

Departmental Series  
 North America Department  
 DS No 4/84

LAST IMPRESSIONS OF CANADA

(The British High Commissioner at Ottawa to the Secretary of State  
 for Foreign and Commonwealth Affairs)

SUMMARY

1. Lord Moran's final personal impressions of Canada, after 130,000 miles of travel in the country in three years (paragraphs 1-2).
2. Disadvantage of being in Canada while Mr Trudeau was Prime Minister. ~~\_\_\_\_\_~~ but his best hours had to do with Quebec in 1970 and 1980. His ~~\_\_\_\_\_~~ efforts to increase central control (paragraph 3).
3. Little ideology in Canadian politics. Excessive patronage. Poor quality of Canadian politicians. They look after each other (paragraphs 4-6).
4. The price of economic nationalism (paragraph 7).
5. Some characteristics of Canadians. Absence of fierce competition. Low taxation but a huge deficit. Squandering of natural resources (paragraphs 8-12).
6. Television, seals and trapping (paragraph 13).
7. The care of the Eskimos, problems with the Indians. Growth of numbers of new Canadians, or "ethnics" (paragraphs 14-15).
8. Brief reflections after 39 years in the Service. Suggested reasons for the decline of the Office in public esteem. Regret that administrative procedures are now so Byzantine and so slow (Paragraph 17).
9. A few very sincere words of thanks (paragraph 18).

Ottawa  
 12 June 1984

Sir,

1. In a few days' time my wife and I leave Ottawa and I become a private man. For the past three years we have travelled all over this vast and disunited land, covering altogether some 130,000 miles - equivalent to five times round the world - by everything from a jumbo jet to a canoe. We

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have been several times to all the main cities and to places like Prince Rupert, Annapolis Royal and Medicine Hat, but, sadly, not to Moose Jaw, Joliette or Flin-Flon. On countless occasions we have munched those inevitable salads, stood for the singing of "O Canada" and drunk The Queen's health in iced water. We shall miss, in their different ways, the cry of the loon, as characteristic of Canada as the fish eagle's is of Africa, and the cheerful shopgirls and waitresses of North America, who send us on our way with "Take care" or "Have a nice day".

2. I have sent you and your predecessors my thoughts on Anglo-Canadian relations, Canadian foreign policy, Mr Trudeau, the monarchy in Canada, Canada north of sixty, and French and English Canadians. Now that my sojourn in Canada is nearly over I would like to record a few last personal impressions on a rather wide variety of subjects.

#### MR TRUDEAU

3. Although I like him personally and he has been kind to us, it has, I am sure, been a disadvantage that Mr Trudeau has been Prime Minister throughout my time in Canada because, with some reason, he has not been greatly respected or trusted in London. He has never entirely shaken off his past as a well-to-do hippie and draft dodger. His views on East/West relations have been particularly suspect. Many of my colleagues here admire him. I cannot say I do. He is an odd fish and his own worst enemy, and on the whole I think his influence on Canada in the past sixteen years has been detrimental. But what he minded most about was keeping Quebec in Canada and his finest hours were the ruthless and effective stamping-out of terrorism in Quebec in 1970 and the winning there of the referendum on sovereignty/association ten years later. For the present, separatism in Quebec is at a low ebb. Mr Trudeau has maintained that only by an increase in Ottawa's powers could Canada develop as a strong state. He treated provincial premiers with contempt and provincial governments as if they were town councils. But I think few Canadians share his extreme centralising stance. Most believe that Canada's diversity and geographical spread need a federal system and a division of powers, with each level treating the other, as seldom happened in Mr Trudeau's time, with courtesy, respect and understanding. Mr Turner, for one, takes this view.

