

History of the Liberal Party of Canada

The origin of Canadian political parties can be traced to the early days of the English and French colonies of Upper and Lower Canada. The American Revolution had seen the influx into Canada of a substantial number of United Empire Loyalists. Settling largely in what is now Ontario (Upper Canada) and in parts of Atlantic Canada, the majority of the Loyalists believed in the need for a governing class. This class was comprised of the chief families as well as business and professional elite in the colonies and formed a closely-knit group around the British Governor. Like their counterparts in England, those who followed this belief became known as Tories.

The ancestors of the modern Liberal Party contended that freeborn Englishmen did not lose any of their rights by crossing the Atlantic. They believed that the real objective of government in the colonies should be the welfare and advantage of the settlers themselves.

Following the War of 1812 there was increased demand for self-government in what was to become Canada. The American Revolution had established a definitive precedent for revolt that the colonists chose to reject in favour of a more gradual process of change.

The Reformers

Those who opposed the ruling class theory – The Reformers (Liberals) – were much less organized than the Tories who were already in power. In Lower Canada, the Reformers were led by Louis-Joseph Papineau, and in Upper Canada by William Lyon Mackenzie.

There had been considerable agitation for reform throughout the sparsely settled regions of Upper Canada. In Lower Canada, similar outcries for reform had led to the election of an Assembly dominated by Reformers led by Papineau. There was a steady correspondence among the Reformers in the various regions. Mackenzie and Papineau and their followers in Upper and Lower Canada were consciously working for the same ends in close alliance.

The Reformers were opposed to the special privileges of the ruling oligarchies in Upper and Lower Canada known respectively as the “Family Compact” and the “Château Clique”. The “Château Clique” was an elite who governed with disregard for and usually in opposition to the wishes of the majority. In Upper Canada, its equivalent, the “Family Compact” was equally tyrannical. The Reformers realized, however, that the only effective way to redress grievances and destroy special privileges was, as William Lyon Mackenzie put it in 1835, to establish “the British constitutional system, by which the head of the government is obliged to choose his councillors and principal officers from men possessing the confidence of the popular branch of the legislature”. The Reformers saw responsible government as the means to root out special privilege and give equal rights to all.

Frustration with the seeming impossibility of reform led the reformers to resort to arms in the Rebellion of 1837. Although the rebellion was small, and quickly failed, it demonstrated the reformers determination and the fact that the need for reform was great.

After the Act of Union

In 1838, the British dispatched Lord Durham as governor with authority to restore order, to

inquire into the causes of the rebellion, and to suggest measures for the future. The result of his mission was the presentation of the Durham Report, which is considered to be one of the greatest constitutional documents in British colonial history. His two major recommendations were the union of Upper and Lower Canada and the immediate grant of responsible government.

In 1841, the Act of Union combined Upper and Lower Canada and established a single legislative unit to be called Canada. The Act provided for a governor, a legislative council, appointed for life by the Crown (this was changed in 1856, by making the members submit to election for an eight-year term), and an elected legislative assembly of 84 members, each of the two former colonies being given 42 members.

The issue of responsible government, however, was not settled until the general election of January 1848. Robert Baldwin and Louis-Hippolyte Lafontaine, the leaders of the Canadian Reformers realized that responsible government would not become a reality unless they secured the support of a majority of the members of the legislature in both of the former colonies. In 1848, seven years after Upper and Lower Canada were formed into a legislative union, the voters went to the polls and elected a majority of Reformers. Lafontaine and Baldwin were entrusted with the task of forming the first cabinet. This dual French and English speaking leadership was symbolic not only of the union of Ontario and Quebec, but was to be a basic policy of the Liberal Party down through the years.

Responsible government implies well-organized parties because its efficient functioning depends upon a party being able to maintain a stable majority in a representative assembly. The Lafontaine-Baldwin coalition did not quite become a party in their day, and it disbanded quickly when they retired in 1851. Nevertheless, it is one of the great achievements in Canadian political history. It was the beginning of organized party government. The Lafontaine-Baldwin coalition was also the first example of what has become the most striking and distinctive feature of Canadian politics – the bicultural party which overcomes differences between French and English and brings them together inside one party to conduct a government on principles on which they can agree.

The Grits

In the years following the adoption of responsible government (1848), there occurred a gradual restructuring of the political parties. In 1854, a Liberal-Conservative coalition was formed in order to ensure a majority. This coalition gradually solidified into a party under the leadership of John A. Macdonald and Georges-Etienne Cartier.

In opposition to the Liberal-Conservative government of the 1850s, there emerged two groups: The Grits of Upper Canada, headed by George Brown, the powerful editor of *The Globe*, and the Rouges of Lower Canada.

They combined briefly but never quite coalesced into a real party before 1867. Taking in allies from the Maritime provinces after Confederation, they were to become the Reform or Liberal Party of Mackenzie, Blake and Laurier.

Confederation was brought about, as far as the province of Canada was concerned, by a coalition of the Macdonald-Cartier Conservatives with Brown's Grits. The Rouges group refused to join the movement. Before July 1, 1867, Brown had led most of his followers out of the

coalition. Macdonald formed the first federal government by constructing a cabinet out of his own Conservative allies whom he had found in the Maritimes and a few Upper Canada Grits. There were a few years of party confusion; but gradually a pattern of party alignments emerged and by the time of the second election in 1872, a straight party fight took place between a Conservative government and a Reform or Liberal Opposition.

The Liberals – Alexander Mackenzie

The Conservatives dominated the political scene from the time of Confederation until 1896, with the exception of the years 1873 to 1878.

In November 1873, Macdonald was forced to resign because of the Pacific Scandal and an election was called for the following year. In the election of 1874, the Liberals won 133 seats, the Conservatives 73. For the next four years, Canada had a Liberal government under Prime Minister Alexander Mackenzie. During these years, the Liberals carried out many reforms. Some of the more notable were the replacement of open voting by secret ballot, the confinement of elections to a single day, the creation of the Supreme Court of Canada, the establishment of the Office of the Auditor General, the first Department of Defence, and the establishment of Hansard, the public record of the House of Commons Debates. Despite these reforms, the Liberal Party under Mackenzie was unable to achieve a solid popular base of support in any province except Ontario, and in 1878, the government was badly defeated in the general election. The Conservatives won 137 seats, the Liberals 69.

Edward Blake

In 1880, Edward Blake, a great parliamentarian but a man whose leadership was not extremely successful, succeeded Alexander Mackenzie as leader of the Liberal Party. On the retirement of Blake, the Liberal members of Parliament elected Sir Wilfrid Laurier national leader of the Liberals. The choice of Laurier to succeed Blake was a clear demonstration that the Liberal Party accepted the equal partnership of the English and French in Canada. From the time of his election as leader, Laurier promoted national unity. Until his death in 1919, Laurier spent a total of almost 45 years in the House of Commons, 15 of them as Prime Minister of Canada.

The Laurier Years

Wilfrid Laurier has been called the architect of modern Liberalism. In Quebec City, in 1877 – 10 years before he became leader – he defined Liberalism:

“The principle of Liberalism resides in the essence of our nature itself, in this thirst for happiness we bring with us in life, which follows us everywhere, but which however, is never completely quenched this side of Heaven. We gravitate incessantly towards an ideal that we never reach. No sooner have we reached the point we are aiming at, that we discover new horizons whose existence we never even suspected. We dash towards them, and those new horizons, explored in their turn; we discover others to which we are carried away, on and on, further always. Thus will it be as long as man is what he is; as long as a soul immortal sits in a mortal body; his desires will always spread wider than his means, his actions will never reach the level of his conceptions.”

During the late 1880s, the Liberal Party made steady advances in the provinces, and in 1891, the Liberals held office in every province except British Columbia. Although they did not win the

federal election that year, winning 92 seats to the Conservatives' 123, they had made impressive gains. In 1893, Laurier called the first National Convention of the Liberal Party of Canada. Some 2,500 delegates from across Canada met in Ottawa. This was the first time that Liberals from all parts of the country joined together in working out policy. Evidence of the new Canadian national consciousness permeated the Convention and delegates returned home to build up a truly national political party pledged to reconcile provincial autonomy and national unity, to uphold civil and religious freedom, and to build a self-governing Canadian nation in which all the elements would be harmonized without losing their own distinctive character. The crisis resulting from the execution of Louis Riel in 1885 marked the beginning of the disintegration of Macdonald's regime. The old French-English bitterness flared up again. After Laurier's Liberals defeated the Conservatives in 1896 (the Liberals won 117 seats and the Conservatives won 89), they drew into their party many of the Bleus, the moderate Conservatives of Quebec. In this way, they received substantial support in Quebec, making the Liberal Party the party of French-English cooperation, just as Macdonald's Conservatives had been.

