIALLY BRIEFER, PROPOSAL, AND IT IS THIS THAT THE PRIME MINISTER WILL BE DISCUSSING IN HIS MEETINGS WITH FIRST MINISTERS. HE MAY JUDGE THAT AT LEAST SOME OF THE RECALCITRANT PREMIERS WILL HAVE BEEN SUFFICIENTLY SHAKEN BY THE BOUCHARD RESIGNATION TO BE WILLING TO MODERATE THEIR OWN POSITIONS. THEY MAY ALSO BE ENCOURAGED THAT BOURASSA'S OWN POSITION HAS NOT SIGNIFICANTLY HARDENED (AND BOURASSA HIMSELF RECEIVED WIDESPREAD SUPPORT ON 23 MAY FROM THOSE OF BOTH NATIONALIST AND FEDERALIST SYMPATHIES IN HIS PROVINCIAL LIBERAL CAUCUS).

4. IT THUS REMAINS TOO EARLY TO SAY QUITE WHAT EFFECT BOUCHARD'S RESIGNATION WILL HAVE ON THE PROSPECTS FOR MEECH LAKE. THE FUNDAMENTAL DIFFERENCES REMAIN, AND ARE NO EASIER TO RESOLVE TODAY THAN THEY WERE A FORTNIGHT OR EVEN A YEAR AGO. BUT THE MINDS OF THE MINISTERS (AND THE CANADIAN PUBLIC) ARE NOW VERY SHARPLY FOCUSED ON THE ISSUE, AND, PERHAPS NOT BEFORE TIME, ON THE POTENTIAL CONSEQUENCES OF FAILURE. BOUCHARD MAY HAVE SOUGHT TO UPSET THE BOARD, BUT THE END GAME CONTINUES.

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