#### LACK OF IDEOLOGY IN POLITICS: PATRONAGE

4. I have been struck by the marked absence of ideology in Canadian politics. People in the United Kingdom join the Conservative or Labour parties with very different ideas about the kind of society they want to see. In Canada the philosophic differences between Liberals and Progressive Conservatives are scarcely perceptible. The main motive for joining one of these parties is to acquire power or a lucrative job. So political patronage flourishes. Highly paid and long lasting jobs in the Senate and chairmanships of public enterprises are used almost entirely to reward party hacks. Canadians are surprised to learn that an active member of the House of Lords is unpaid and receives less in expenses than a Canadian on welfare. No one would pretend for a moment that Mr Don Jamieson is the most suitable man to represent Canada in London. He is there because he is an old Liberal war-horse who wanted one more job before he retired (and was disappointed of Washington). Party appointees fill scores of federally appointed posts. Politics run on "jobs for the boys". And Canadian ministers arrange for large amounts of federal money to go to their constituencies. In Nova Scotia 40% of all federal grants go to the riding of the Deputy Prime Minister, Mr MacEachen. And provincial governments behave in exactly the same way.

#### LOW CALIBRE OF CANADIAN POLITICIANS

5. One result is that the calibre of Canadian politicians is low. The level of debate in the House of Commons is correspondingly low: the majority of Canadian ministers are unimpressive and a few

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we have found frankly bizarre. The leaders of the corporate and financial world – the chief executive officers and other senior executives of the big banks, of large businesses and investment houses – are far more capable than the average Canadian politician.

6. But Canadian politicians look after their own – and one another. When, for example, Mr Jamieson (a Liberal) goes home from London, he tells me that a helicopter, provided by the provincial (Conservative) government (at the taxpayers' expense) is at the airport to fly him to his country house in Newfoundland. Ministers and the Leader of the Opposition have free passes on Air Canada – which most of the candidates for the Liberal leadership have been using shamelessly to campaign across the country.

#### ECONOMIC NATIONALISM

7. The Liberal Government's policy of economic nationalism, directed against the overwhelming American economic presence but hitting us, the Japanese and Europeans as well, is manifested in Mr Marc Lalonde's now widely discredited National Energy Policy, discriminating blatantly against non-Canadian companies and containing provisions for retrospective confiscation, and in the Foreign Investment Review Agency, now administered less rigorously but still very much in place. The policy has had little discernible effect on foreign holdings in Canada – apart from the acquisition by Canadian government-controlled companies (at very high prices) of petroleum interests such as Petrofina (formerly Belgian) and BP's unprofitable downstream assets. It has undoubtedly cost Canada foreign investment which would have created more wealth and more jobs here. Its direct costs to the Canadian taxpayer are formidable; 80% of the drilling costs of oil companies operating in the arctic and off the east coast are met from public funds. Of all the exploratory wells drilled with the aid of PIP grants (petroleum incentive payments), not a single one has yet produced oil in commercial quantities. And as yet the vast expenditure in the Beaufort Sea shows no sign of discovering enough oil to justify production.

#### CANADIAN CHARACTERISTICS

8. Canadians are a moderate, comfortable, people. Not surprisingly, they share many characteristics with ourselves. In a world where we have to deal with the Qadhafis, Khomeinis and indeed the Shamirs, and with many others who are happy to ride roughshod over our interests, it seems to me sensible to cultivate decent and reasonable people like this, quite apart from the fact that they have such close historic ties with us and dispose of such immense natural resources. Canadians are mildly nationalistic, (but perhaps less shrilly so than Australians), very sensitive, especially to any expressed or implied British sneers about Canada as "boring", and perhaps somewhat lacking in self-confidence. Mr Charles Ritchie said not long ago: "We are not the same type of country as Britain – our country is based on accommodation, compromise and conciliation – and I think that is reflected, to some extent, in the manner in which we conduct our foreign policy". My late Chinese colleague, a perceptive man, told us that he thought the friendliest Canadians were in Alberta, Saskatchewan and the Atlantic provinces, and this has been our own impression. The most difficult, prickly and unforthcoming are undoubtedly some of those who work for the Federal Government in Ottawa.

