

RESTRICTED
FM OTTAWA
TO PRIORITY FCO
TELNO 339
OF 282305Z MAY 90
INFO ROUTINE MONTREAL, TORONTO, EDMONTON, VANCOUVER, WASHINGTON

MY TELNO 329: PROSPECTS FOR CONSTITUTIONAL REFORM *mt*

1. PRIME MINISTER MULRONEY HAS SEEN THE PREMIERS OF ALL 10 PROVINCES INDIVIDUALLY SINCE 25 MAY. FROM COMMENTS MADE BY THE PREMIERS SINCE THESE MEETINGS IT LOOKS AS THOUGH THERE HAS BEEN SOME NARROWING OF DIFFERENCES, BUT THAT OBSTACLES TO A SOLUTION STILL REMAIN. NEWFOUNDLAND MAY REMAIN THE MOST INTRANSIGENT PROVINCE.

2. INTERESTINGLY, THERE HAVE BEEN INDICATIONS THAT THE THREE QUOTE HOLD OUT UNQUOTE PROVINCES OF NEW BRUNSWICK, NEWFOUNDLAND AND MANITOBA ARE ALL WILLING TO COMPROMISE OVER THE DISTINCT SOCIETY CLAUSE FOR QUEBEC AND OVER OTTAWA'S RIGHT TO PRESERVE AND PROMOTE LINGUISTIC DUALITY. AT PRESENT IT IS THE QUESTION OF SENATE REFORM - AND IN PARTICULAR QUEBEC'S RIGHT TO VETO - WHICH SEEMS TO BE THE STICKING POINT. AFTER HE HAD SEEN THE PRIME MINISTER ON 28 MAY QUEBEC PREMIER BOURASSA REMINDED REPORTERS THAT UNDER THE 1867 CONSTITUTION QUEBEC ALREADY HAD A VETO OF SORTS OVER THE ISSUE OF SENATE REFORM, AND SAID THAT HE DID NOT THINK IT UNREASONABLE THAT THE PROVINCE SHOULD RETAIN THIS. BUT HE STOPPED SHORT OF INSISTING.

3. IN THE HOUSE OF COMMONS ON 28 MAY FOREIGN MINISTER JOE CLARK (WHO WAS STANDING IN FOR MULRONEY DURING THE LATTER'S DISCUSSIONS WITH UN SECRETARY GENERAL PEREZ DE CUELLAR) SAID THAT THE EXCHANGE OF VIEWS HAD BEEN OF VALUE IN HELPING TO IDENTIFY AREAS WHERE THERE WAS A GROWING CONSENSUS, AND IN CLARIFYING THOSE ISSUES ON WHICH FURTHER WORK WAS REQUIRED. HE SAID THAT THE DISCUSSIONS HAD NOT REVEALED SUFFICIENT COMMON GROUND AT THIS STAGE TO WARRANT IMMEDIATELY CALLING A FIRST MINISTERS' CONFERENCE, AND THAT BILATERAL DISCUSSIONS WERE CONTINUING. MOST OBSERVERS NEVERTHELESS EXPECT MULRONEY TO CALL THE PREMIERS TOGETHER SOON SEMICOLON HE MAY BE DELAYING DOING SO IN THE EXPECTATION THAT THE LATER THEY MEET, THE MORE AMENABLE THEY MAY BE. EVEN IF MULRONEY FINALLY JUDGES THAT AGREEMENT IS OUT OF REACH, HE MAY THINK IT WISE TO CALL A MEETING TO DISCUSS HOW TO CONTAIN THE DAMAGE.

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