Laurier's Liberal government embarked upon an ambitious development policy based on immigration and railway building, particularly in Western Canada. The rapid expansion of Western agriculture, based largely on wheat, stimulated and largely created a national economy in Canada for the first time. The development of the West created an expanding market for Eastern industry. The growth of modern industry in turn brought new difficulties of industrial relations and social welfare. In 1900, the Liberal government established a Department of Labour to address issues created by the growth of large-scale urban industry. As a growing nation, Canada also established its first Department of External Affairs during the Laurier years.

Defeat by Robert Borden

The first period of Liberal reform continued until 1911. The combination of Laurier's Naval Bill, which Quebec Nationalists denounced, and his acceptance of the United States' offer of a limited measure of reciprocity in trade, which the Conservatives attacked, provided the basis for the Conservative-Nationalist alliance. After the general election in 1911, the Liberal Party once again found itself in Opposition; 132 Conservatives and 86 Liberals were elected.

Sir Robert Borden became Prime Minister and was in office when World War I broke out. Wilfrid Laurier's efforts to keep English and French working together were thwarted by a new cause of cleavage between the two groups: the question of Canada's relations with the Empire. Beginning with the Boer War in 1899, the two groups took opposite sides on the issue; and when the strain of World War I made itself felt, they divided in the bitter quarrel over conscription.

By 1917, the conscription question had become a crisis. Borden was convinced that conscription was necessary but did not believe a one-party government could apply it successfully. He invited Laurier to join in a coalition to impose conscription and when Laurier refused, he entered into negotiations with the leading English-speaking Liberals. One after another, they left Laurier and either joined the Union government or gave it their support. When the election came in December 1917, William Lyon Mackenzie King was almost the only English-speaking privy councillor that remained at Laurier's side and he went down to defeat. Not a single French-Canadian from the province of Quebec had been elected to support the Union government and Laurier had only a handful of followers from outside Quebec. Sixty-two of the 82 Liberal members were from Quebec and, of the rest; almost half were elected in

constituencies with a substantial French-speaking population.

In western Canada, woman activists began a long tradition of ensuring the Liberal Party was at the forefront of social progression in Canada, through their campaigns to win the vote for women. Manitoba became the first province to grant universal suffrage, in 1916 under Liberal Premier T. C. Norris, assisted in no small part by the dogged campaign of author and suffragette Nellie McClung, who, after moving to Alberta, would later be elected herself as a Liberal MLA in Edmonton.

William Lyon Mackenzie King

On February 16, 1919, Wilfrid Laurier died.

Six months later at the Liberal Party's second National Convention in Ottawa, William Lyon Mackenzie King was chosen leader. The Convention again adopted resolutions formulating a progressive new program for Canada designed to strengthen a country weakened by the prewar depression and shattered by the impact of war with its resulting inflation and economic dislocation.

The cooperation of the French-speaking Liberals at the Convention, and the choice of an English-speaking leader demonstrated that the French-speaking Liberals were resolved to restore the Liberal Party on the basis of linguistic harmony and national unity.

In 1921, the Liberals with King as their leader were returned to power but the face of the House of Commons was radically altered. The Liberals with 116 seats were one seat short of a majority, and over half of its members were from Quebec – all 65 seats in that province had returned Liberals. The Conservatives had only 50 seats; and 65 seats went to a western, agrarian movement - the Progressives.

In the next four years, King pursued policies such as support for the Canadian National Railway and its branch lines, and the restoration of the Crow's Nest Pass rates on grain that were highly acceptable to farmers. But on the issue of tariff reduction, he did not act quickly enough. As a result, in the 1925 general election, the Liberals and Progressives split the vote in the West and the Conservatives gained. The Conservatives won 116 seats, the Liberals 101 and the Progressives 24. However, the Progressives supported King and he was able to continue as Prime Minister.

In June 1926, Governor General Lord Byng refused to grant King dissolution of Parliament, despite the fact that his minority government had been defeated in the House of Commons. Byng asked Conservative leader Arthur Meighen to form the government, but he was unable to maintain support in the House. Another election was held in September 1926.

In the interval, an agreement was reached between many Liberal and Progressive candidates in Manitoba and Ontario whereby Liberal-Progressive candidates who pledged to support the Liberal government were nominated jointly. This alliance and the strength of Liberal organization in Saskatchewan resulted in the restoration of the Liberal Party to its position as a truly national party. The Liberals won 116 seats, the Conservatives 91, and King was able to govern with the support of the allied minor parties.

The King Years

The 1920s were a period of growth and development in Canada. Together with his Quebec lieutenant Ernest Lapointe, King strove to add a new dimension to the achievements of Liberalism. Recognizing the political and social needs of the new urban industrial society that had developed rapidly in Canada under the impetus of World War I, he persuaded the Liberal Party to endorse a progressive policy of social reform. King's government would ultimately implement major aspects of Canada's social safety net, including public pensions, and unemployment insurance.

King also became the first prime minister to name a woman to the Senate, when soon after the celebrated Persons Case that established women could indeed be members of the Senate, he named Cairine Wilson to the Upper Chamber. Senator Wilson would later become the first woman to head a senate standing committee when she became chair of the Senate Standing Committee on Immigration and Labour.

Defeat by Bennett, then Victory

After the boom years of 1927 and 1928, the impact of the Great Depression in 1929 shook all of Canada and left the Liberal government uncertain as to how to survive the social and economic upheaval. In the summer of 1930, the Conservative Party under the leadership of R.B. Bennett defeated the Liberal government. The Conservatives elected 137 members and the Liberals 88. The Tories, however, were not capable of remedying the economic disturbance and were blamed by the people for failing to stop the disastrous decline in the standard of living and for the loss of confidence and hope which marked the years 1930-35. In the election of 1935, King was returned to power with 171 members.

After 1935, King and his colleagues were faced with the threat of another world war and the possibility that Canadian unity might again be in jeopardy. Liberals were divided about the best means of avoiding the catastrophe of war, but were united in the desire to prevent it.

The Post-War Period

The war affected the organization as well as the thinking of the Liberal Party. After the election of March 1940, the party organization was dismantled until the summer of 1943, when victory in the war seemed assured. At this time, King concentrated activity on the preparation of a post-war program.

To crystallize thinking and to formulate a far-reaching program, King called upon the National Liberal Federation to arrange a meeting of its advisory council in 1943. This meeting considered and debated policies for Canada that Liberals felt would have to be adopted if the country were to continue to grow and prosper after the war.

King and his government accepted the recommendations of the council and in the Speech from the Throne opening the session of Parliament in January 1944, virtually the whole post-war program was set out in the government's legislative intentions. This included a new monetary policy, an extensive social security program, a generous and comprehensive re-establishment plan for the benefit of servicemen, the establishment of the Industrial Development Bank to provide credit for small business, and such measures as the National Housing Act and the Farm Improvement Loans Act. This was the program which, supported by the people of Canada, gave

King his sixth victory at the polls in 1945. The electorate voted in 125 Liberals and 67 Progressive Conservatives.

One more element essential to this Liberal victory in a society obsessed by memories of the Great Depression was a promise of full employment. This King was reluctant to give until he was assured that it was a politically and economically feasible objective in peacetime. He recognized that full employment necessitated the expansion of trade. Although a post-war slump had been widely anticipated, it did not materialize. It became evident that a shortage of manpower was more likely to develop than a surplus. In 1947, the Liberal government embarked upon an immigration program that contributed to the greatest increase in Canada's population in any decade in our history.

It was during King's administration that Canada took strong steps to more fully manifest the nation's independence from Great Britain including the adoption of the Canadian Citizenship Act. He championed the transformation of the British Empire into the Commonwealth of equal nations, freely associated but without centralized institutions. After prolonged resistance, this concept was finally accepted as the constitutional basis of the new British Commonwealth of Nations at the Imperial Conference of 1926. He also saw Canada become a founding member of the United Nations in 1945.