9. Canadians go to church more than we do but their lives are no longer subjected to a stern Presbyterian moral code. About 35% of Canadian marriages end in divorce. One big difference from the United Kingdom is that there is very little here of that strong public opinion which has so far exacted a price from public men or women who fall below accepted standards. The Canadian public expects very little of politicians and tends to shrug its shoulders when the press or television report yet another scandal. Memories are short. Even ministers who resign after serious misdemeanours, such as forging signatures and trying to influence judges, reappear in Cabinet after the briefest of absences.



## ABSENCE OF COMPETITION

10. One does not encounter here the ferocious competition of talent that takes place in the United Kingdom. Many gifted Canadians still seek wider opportunities elsewhere, as for example Lynn Seymour, Jennifer Penney and Wayne Eagling did when they joined the Royal Ballet. Anyone who is even moderately good at what they do – in literature, the theatre, ski-ing or whatever – tends to become a national figure. Even some Canadian representatives overseas, like Mr (and I fear Mrs) Allan Gotlieb, Mr Ken Taylor or – in her time – Mrs Jean Wadds, are written up in the newspapers, and anyone who stands out at all from the crowd tends to be praised to the skies and given the Order of Canada at once.

## LOW LEVEL OF TAXATION

11. Though Canadians complain vigorously about the practices of Revenue Canada, the highest marginal rate of federal and provincial income tax combined is only 55%. (After the election personal taxes may have to be raised to help reduce the enormous \$30 billion budgetary deficit, for, as in the United States, there is limited scope for reducing expenditure and defence expenditure needs to be increased). And, amazingly, 240 Canadians who earn more than the equivalent of £140,000 a year contrive to pay no tax at all. So there is much more freedom for businessmen and others to make money in Canada than in Britain. I have found it sad to meet bright young British high-tech executives working, often in their own businesses, all over Canada, even in a far-away city like Saskatoon. I hope we can manage to create conditions which will encourage some of these enterprising men to come back to Britain.

## RESOURCES NOT UNLIMITED

12. I am struck by the way that Canadians have squandered some of their resources. Clearly they have regarded them, in this vast country, as limitless. But they are wrong. The virgin forests are running out, and there has been not enough replanting, so that in ten or fifteen years this major export resource may start to diminish sharply. I was shocked to see on the Dean River in British Columbia great trees lying in the water and along the banks which had been cut down and simply abandoned. Pollution too, of the air, the rivers and lakes, has been allowed to become a serious problem which has not yet been adequately tackled. Many of the fish in the Great Lakes are now developing malignant tumours. Canadians complain about the acid rain from the United States, though 2,000 tons of sulphur dioxide are still belched out every day by the Inco stack in Sudbury. But they have at least now taken vigorous action to arrest the decline of Atlantic salmon, in contrast to the European Community, which has so far done nothing.

## TELEVISION AND THE INTERNATIONAL FUND FOR ANIMAL WELFARE

13. Canadians have been slow to wake up to the formidable impact of the television screen allied to the animal welfare lobby. The image of crude redneck Canadians clubbing to death baby seals on the ice, followed now by the campaign "SAVE THE SEALS: NO TO CANADIAN FISH", and the absurd Tesco ban on British Columbia tinned salmon, has been damaging to Canada. It has destroyed the trade in all sealskins and left Canada with a problem of how to control its large seal populations. And it is clearly only a matter of time before the animal welfare lobby turns on trapping, which, unlike sealing, really is cruel. This would threaten the whole remaining trade in wild furs.