The St- Laurent Years

In January of 1948, King, in his 29th year as leader of the Liberal Party, announced his intention to retire from the party leadership. A call was issued for a National Convention to meet in Ottawa in August. Louis St-Laurent was chosen as his successor on the first ballot.

King had left to St-Laurent the strongest party organization ever known in Canada, which, despite the electoral losses of 1945, was in perfect running order. The Liberal government under St-Laurent was to accomplish much for Canada in the next nine years.

One of the first achievements of the St-Laurent government was the completion of Confederation through the Union of Newfoundland with Canada in 1949.

During this period Canada became the world's third largest trading nation and the Canadian government took part in the creation of the General Agreement on Tariffs and Trade (GATT).

Canada's social security program was improved. Among the changes were: old age pension legislation without a means test, old age assistance, allowances for the blind, extension of health grants, enactment of the Disabled Persons Act, and other measures.

Canada's legal system gained complete autonomy with the replacement of the Judicial Committee of The Privy Council in the United Kingdom by the Supreme Court of Canada as the final court of appeal for Canadian cases, including Constitutional cases.

In the field of international affairs, St-Laurent and Lester B. Pearson, his newly appointed Secretary of State for External Affairs, worked in close collaboration to secure national support for an active and constructive Canadian participation in world affairs. Canada's role at the United Nations, in the establishment of NATO, in the formation of the Colombo Plan, as a member of the International Advisory Commission in Indo-China, in the Korean conflict and other areas made Canada one of the world's most respected countries. At the time of the Suez

crisis, Pearson's leadership in establishing the United Nations Emergency Force earned him the Nobel Prize for Peace.

The St-Laurent era was also one of the greatest periods of growth in population, in national wealth, and in personal incomes in Canadian history. This tremendous economic development was facilitated by the encouragement of immigration to Canada of both labour and capital on a large scale. The Trans-Canada Highway was built under St-Laurent's administration as well as the St. Lawrence Seaway.

National development, however, was by no means confined to material progress. One of the most imaginative initiatives of this government was the appointment of the Royal Commission on the Arts, Letters and Sciences under the chairmanship of Vincent Massey. The Canada Council, which provides financial support for the arts in Canada, was established as a result of the commission's recommendations.

In the Wilderness

By 1957, the Liberals had been in office for 22 years. This fact, combined with their haste and apparent misjudgment during the pipeline debate led the majority of Canadian voters to support other parties.

The Conservatives had a new leader, John Diefenbaker, whose powerful oratory and political skill was focused on the government's age and its alleged arrogance.

An election was called for June 10, 1957. Though the Liberal Party had won 40% of the popular vote and the opposition 30%, only 105 Liberals faced 112 Conservatives in the new Parliament. 25 Co-operative Commonwealth Federation (CCF) members and 19 Social Credit members held the balance of power in the Conservative minority government. On June 21, 1957, John Diefenbaker became Canada's new Prime Minister.

The Pearson Years

In September 1957, St. Laurent announced his intention to resign from the leadership of the Liberal Party. At the National Convention in Ottawa in January 1958, Lester B. Pearson was chosen as his successor. The policies of the party were also carefully discussed and reaffirmed with a number of significant amendments. For the first time, an Atlantic trading community was adopted as a political objective of the Liberal Party. A vast program of national scholarships, supplemented by national funds, to provide loans for deserving students also became an immediate objective. In addition, the Liberal program included establishment of a municipal loan fund and an Atlantic provinces capital assistance fund, with special aid to the Atlantic provinces for the completion of the Trans-Canada Highway and for trunk highway development.

On February 1, 1958, with the new leader barely in position, Parliament was dissolved and the country was faced with a general election. The Liberals suffered one of the greatest defeats in their history – they won 49 seats, from only four of the provinces. The Conservatives won 208 seats, the largest majority in Canadian history. The Social Credit Party did not take one seat, while the CCF had elected only eight members.

The Climb Back to Power

Lester B. Pearson immediately committed himself to the dual task of providing an effective Opposition and to the rebuilding of the Liberal Party throughout Canada.

Under his leadership, the Liberals achieved three broad objectives. They established a new direction for the Liberal Party. They brought in a new team of competent people, such as Judy LaMarsh, who was elected to the House of Commons in a 1961 by-election, Maurice Sauvé, Guy Favreau, Walter Gordon, Mitchell Sharp, Charles M. Drury, Jean-Luc Pépin and John Turner to aid the party in the discussion and formulation of Liberal policy. And they provided responsible opposition in Parliament proposing constructive alternate courses of action.

The first of these objectives was most dramatically realized at the Kingston Liberal Conference of 1960, where a new forward-looking and challenging Liberal program, including vastly expanded welfare services, was worked out. Academics, politicians and leaders from all fields of Canadian life participated in the formulation of Liberal policy.

In the 1962 campaign, Pearson emphasized unemployment, mismanagement in Ottawa and loss of international prestige, but more than any other single issue, the question of nuclear weapons became very important. The roots of the issue went back to 1957 when NATO decided to stockpile American nuclear weapons for the use of its forces (including Canadian troops) in Europe. In 1958, the Diefenbaker government decided to abandon the projected construction of the Avro Arrow aircraft and to replace it with the Bomarc B missile which was to be equipped with a nuclear warhead. A crisis of indecision arose when the time came to furnish the warheads without which the Bomarc was nothing but an expensive blank cartridge.

Badly split over the nuclear armament question, the Conservatives emerged from the 1962 election with their power considerably reduced; dropping from 208 seats to 116 seats. The Liberal Opposition, winning 99 seats, doubled their strength. The Social Credit and the NDP greatly increased their support with 30 and 19 seats respectively. Only the imbalance in rural representation allowed John Diefenbaker to carry on his government in a minority position for a few more months.

In 1962, Lester B. Pearson decided that Canada's commitment to NATO must be honoured, and took a stand in favour of nuclear warheads when and if necessary.

After a campaign based on the promise "Sixty Days of Decision", the Liberal Party emerged victorious from the April 1963 election but did not win a majority. This was, in part, due to the unexpected rise in popularity of R  al Caouette's Cr  ditiste movement, which received considerable support in Quebec. The standings were: Liberals 129, Progressive Conservatives 95, NDP 17 and Social Credit 24.

When Pearson named his front bench, Judy LaMarsh became only the second woman in Canadian history to be named to cabinet when she was sworn in as Minister of National Health and Welfare as well as Minister of Amateur Sport. LaMarsh would later distinguish herself as a tenacious defender of Canada when Pearson chose her to be Secretary of State in 1965. (In 1984, the Liberal Party honoured this outstanding parliamentarian by establishing the Judy LaMarsh Fund, a highly successful initiative to help finance the campaigns of female Liberal candidates and increase representation by women in public life.)

Pearson realized on taking office that the survival of Confederation depended to a great extent on his success in reconciling the desires of the French and English Canadian communities. In the fall of 1963, the government set up the Royal Commission on Bilingualism and Biculturalism "to recommend what steps should be taken to develop the Canadian Confederation on the basis of an equal partnership between the two founding races." Upon the recommendation of the B and B Commission, the Liberal government began an extensive program to promote bilingualism in the civil service.

In order to counter growing dissension and to strengthen national unity, the Liberal government formulated the policy of co-operative federalism. This has been defined as cooperation between Ottawa and the provinces at three levels: pre-consultation in the formulation of federal policies, collaboration in the drafting of these policies, and coordination in their implementation. Co-operative federalism harmonized federal and provincial initiatives, particularly in the area of social welfare legislation and shared-cost programs.

Pearson's decision to give Canada a new flag was perhaps the most dramatic contribution he made to the country as Prime Minister. He was convinced of the need for a distinctive flag to assert Canadian identity. The long, difficult struggle over the flag issue immobilized Parliament for almost six months in 1964. However, on February 15, 1965, the red maple leaf on its red and white banner became the official flag of Canada.

The Search for a Majority

In September 1965, after two and a half years of minority government, Prime Minister Pearson dissolved Parliament and sought a majority mandate. The Conservatives claimed that the election was unnecessary, and the Canadian people, faced with the third election in four years, agreed. Although the Liberals were victorious in the November 8 election, and increased their standing from 129 to 131 seats, they were again denied a majority. The Tories won 97 seats, an increase of two seats over the previous election.