## NATIVE PEOPLES

14. I have been interested to see for myself something of the devoted care being given to the 25,000 Eskimos or Inuit in the far north, though inevitably these attractive, former nomadic people,

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who used to live by hunting, trapping and fishing, have been turned into mere pensioners of the state. The problem of the three quarters of a million Indians and of the mixed race Métis (whose numbers are anyone's guess) seems to me infinitely more difficult and will be a headache for years to come. Canadians are filled with feelings of guilt about the Indian peoples. Canadian policy, in my view unwisely, has been to give them a special privileged status and pay them vast subsidies, which often cause them to give up working, but to rule out integration into Canadian society. Alcohol is a major problem and many of the Indians, particularly in the west, live a degraded and pathetic existence. I think it would be better to spend money to help the Indians adapt to the modern world and be assimilated into the general population, for there can be no going back to their previous way of life.

## THE ETHNICS

15. Until recently the Canadian population, apart from the division between English and French speakers, was reasonably homogeneous. But the influx of "new Canadian" immigrants after the second world war, especially Italians and Portuguese, but including West Indians, Greeks, Chinese (and now increasingly the rich from Hong Kong), Poles, Pakistanis and even Haitians, has changed the character of Canadian cities. Though people of British stock still dominate major Canadian cities, except for Montreal and Quebec, there are now to be found significant numbers of ethnics: in Toronto 10% of the population is Italian; Edmonton has 10% Ukrainian; Vancouver 7% Chinese; Winnipeg 10% Ukrainian and Calgary 9% German. The presence of the "ethnics" is already beginning to cause minor problems in Toronto and Montreal, though happily, as yet, nothing at all comparable to the looming social problems associated with the proliferation of blacks and hispanics in so many American cities, or with the riots in British cities in 1981. But already the "ethnics" are nearly 8 millions, some 33% of the population. It is their votes, added to those of the French Canadians, which have kept the Liberals in power in recent years, while the English (except in Quebec) have mostly voted Conservative. And the great majority of them choose to use English, not French, as their everyday language.

## ENVOI

16. I have been fortunate to be given this interesting and agreeable job as my last in the Service. I began thirty-nine years ago in a now remote era, under Mr Bevin and Sir Alexander Cadogan, when there was one other Foreign Office minister, who was only allowed to see papers on the way down, and we had the admirable system of minuting on jackets. A much smaller Office handled business far more quickly and the rules were contained in a slim booklet not, as now, in the 53 volumes of DSP. I have often irritated the Office by suggesting new courses, usually in vain, arguing, for example, for greater administrative discretion long before Lord Rayner.

17. Like others I have been sad to see the Office decline in public esteem. Much that is said about us is unfair but I think the Office is now often perceived (I hope not irrevocably) as having no gut feeling for our own people, as insufficiently zealous for British interests, as seeking agreement with foreign governments at almost any cost, as unreasonably obsessed with Europe, and as knowing and caring little about Britain north of Potter's Bar. It was not always so. I recall a former Chief Clerk telling a startled candidate that you did not join this Service because you liked foreigners but "to do the foreigner down". I regret too that our administrative procedures are now so Byzantine and, in this age of computers and micro-processors, so extraordinarily slow.

18. But, nevertheless, much has gone well. I am grateful for all the help I have had from my staff in Ottawa, a good deal more effective than Mr Jamieson's staff in London, though his is four times the size of mine, and from the five consular posts in Canada, who achieve a good deal with

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only a fraction of the resources we had a few years ago, I pay tribute, as I have done in some of my speeches, to the incalculable contribution made to our efforts by a good many of our wives, unpaid but often making all the difference between success and failure. And in this, my last despatch, I should like to say thank you to my own wife. For thirty five years, at home and in eight countries overseas, we have done everything together. Mine has been an easier job than hers. But her contribution has been enormous. Doing it all together has made it fun. Indeed to have done it without her would have been inconceivable.

19. I am sending copies of this despatch to the Secretary of State for Trade and Industry, the Governor of the Bank of England, the Secretary of the Cabinet, Heads of Mission at NATO posts and Canberra, to the United Kingdom Representatives at NATO and the United Nations, and to Consular Posts in Canada.

I am Sir  
Yours faithfully

Moran