Disappointed but undeterred, the Pearson government rededicated itself to the tasks of unity and progress; and the party renewed its efforts to fashion a program and a philosophy that would merit the confidence of Canadians in all parts of the country.

It was in this spirit that the party held its national policy conference in October 1966. This was the first occasion a national party had held such a policy conference while in office. It established a complete legislative program endorsing principles as broad as accountability and universal accessibility to education.

Although the Pearson government was accused of inaction or of maintaining the status quo rather than moving forward, it implemented an impressive list of reforms. A strong basic structure of social security and welfare was established including the Old Age Security Act, the Canada Pension Plan, the Guaranteed Income Supplement, the Canada Assistance Plan, and the Medical Care Act. Other significant legislative measures provided the reorganization and unification of the Armed Forces, new manpower placement and retraining programs, and greatly increased financial aid to the provinces. The Pearson government also negotiated the landmark Auto Pact agreement with the United States.

In February 1968, the first Federal-Provincial Conference on the Constitution was held in Ottawa. Pierre Elliott Trudeau, then Minister of Justice, introduced a Bill of Rights, to be

entrenched in the British North America Act which, if accepted, would have precedence over statutes of the federal government and of the provincial legislatures. The Bill of Rights was of particular importance in that it would guarantee the protection of the language rights of French-speaking Canadians throughout Canada.

Pierre Elliott Trudeau

On December 14, 1967, Lester B. Pearson announced his intention to retire as leader of the party. A National Leadership Convention to be held in Ottawa was called for April 4, 5 and 6, 1968. The choice of Pierre Elliott Trudeau marked the dawning of a new era and a new style in Canadian politics. At the Convention, he expressed his definition of Liberalism as follows:

“Liberalism is the philosophy for our time, because it does not try to conserve every tradition of the past, because it does not apply to new problems the old doctrinaire solutions, because it is prepared to experiment and innovate and because it knows that the past is less important than the future.”

On April 23, 1968, Parliament was dissolved and a general election was called for June 25. In the ensuing campaign, Trudeau's vision of Canada and of the “Just Society” spread contagiously across the country. The combination of Trudeau's image as a man of reason and his unprecedented charismatic effect on people swept the Liberal Party back to power with 155 seats. His concern for social justice and his intellectual capacity captured the imagination and admiration of the entire country. In this first general election for new Tory leader Robert Stanfield (elected leader at the Progressive Conservative Leadership Convention in September 1967), the Conservatives won 72 seats. The NDP won 22 seats while the Cr ditistes took 14 seats.

The Trudeau Years

Immediately after the election, Prime Minister Trudeau set about the implementation of the “Just Society”. For the first time, the sophisticated techniques of modern management became evident in government planning. New priorities were established and old programs reviewed. A massive reorganization of government created new departments to respond to the problems of the 1970s: Environment, Urban Affairs, Science and Technology, and Communications.

At the same time, the Liberal Party underwent considerable reorganization. The party completed the most elaborate policy process in Canadian history, beginning with a “thinkers” conference at Harrison Hot Springs in British Columbia in 1969, and culminating in a major policy Convention in Ottawa in November 1970. The Convention brought together interested people from across the country and made possible a wide-ranging exchange of views between decision makers in government and party workers and supporters in the constituencies. Some 2,000 delegates were involved in mapping out the Liberal Party's goals for the 1970s.

The outstanding characteristic of Prime Minister Trudeau's first term in office was change and innovation. Many of these changes involved governmental and parliamentary processes in an attempt to make them speedier, more methodical, and less vulnerable to unexpected pressures or events.

Many other of the Prime Minister's policies were also highly visible. Among these were measures taken to strengthen national unity, which concerned Mr. Trudeau deeply. Parliament

approved an Official Languages Act, a policy of Multiculturalism was developed, and the Department of Regional Economic Expansion was established to lead the fight against regional disparities within the country. In the pursuit of greater social justice in Canada, important advancements were made for native peoples, for women, for those with low and fixed incomes, and in the area of law reform.

In world affairs, the recognition of the People's Republic of China, the improvement in relations with the USSR, Mr. Trudeau's instrumental role at the 1971 Commonwealth Conference in preventing the breakup of that important body, and the extension of jurisdiction over the Arctic to control pollution, illustrated the government's desire that Canada play an active international role as a mid-sized power.

Strong leadership and swift action in meeting two major crises also highlighted the term: the FLQ threat in October 1970 and the negative impact of the United States' economic policies in the late fall of 1971.

In the general election of October 30, 1972, Canadians elected their fifth minority government since 1957: Liberals 109, Progressive Conservatives 107, NDP 31 and Social Credit 15. Mr. Trudeau and his colleagues prepared to meet Parliament to seek the confidence of the House of Commons. On January 4, 1973, in the Speech from the Throne opening the 29th Parliament, the government outlined major initiatives in the areas of economic and social policy.

One important initiative undertaken by the Prime Minister during the 29th Parliament was the calling of the Western Economic Opportunities Conference in July 1973 at Calgary. This conference was the first time a Prime Minister and Premiers from a specific region had met to focus on problems of that region. It resulted in federal government commitments on transportation, resource development, prairie agriculture, and others, which were of great benefit to the western economy.

In August, Canada was host to the 1973 Commonwealth Heads of Government Meeting. All Commonwealth countries were represented and Mr. Trudeau was warmly praised for the positive tone and constructive approach of the meeting, which once again demonstrated the vitality and flexibility of the Commonwealth.

The Liberal Party's National Convention held September 14, 15 and 16, 1973, in Ottawa, continued the policy process begun at the November 1970 Convention. This Convention covered a wide range of topics: industrial and resource development, Canadian identity, agricultural economy and rural life, transportation, work and social policy, and fisheries and marine resources. Approximately 2,500 delegates participated in the Convention, and 125 resolutions were adopted.

The Prime Minister's historic visit to China in October 1973 established a new level of understanding between the two nations and led to the later acceptance of China as a member of the United Nations by other Western countries.

The Second Trudeau Majority

In the House of Commons on May 8, 1974, the combined opposition of the Progressive Conservative and the New Democratic parties defeated the minority Liberal government, on an NDP motion of non-confidence in the budget that had been presented two days earlier. A

general election was called for July 8. Mr. Trudeau conducted a vigorous election campaign throughout the country and was returned at the head of a majority Liberal government with 141 seats. Robert Stanfield's Progressive Conservatives won 95 seats, the NDP 16 and the Social Credit 11 seats.

The 30th Parliament began sitting on September 30, 1974. The first two years were dominated by the battle against inflation, which was running high in all countries in the world. Of the several actions taken, establishment of prices and incomes guidelines in October 1975, administered by a newly created Anti-Inflation Board, was the most visible and far reaching. The success of the program could be seen in the drop of the annual rate of inflation from 12 percent in December 1974 to 6.5 percent in mid-1976. Phase-out of the controls program began in April 1978.

Other moves against inflation were taken, especially to increase the supply of goods and services. Prime Minister Trudeau and his government set out to help protect those particularly hard hit by inflation, and this involved wider participation in the Canada Pension Plan, introduction of the spouse's allowance under the Old Age Security Act, increased and extended benefits to veterans and their families, and the new Registered Retirement Savings Plan.

The Liberal government also undertook measures to ease the unemployment situation in Canada. These included the Canada Works scheme, the Young Canada Works Program, and the Employment Tax Credit Program.

A new Human Rights Act afforded Canadians greater protection against discrimination. Under this legislation, a Human Rights Commission was established and a Privacy Commissioner appointed to perform an ombudsman-type role with wide powers of investigation.

The government also presented a peace and security program in two Bills: one to abolish capital punishment and an omnibus bill directed at crime prevention, both of which were passed.

A new Immigration Act – the first revision since 1952 – eliminated discrimination and promoted national economic, social and cultural goals.

A significant development in the participation of the public in government took place in the 30th Parliament: the televising of all the proceedings of the House of Commons. A first in the world, the Canadian experiment has been highly successful in increasing awareness of and interest in the public affairs of the country.

During this period, energy supply and prices became a concern of all Canadians. In 1975, the Trudeau government created Canada's national oil company, Petro Canada, to give each and every Canadian a stake in their energy future. Energy conservation was given a high priority with the introduction of such measures as the Canadian Home Insulation Program. The Trudeau government was also responsible for legislation creating the Northern Pipeline Agency, and the groundwork was laid for a massive gas pipeline.

Internationally, Canada played a particularly effective role in working to bring about economic stability, both at the Conference on International Economic Cooperation and at economic summit conferences.

During the Seventies, Canada along with most countries in the world had to face serious economic problems. The escalating costs for energy, the massive shift of financial resources to

the oil-producing countries, the instability and wild fluctuation of currencies, the emergence of newly industrialized countries in the Third World, the changes in the pattern of population growth and structure of the work force, all contributed to unstable global economic conditions. These conditions were generally characterized by spiraling inflation, coupled with economic stagnation and high unemployment.

In July 1978, Mr. Trudeau met with other Western leaders at the Bonn Summit in West Germany to work out solutions to mutual economic problems.

To meet the commitments made at Bonn and to answer Canada's immediate problems, the Liberal government introduced an eight-point program designed to get Canada's economy growing, and to deal with high unemployment and inflation. Three important measures were: a \$20 a month per household increase in the old age pension supplement, a \$200 child tax credit, and increased resources for industrial development.

In November 1976, the province of Quebec elected its first separatist government. The Prime Minister established a Task Force on Canadian Unity to hear Canadian's views, to encourage public efforts to foster unity, and to advise the government on national unity issues. In September 1977, Mr. Trudeau created a new Ministry of Federal-Provincial Relations. In November and December 1977, he traveled across Canada to discuss national unity and constitutional change with all the provincial premiers.

The Speech from the Throne on October 11, 1978 reflected the government's two main concerns: strengthening of the economy and renewal of the Canadian federation.

Major Policy Meetings

During this period, the Liberal Party organized three national meetings. In November 1975, the party held its tenth National Convention. Delegates from across the country met in Ottawa to discuss policies and issues of importance to the future of the party and to the future of Canada. The emphasis was on individual participation under the theme "The Canada that I want to build". During five major sessions and 10 workshops, the delegates participated in discussions related to four main themes; political action, Canada and other countries, growth, and the individual in society.

On March 24-27, 1977, the Liberal Party organized a policy workshop in Toronto. Over 500 Liberals attended. The workshop provided an open forum for people from all parts of Canada to debate and discuss the issues facing Canada in the future. The participants then returned to their ridings for further meetings and regional interchanges, aided by discussion papers on the four main theme areas planned for the next Biennial Convention – strategies for the economy, social programs, rights and freedoms, and unity.

The Liberal Party held its National Convention in Ottawa on February 24 - 26, 1978, with over 3,500 participants in attendance. The delegates received a record number of resolutions for discussion and approval. These resolutions covered the major issues of vital interest to all Canadians, but with the economy and unity dominating.

Canadians Face Two Elections

In March 1979, Parliament was dissolved and an election was called for May 22, 1979.

Redistribution had increased the number of seats in the House of Commons to 282. After 16 years of Liberal government, Canadians elected a minority Progressive Conservative government. The Conservatives had a new leader – Joe Clark, chosen at his party's National Convention in February 1976 – and 136 members. The Liberals elected 114 members, the NDP 26 and the Social Credit 6.

In the months that followed, Liberals moved to strengthen the party across the country and to carry out their role as an effective and strong Opposition in the House of Commons. The government of Joe Clark survived less than one year. On December 13, 1979, it was defeated in a vote of non-confidence. Just two days earlier, the Tories had brought down a budget that was unacceptable to Liberals. The combined opposition of the Liberal and New Democratic parties ended nine months of Tory government. An election was set for February 18, 1980.

On November 21, 1979, just weeks before the defeat of the Tory government, Pierre Trudeau had announced that he was stepping down as leader of the Liberal Party and had asked the party to call a Leadership Convention. With the announced election, the National Liberal Caucus and the Liberal Party appealed to him to continue as leader. Mr. Trudeau accepted the draft to continue as leader.

The Tories' broken promises, their image of bad government, and their budget, all combined to defeat them. On February 18, 1980, Canadians elected a majority Liberal government – the third for Pierre Trudeau since 1968 – 146 seats out of 281 (A deferred election gave the Liberals another seat, for a total of 147). The Tories held 103 seats and the New Democratic Party 32. With a strong and energetic cabinet and revitalized caucus, Mr. Trudeau prepared to lead Canada into the 1980s.

Soon after winning the 1980 election, Liberal Party members gathered once again in National Convention. The first to be held outside of Ottawa, the Convention took place in Winnipeg, July 4 - 6, 1980. A Discussion Paper, which attempted to set out in one document a statement of Liberal Party history, purposes and policy principles, was presented to the delegates for debate. Resolutions were limited to each provincial and territorial association presenting three resolutions considered to be of top priority for that province, with the Women and Youth Commissions presenting one resolution each. The Discussion Paper, with amendments by the Convention, was referred to the Policy Committee for study and reporting to the next Convention which was held November 5 - 7, 1982 in Ottawa.

A new Policy Committee had convened a conference of 100 Liberals in June 1981 (called the Carleton Conference), to identify the major themes for the Convention. A total of 73 resolutions were passed at the Convention covering economic development; resource development; expansion of employment; social policy reforms; parliamentary electoral and government reforms; and party reform.

In response to a question put by the Policy Committee, the 1982 Convention also decided that the 1980 Discussion Paper should not be the single document stating Liberal principles and policies, and that the resolutions process should continue as the primary basis of policy formulation in the party.

Repatriation of the Constitution and the Charter of Rights

On April 14, 1980, Pierre Elliott Trudeau returned to the House of Commons as Prime Minister.

The first session of the 32nd Parliament lasted until November 30, 1983; a record 588 days – the longest and most productive session in Canadian parliamentary history. More than 200 pieces of legislation were introduced and over 150 of these were proclaimed into law. Many major initiatives were launched by the Liberal government and in the words of the Speech from the Throne closing the first session, “four in particular have transformed Canada”.

Following the rejection of sovereignty-association by Quebecers in a referendum, the federal Liberal government initiated the process of federal renewal through patriation of the Canadian Constitution with an amending formula. Due largely to the efforts of Prime Minister Trudeau, over many years, Canada became a fully independent nation in April 1982.

Most significantly, Trudeau finally realized his dream of entrenching the most basic and fundamental rights of Canadians in the Constitution ensuring that the guarantees afforded by the Charter of Rights and Freedoms would take precedence even over the statutes of the federal and provincial legislatures.

During the early 1980s, Canada was caught in the grips of a severe global economic recession. The Liberal government responded with the introduction of the 6 & 5 program to protect Canadians as much as possible from international recession and domestic inflation. This program, limiting incomes and prices to six percent and five percent over two years, was reinforced by widespread voluntary adoption by the private sector and the provinces.

To further fight the effects of inflation on Canadians, the government-assisted homeowners with grants of up to \$3,000. Special measures were enacted to assist farmers, fishermen and small businesses. The childcare expense deduction was doubled to \$2,000 per child. And training and employment programs for Canada's young unemployed were launched.

Another major highlight of the parliamentary session was the passage, in late 1983, of the Western Grain Transportation Act, replacing the outdated Crow's Nest Pass freight rate with a more equitable system. The development of a more modern and efficient rail system in Western Canada resulted in stimulating billions of dollars in direct investment by the railways and creating thousands of new jobs.

The Liberal government proved to be innovative on several other fronts. The first woman Speaker of the House of Commons (Jeanne Sauv ) and first woman justice on the Supreme Court of Canada (Bertha Wilson) were appointed. O Canada became Canada's official national anthem. The government also took steps to strengthen the medicare system in this country with adoption of the Canada Health Act.

Canada's foreign policy took on special importance when Prime Minister Trudeau outlined a bold plan to ease East-West tensions through political rather than military initiatives. Mr. Trudeau met with many world leaders to seek support for his peace initiative for arms control and disarmament. The Prime Minister's efforts focused world attention on renewing dialogue on these issues – a major victory for Mr. Trudeau and for Canada, which won him the Albert Einstein Peace Award.

In his final year in office, Trudeau named Canada's first female Governor General when House of Commons Speaker Jeanne Sauv  was selected to take on the vice-regal role.

The Turner Years

After serving as Liberal Party leader for over 15 years, Pierre Elliott Trudeau announced his intention to retire on February 29, 1984. A National Leadership Convention was called for June 14, 15 and 16, 1984. More than 3,400 delegates gathered in Ottawa; and on the second ballot on June 16, John Napier Turner was elected leader of the Liberal Party. Two weeks later, on June 30, he was sworn in as Canada's Prime Minister.

The 1984 Election

On July 9, Parliament was dissolved and Canadians went to the polls on September 4, 1984. The Canadian voter had a choice of two new leaders: Prime Minister John Turner and Brian Mulroney, whom the Progressive Conservative Party had chosen at its Leadership Convention in June 1983. As well, the Liberal Party had held continuous power since 1963 – over 21 years – except for the short-lived Conservative government of Joe Clark in 1979. As the campaign wore on, it became apparent that the Liberals were facing an electorate which clearly desired a change of direction.

On September 4, 1984, Canadians elected a majority Progressive Conservative government. In the new Parliament were 211 Conservatives, 40 Liberals, 30 New Democrats and 1 Independent. Although the election results were devastating to Liberals, the Leader, the National Federal Caucus and Party members across the country quickly took up the challenge and opportunity to renew and modernize the party. The 1982 National Convention resolution 40 on party reform had resulted in the establishment of the President's Committee on Reform of the Liberal Party, with a mandate to consult party members broadly and to recommend wide-reaching reforms on the structure, organization and practices of the party. This democratic reform process had been interrupted with the Leadership Convention and election during 1984, but was taken up with vigor again in 1985. As John Turner had said at the Leadership Convention: "For Liberals across Canada, it is the beginning of an era of reform and renewal."

An Effective Opposition

With only ten more seats than the New Democratic Party in the House of Commons, there were dire predictions from 'pundits' and observers that this was the last chapter of the long history of the Liberal Party in Canada. John Turner and his Caucus colleagues set out to prove them wrong.

Liberals had not faced an extended period in Opposition since the Diefenbaker sweep of 1958. Traditional opposition skills had to be relearned and new strategies created in order to respond as the official Opposition to the right-wing agenda of the Mulroney government. The first major confrontation with the government came over their proposal to de-index old age pensions. Liberals led the fight against this challenge to the principle of universality of Canada's social programs; programs successive Liberal governments had put in place. Strong opposition in the House of Commons, and in the country at large, forced the government to back down in 1985. The Liberal Caucus held the government to account on a wide range of issues, including a series of scandals that saw the resignations of several Cabinet Ministers.

After repeated promises not to raise taxes, the government increased the tax load on low and middle income Canadians and decreased it for the wealthy and large corporations, eventually bringing in the 7% Goods and Services Tax which took effect in January 1991. The government

also reduced support for social programs and regional development funding, withdrawing completely the federal contribution to the Unemployment Insurance Program, bringing in the “clawback” on old age pensions, refusing to honour promises on child care and worker retraining, among others.

Liberals in the House of Commons and in the Senate opposed these regressive policies vigorously. Liberals across Canada helped sustain and encourage the Parliamentary opposition with well-considered and compelling debate and discussion at several policy Conventions.

Party Renewal and Rebuilding

In November of 1985, under the guidance of party president Iona Campagnolo, Liberals gathered at the Reform Conference in Halifax. They proposed a number of changes to the Liberal Party Constitution designed to update and modernize the party, and encourage more active participation by women, young people, aboriginal Canadians as well as a representation that better reflected the multicultural nature of the country. Many of these and other proposals were brought to the 1986 Policy Convention in Ottawa and were endorsed by delegates from across Canada. Included among them was the adoption in principle of a resolution supporting the creation of an Aboriginal Peoples' Commission. The Convention also responded to the automatic Leadership review question by giving John Turner a strong vote of support.

After the 1986 Convention, the Leader called for a series of Canada Conferences to bring together Liberals and experts in various fields. Over 450 people participated in the three conferences held in late 1987 and early 1988. The conference themes were: Building the Canadian Economy: the agenda for the 1990s; Building the Canadian Society: family and social values for a maturing nation; and Building the Canadian Nation: sovereignty and foreign policy in the 1990s.

These discussions, the 1985 and 1986 Convention resolutions, a 1988 conference on aboriginal and human rights issues and other meetings and discussions among Liberals led to the production of the 40 point platform for the 1988 election.

The Canada-U.S. Trade Deal

The focus of the 1988 election, however, was the Conservative government's trade deal with the United States, which was actively opposed by the majority of Liberals. John Turner asked Liberal Senators to delay passage of the deal until the people of Canada had the chance to vote on this complex new arrangement. Among the problems with the deal pointed out by Liberals was the gradual reduction of Canadian sovereignty and control over our own economic and social policies, the negative impact of the deal on farmers, fishermen and several other groups, the inadequacy of support programs for those adversely affected and a number of other concerns including the agreement of the government to lengthy negotiations with the Americans over the definition of “subsidies”.

Constitutional Change

In 1987, the federal government and the ten provincial governments signed the Meech Lake Accord to amend the Constitution. Following debate and discussion within the party, and the presentation of Liberal amendments, the majority of Caucus Members supported the initiative to bring Quebec back to the negotiating table. The deal was later to fall through, not receiving

unanimous provincial support following the three-year confirmation period. Both the rigidity of the process and the unwillingness of the Mulroney government to consider any changes were cited as the major reasons for its demise.

Campaign 1988

Although the dominant issue of the campaign was the trade deal, the Liberal Party's 40-point platform also included commitments to fair taxation, child care, housing, the environment, and a number of other progressive measures. John Turner's spirited performance during the campaign, particularly in the debates with the other two party leaders, won the praise and admiration of Canadians. The election results were disappointing for Liberals, however the disappointment was alleviated somewhat by the fact that Liberal representation in the House of Commons doubled, the NDP had not made substantial gains, and the government's majority was reduced. The final result was Liberals 83, Conservatives 169 and NDP 43.

1990 Calgary Leadership Convention

In May 1989, John Turner announced that he was stepping down as leader of the party. A Leadership Convention was called for June of 1990. The Honourable Herb Gray was named Leader of the Opposition in the House of Commons in February 1990, and served in that role until December. At the end of June 1990, nearly 5,000 delegates converged on Calgary to elect a new leader, electing the Honourable Jean Chrétien on the first ballot.

In December 1990, Jean Chrétien was elected in a by-election in Beauséjour, New Brunswick, and joined his Caucus colleagues in the House of Commons. He was sworn in as Leader of the Opposition on December 20, 1990. He quickly took steps to speak out for national unity on behalf of the Liberal Party of Canada.

The Liberal Party's Reform Commission

A mandate to study and bring forward proposed amendments to the party's Constitution was given to the Reform Commission by the 1990 Liberal Leadership Convention in Calgary. The Reform Commission was specifically asked to make recommendations on the method of universal suffrage to be employed in the election of the next Liberal leader, the establishment of a permanent electoral commission, party finances, the structure of the party, its membership and any other proposals that would enhance democracy, accessibility, accountability and equity within the party. Recommendations in the Commission's final report entitled "Road Map to Reform" were used as the draft constitutional amendments document at the 1992 Constitutional Convention.

Aylmer Conference

Shortly after being elected, Mr. Chrétien asked the Liberal Party of Canada to convene a conference to discuss and debate Canada's future and place in a world that was changing dramatically, structurally as well as internationally. The objective was to bring together experts from Canada and abroad to discuss the implications of this globalization and government's role in the economy, the environment, health care, and science and technology.

Held in November 1991, the conference was a resounding success. It brought together 200 participants from industry, the volunteer sector, interest groups and learning institutions to

discuss major issues facing the nation. The Aylmer Conference marked the revival of a Liberal Party tradition of “ideas conferences” established by the Port Hope Conference of 1933 and the Kingston Conference of 1960. It also marked a key step in the Liberal Party pre-election plan

1993 Election: Victory for Prime Minister Jean Chrétien

In February 1992, the Liberal Party Biennial Convention, brought together thousands of Liberals from across Canada and passed a series of resolutions setting out objectives for a new Liberal government. Throughout 1992 and the first half of 1993, the Liberal Party’s Platform Committee, co-chaired by Paul Martin and Liberal policy director Chaviva Hosek, built on the work of 1990 and 1991 and traveled across Canada, meeting and listening to thousands of Canadians. This consultation resulted in the formulation of “Creating Opportunity: The Liberal Plan for Canada”. Released during the election campaign, the Red Book, as it became known, was based on an integrated and coherent approach to economic, social, environmental and foreign policy.

On October 25, 1993, the Liberal Party of Canada won 177 seats and was the only political party to elect Members of Parliament in every province. Jean Chrétien was sworn in as Canada’s 20th Prime Minister on November 4, 1993.

At the party’s 1996 Biennial Convention, Prime Minister Chrétien released “A Record of Achievement”, a detailed 120-page account of how the government kept 78% of its Red Book commitments, only three years into its first mandate. These achievements included broad, big-picture commitments, such as getting Canada’s fiscal house in order and creating a climate for job creation, as well as very specific commitments, such as restoring funding for literacy programs or the creation of a prenatal nutrition program.

Child Tax Benefit

At the same time that it worked to restructure government and eliminate the \$42 billion deficit left by the Conservatives, the Liberal government began a major focus on ensuring every child in Canada was given a productive start, primarily through a series of progressively larger investments to the Child Tax Benefit, one of the most significant social programs ever developed for Canada’s children and their families.

Election 1997: Liberals Win 155 Seats, Second Straight Majority

On June 2nd, the Chrétien government won its second straight majority, the first time a Liberal prime minister had achieved this since Louis St-Laurent won back-to-back victories in 1953. With Members of Parliament elected in every region of the country, the Liberal Party of Canada was still the only party that could demonstrate its ability to be representative of a wide variety of regional opinion in Canada.

In the 1997 election, a record number of women candidates ran for Parliament. Prime Minister Chrétien had announced that the Liberal Party of Canada would have at least 75 women candidates. By the time nominations closed, 84 women had been named to carry the Liberal banner, and 37 were successful in their bid to become a Member of Parliament.

With the results of the election producing five official parties in the House of Commons, the 36th Parliament was again an interesting mix of diversity and regional faultlines.

1998: A Balanced Budget and a New Era of Opportunity

On February 24, 1998, Finance Minister Paul Martin presented a historic budget: for the first time in 50 years, the budget would be balanced. The government gave credit for this great accomplishment to the citizens of Canada, who made some sacrifices and who accepted the re-engineering of their federal government in the tough budgets of 1995 and 1996.

With a first surplus budget, the government started to gradually pay down the national debt and began investing, gradually, and within its means, in incremental programs with moderate and fixed projections.

Investments were made in a National AIDS Strategy, an aboriginal healing fund, and an increased base level for cash transfers to the provinces for health and other programs.

Clarity Act

In the 1995 Quebec referendum, a majority of Quebecers voted down a convoluted referendum question by a razor-thin margin. In response to this the Government of Canada passed the Clarity Act in March 2000 which established that a clear question be used in any vote by a province concerning secession from Canada.

2000 Budget Update: Largest Tax Cuts in Canadian History

Having eliminated the deficit, Finance Minister Martin presented an Economic Statement and Budget Update in October 2000 which paid \$10 billion toward the debt, reinvested in the priorities of Canadians and created the largest tax cut in Canadian history.

Personal income tax rates were lowered for all Canadians by an average of 21%. The total tax measures contained in the update and the 2000 Budget resulted in \$100-Billion in tax relief to Canadian citizens and corporations.

Investments also included \$21.1 billion in additional health care funding, \$2.2 billion to the provinces for children's programs and \$1.2 billion towards a cleaner environment.

Election 2000 - A Third Consecutive Majority

Prime Minister Jean Chrétien called a general election for November 27, 2000. The campaign highlighted the stark differences in philosophy between the governing Liberal party and the Opposition Canadian Alliance under leader Stockwell Day. The people of Canada made a clear choice and elected the Liberal Party of Canada with a third consecutive majority mandate. The party increased its majority by 17 seats over the 1997 election and its percentage of the popular vote (40.8% vs. 38%) and for the first time since 1980, the Liberal Party won a plurality of the votes in Quebec (44% to 39.9% for the BQ).

Building on the achievements of the last two Liberal mandates, the government focused efforts on ensuring that all Canadians benefited from the strength of the Canadian economy. Canada was ready to meet the challenges of the global knowledge-based economy with record low rates of unemployment, strong growth, and a skilled workforce. This included the establishment of the *Canada Millennium Scholarship Foundation*.

Investing in Health Care

On April 4, 2001, Prime Minister Jean Chrétien announced the Commission on the Future of Health Care in Canada, under the direction of Roy Romanow, the former Premier of Saskatchewan. The Commission was given a mandate to engage Canadians in a national dialogue on the future of health care and to make recommendations to preserve the long-term sustainability of Canada's universally accessible, publicly funded health care system.

The First Ministers Accord, signed in February 2003, established shorter waiting lists, more home care, more primary care and greater accountability to Canadians as priorities. The 2003 budget confirmed an increase of \$34.8 billion in health care funding over five years.

Building for the Future

The Chrétien government created the Canadian Infrastructure Works Program and the Canada Strategic Infrastructure Fund to invest in Canada's communities and core infrastructure.

The government also worked on an "innovation agenda" across all government departments and launched a ten year innovation program in February 2002 with the goal of creating the most skilled and talented labour market force anywhere through better early childhood programs, continuing education programs, employment insurance improvement programs and collaboration with the private and academic sectors to maximize the impact of new Canadian ideas.

The government increased the focus of its investments, especially directing investment to children and disadvantaged groups such as aboriginals, and also launched an ambitious \$500-million cultural investment agenda under the Department of Canadian Heritage called "Tomorrow Starts Today" in May 2001.

International Leadership

Canada also took a lead role on the international stage during the Chrétien years. In 1997, Canada had been the first country to sign and ratify the Ottawa Convention – the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines. Canada was also instrumental in establishing the International Criminal Court. In 2002, Canada hosted the G-8 summit in Kananaskis, Alberta, during which Prime Minister Chrétien championed a New Partnership for Africa's Development (NEPAD). Canada committed to doubling its international aid by 2010. In addition, Canada took a lead role in promoting a fair, rules-based international trading system. We opened our markets to the least developed countries and forgave the debts of the most heavily indebted countries.

Following the tragic terrorist attack on the United States, on September 11 2001, Canada took immediate steps to help. U.S. airspace was closed indefinitely and passenger planes were diverted to Canadian airports. Canadian residents, particularly in Atlantic Canada, opened their homes to stranded American travellers and passengers from around the world. Canada provided troops and resources for a counter-offensive in Afghanistan, alongside the U.S., U.K. and other countries.

In 2003, Prime Minister Jean Chretien and the Liberal government made the decision not to participate in the U.S.-led war in Iraq. Canada continued its contributions with interventions in

Afghanistan in a peacekeeping role.

Environment

The Liberal government made several landmark commitments to improving Canada's natural legacy. These included the ratification of the Kyoto Protocol in December 2002 and important steps to reduce greenhouse gas emissions and invest in leading-edge technologies to move forward on climate change. In addition, the Chrétien government passed the *Species at Risk Act* and established new national parks and conservation areas under the *Canada National Parks Act*.

Prime Minister Chrétien announced in August 2003 that he planned to retire in February 2004, after almost 14 years as Leader of the Liberal Party of Canada.

2003 Leadership Race

The 2003 Leadership & Biennial Convention of the Liberal Party of Canada got underway in Toronto on November 12, 2003. Over 93% of the delegates favoured Paul Martin as the next Leader of the Liberal Party of Canada and prime minister.

Prime Minister Paul Martin

On December 12, 2003, Paul Martin was sworn in as the 21st Prime Minister of Canada. He began a substantial re-structuring of the government and the controversial sponsorship program was terminated. He empowered the role Parliamentary Secretaries making them full Privy Councillors, re-designed Cabinet committees, and substantially altered several departments to reflect an increased focus on the social economy, an integrated approach to aboriginal affairs, and public safety and emergency preparedness, and public health.

The spring 2004 session of Parliament included the establishment of a fully independent ethics counsellor who reports to Parliament, and the implementation of an Action Plan for Democratic Reform.

Finance Minister Ralph Goodale's 2004 Budget began the first stage of the New Deal for Canada's communities by initiating an exemption from the Goods and Services Tax for municipal governments .

The government also amended the patent act and the food and drugs act to give many developing countries easier access to pharmaceutical products needed to combat HIV/AIDS and other public health problems.

2004 Election

Prime Minister Martin called a general election in May 2004,. The campaign was the most hotly contested since 1988, because the Canadian Alliance Party had merged with portions of the former Progressive Conservative party into the Conservative Party of Canada, creating a more competitive race in many ridings across the country. Rather than join the new Conservative party as it shifted to the right, many moderate MPs chose to join the Liberal party instead including Scott Brison and Keith Martin.

During the campaign, the Liberal Party vigorously defended the values of official bilingualism, a woman's right to choose, and the Charter of Rights and Freedoms, while making major commitments to implement substantive change in the health care sector in partnership with the provinces, and a national child care initiative.

The Liberal Party won re-election with a stable minority with 135 seats versus 99 for the Conservatives. The Bloc Quebecois won 54 seats, and the NDP won 19. Once again, only the Liberal Party of Canada had representation in every region of Canada, demonstrating its national strength.

After the election, to reflect the priority emphasis on a new deal for Canada's municipalities, a new position of Minister of State (Infrastructure and Communities) was created.

Economy

The Paul Martin government continued its strong record of fiscal responsibility, including balanced budgets, debt reduction and investments in the priority areas. By the end of the 38th Parliament, the debt had been reduced by over \$60 billion and the national unemployment rate was at its lowest in 30 years.

The Martin government positioned Canada to take full advantage of the new global economy with investments in research and development, apprenticeship and skills training, and education. To further expand Canada's skilled workforce, the government increased the number of immigrants to Canada and committed to better integration of new Canadians into the workforce.

The government also invested in alternative energies and climate change, primarily through *Project Green* a \$10 billion package to support a sustainable environment

10-Year Health Care Plan

In September 2004, the Prime Minister convened a First Ministers' meeting in front of live television cameras and announced a special \$700-million plan to improve health delivery to aboriginal people following a special round of discussions with aboriginal leaders.

Following three days of intense discussions with the Premiers and numerous senior federal and provincial officials, Prime Minister Martin announced a ten year plan to strengthen health care in Canada, valued at \$41 billion over the next ten years, and with an escalator to ensure that transfers to provinces keep up with demographic growth in health care needs. First ministers also made the unprecedented step of agreeing to develop common benchmarks to ensure national objectives are achieved including reduced waiting lists for medical procedures.

Canada and the World

With that commitment kept, the House of Commons reconvened with the Speech from the Throne of the minority government in October 2005. Prime Minister Martin embarked on several international tours to promote the role of Canada in the world, and the responsibility to protect nations from crippling humanitarian disasters resulting from civil strife. He also advocated for an L-20 forum in which emerging economic powerhouses such as China, India, and Brazil would

have a greater voice in world affairs, similar to the G-20 Finance Ministers' meetings he initiated in the late nineties.

Child Care, the Environment and Cities and Communities

Budget 2005 marked the first time the budget had been balanced eight times in a row, since Confederation. It included a major focus on child care with a \$5 billion investment to begin the creation of a national system of quality Early Learning and Child Care. Over \$5 billion was also invested to preserve the natural environment and to address climate change. The liberal government also made good on its commitment to share gas tax revenues with municipalities so that cities and communities have a stable and predictable revenue base well into the future. Low income seniors benefited from a \$2.7 billion increase in the Guaranteed Income Supplement.

The budget also provided \$3.4 billion in increased international assistance, primarily for aid to Africa, debt-relief initiatives for the world's poorest countries and support for immediate humanitarian responses, such as the tsunami tragedy that devastated 11 countries in South and Southeast Asia. The government also increased funding for peacekeeping or humanitarian aid operations in Haiti, Afghanistan, Iraq and Africa, and enacted legislation to speed up the provision of low-cost AIDS/HIV medication to African countries.

In addition, the *Pacific Gateway Strategy* focused on strengthening access to growing world markets in order to increase exports, diversify our trade relationships and attract investments from abroad.

In order to win NDP support for the budget, the Liberal government agreed in April 2005 to include \$4.6 billion worth of enhancements in the budget to provide additional funding for affordable housing, advanced education, the environment and foreign aid.

In April, 2005 the Martin government introduced its International Policy Statement, Canada's first integrated plan designed to strengthen its role in the world.

In May 2005 the Liberal government passed its budget by a one-vote margin, after moderate Conservative Belinda Stronach joined the Liberal Party, in opposition to Stephen Harper's plan to team up with the separatist Bloc Quebecois to topple the government. Stronach also expressed concern with the Conservative's social conservative bent under Harper's leadership, typified by their opposition to the government's plans to expand civil marriage to include same-sex couples.

In June 2005, the House of Commons passed the Civil Marriage Act, enacting same sex marriage across Canada, while at the same time providing additional protections to enhance religious freedom

Into the Future

Under the leadership of Prime Minister Paul Martin, an historic \$5 billion agreement over 5 years was signed in November 2005 with Métis and First Nations leaders and the Premiers to provide Aboriginal Canadians with improved standards of health, education, housing, water and economic development.

The Martin government moved ahead on its New Deal for Cities and Communities signing

agreements with the provinces and territories. Canada finally had the beginnings of a national child care system when the Liberal government signed agreements-in-principle with all ten provinces to move forward on this important objective.

The Martin government also passed a new, comprehensive charter for Canada's veterans.

In September 2005, Prime Minister Paul Martin appointed Michaëlle Jean, an accomplished Canadian of Haitian descent to become the 27th Governor General of Canada. Women also gained renewed strength on the country's highest court when after Prime Minister Martin appointed two female justices to the high court, women represented four of the nine Supreme Court of Canada justices, for the first time in Canada's history.

The 2005 Economic and Fiscal update unveiled a plan for growth and prosperity that included measures to promote job creation, stimulate research and development and boost Canada's investment climate. Part of this plan included a \$30-billion strategy to reduce income and business taxes over a five year period.

2006 Election

Despite Prime Minister Paul Martin's commitment to hold an election in the spring of 2006, after the final report of the Gomery Commission into the cancelled Sponsorship Program, the Opposition parties instead joined forces on November 28, 2005, to defeat the minority Liberal government.

In order to accommodate an unusual campaign that extended over the holiday season, the writ period was set at almost eight weeks, making it the longest federal campaign since the 1980s.

Opposition attempts to characterize the entire Liberal Party as "corrupt" over the sponsorship affair as well as the unprecedented decision by the RCMP to announce, in the middle of an election campaign, an investigation into unproven allegations of a leak concerning income trusts, made it difficult for the Liberals to focus the campaign on the party's positive policy agenda.

Late in the campaign, the Conservative party began predicting they would form a majority government.

Instead on January 23, 2006, the Conservatives won 124 seats to 103 seats for the Liberals. As a proportion of total seats, the new government had won Canada's smallest minority government since Confederation.

Prime Minister Martin announced on election night that he would not lead the Liberals into the next election. On February 1, 2006, the Liberal caucus unanimously selected veteran MP and former Defence and Foreign Affairs Minister, Bill Graham, to serve as interim leader until the party could hold a leadership convention.

Rebuilding in Opposition

Liberals chose to hold the leadership vote in Montreal in early December 2006. A broad field of eleven candidates joined the race which included sitting MPs Carolyn Bennett, Maurizio

Bevilacqua, Scott Brison, Stéphane Dion, Ken Dryden, Hedy Fry, Michael Ignatieff and Joe Volpe. The race also included Toronto lawyer and former Liberal candidate Martha Hall Findlay, Ontario Education Minister Gerard Kennedy and former Ontario Premier Bob Rae.

The leadership convention was one of the most competitive and exciting since those that elected Pierre Trudeau (1968) and William Lyon Mackenzie King (1919).

The Three Pillar Approach

On December 2, 2006, at one of the most exciting Liberal leadership conventions in party history, Stéphane Dion, Member for St-Laurent – Cartierville, was elected as the 11th leader of the Liberal Party of Canada on the fourth ballot.

Mr. Dion's three-pillar policy approach, which integrates economic prosperity, social justice and environmental sustainability, garnered him the support of a majority of Liberal delegates. In fourth place going into the convention, he emerged to beat out his seven fellow candidates.

Under the leadership of Stéphane Dion the Liberal Party's strong, re-energized base is ready to take on Stephen Harper and create a more prosperous, just, and green Canada.