is one of linguistic pluralism with French always as the predominant language. Obviously, some people would love it if Quebec became officially bilingual. We are not there yet, anyway.

Bill 86 will dismantle, or at least substantially reshuffle, the various public bodies in charge of the implementation and supervision of language policy. The Commission de protection de la langue française (affectionately called the language watchdog by the English-speaking media) will be abolished. The other bodies will lose a good chunk of their autonomy and regulatory power. The minister responsible for the file, Claude Ryan for the time being, will issue the regulations that will specify what the marked predominance of French will mean in practical circumstances. Moreover, the government is also prepared to make exceptions allowing immigrant children with learning disabilities to have access to elementary and high school education in English.

The government could have done all that while continuing to invoke the notwithstanding clause. In the aftermath of the October 26 referendum, this would have meant that a "business as usual" attitude was not being followed on the constitutional file. Bourassa's government behaves on the issue of language policy as it did during the Canada Round. If it is inspired by a vision, by principles, it fails to let us know what they are. However, actions by themselves have meanings and convey messages. Bill 86 tells the rest of Canada that an unconditional allegiance to Canadian federalism is the creed of the day in Quebec City.

Guy Laforest is Associate Professor of Political Science/Département de science politique, Université Laval. Quebec Report is a regular feature of Canada Watch.

### LEGAL REPORT

# THE "PROMISE" OF BALANCED BUDGET LEGISLATION

by Jamie Cameron

For years budget deficits rose, seemingly without concern, at federal and provincial levels of government. Now, as the recession persists, the public debt has become the priority of governments. Premier Rae has delivered a budget that will deflate Ontario's projected deficit of almost \$17 billion this year to a more manageable \$9 billion. Premier Wells of Newfoundland recently won a provincial election, partly on a platform of fiscal restraint.

New Brunswick and Alberta are the first of Canada's provinces to introduce "balanced budget" legislation. The objective of such measures is to tie government expenditures to revenues and, often, to establish a target for eliminating the deficit. In announcing the initiative, Alberta's treasurer claimed that "[o]verspending and borrowing will [now] end." According to his plan, Alberta's deficit of more than \$20 billion will disappear in four years. Ontario's accumulated debt of almost \$70 billion may prove more intractable.

The idea of balanced budget legislation was itself borrowed from the Reform party, whose support for the concept may have been inspired by American experience. In 1985, Congress enacted the *Gramm-Rudman-Hollings Act*, which sought to control government spending through pre-established budget targets that would dissipate the deficit

by 1991. As well, 48 states have added a balanced budget requirement to their constitutions.

The Gramm-Rudman initiative faltered badly. By 1990 the U.S. deficit had climbed to \$200 billion and the national debt was in excess of \$3 trillion. What went wrong? The legislation was invalidated in part due to a constitutional snag; the separation of powers did not permit Congress to retain the power of removal over the comptroller general, who was performing an executive branch function.

The real problem, however, was that by circumventing its own legislation, Congress failed to achieve any meaningful reduction of the U.S. debt. The statute was amended more than once to extend the "zero-deficit target year" and enlarge the annual deficit. Congress also discovered it could avoid responsibility for some expenditures by simply excluding them from the Gramm-Rudman formula.

Thus did Congress prove incapable of implementing its own spending restraints. It has since been argued that Gramm-Rudman demonstrates the inefficacy of ordinary legislative measures, and the necessity for an amendment to the constitution that would require the federal government to balance its budget.

Meanwhile in Canada, New Brunswick's legislation simply states that it is the government's "objective" not to allow total ordinary expenditures to exceed total ordinary revenues. Bill 47's statement of principle is not supported by any detailed plan of attack on the deficit or by any explicit mechanism of enforcement. And, although Alberta has employed mandatory language to define its timeline for eliminating the provincial deficit, it remains unclear how that objective will be achieved.

The Alberta treasurer has asserted that "Albertans and their government,

backed up by a legislated deficit-elimination requirement, will ensure that these targets are met." Citizens ordinarily assume that a political promise that is enacted in law must be kept. However, as U.S. federal experience has shown, balanced budget legislation may placate a public that has grown increasingly concerned about the national debt, without achieving any progress toward its reduction.

Should failed promises in this regard be left to the process of democratic accountability, or should balanced budget legislation be enforceable? More on that question in the next issue of *Canada Watch*.

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Canada Watch welcomes submissions on issues of current national interest. Submissions should be a maximum of 1,000 words. The deadline for consideration in our July/August issue is Monday, June 28. Write or fax us at: Canada Watch, Osgoode Hall Law School, Room 454, 4700 Keele Street, North York, ON M3J 1P3. Tel: (416) 736-5515, Fax: (416) 736-5546.

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## CW UPDATE

## THE MONTH IN REVIEW

by Jonathan Batty

## B.C. CLAYOQUOT SOUND DECISION

Premier Harcourt announced on April 13 permission for logging in Vancouver Island's Clayoquot Sound forest. The 350,000 hectare forest is one the few remaining stretches of old growth temperate rain forest in the world. The B.C. government's compromise allows for logging in 4 areas, leaving 14 areas protected. Environmental groups in Canada and the United States remained critical, while union and industry spokesmen predicted that 400 forest industry jobs would still be eliminated. On April 29, the B.C. government appointed Justice Peter Seaton of the B.C. Court of Appeal to examine whether there had been a conflict of interest in the decision because the province owns 2.1 million shares in MacMillan Bloedel Ltd., the company that holds the majority of the logging licences in the region.

#### NEWFOUNDLAND ELECTION

Premier Clyde Wells and his Liberal government won its second majority in the election held on May 3. The Liberals won 35 seats, the Conservatives led by Len Simms won 16, and the NDP won 1. Mr. Wells called the election to secure a mandate for deficit reduction, based on tax increases, public sector expenditure restraint, and civil service layoffs and wage rollbacks.

#### QUEBEC LANGUAGE LAW

Quebec Liberal Cabinet minister Claude Ryan introduced a new language law, Bill 86, in the National Assembly on May 6. (See Quebec Report on page 120.) The legislation would relax certain provisions of the five-year-old law that restricts the use of English. Bilingual signs would be legal, French schools would be allowed to offer English immersion courses, and the Commission de protection de langue française would be disbanded. Significantly, Cabinet would have greater regulatory control over language services, meaning that section 33 of the Constitution Act, the notwithstanding clause, would not have to be resorted to restrict the use of English in advertising. The Supreme Court, and most recently the United Nations Human Rights Commission, have found Quebec's current law to violate the freedom of expression. The legislation is similar in content to the compromise worked out within the Quebec Liberal party's general council on April 25.

Premier Bourassa announced on May 5 that his cancer treatment had been successful, postponing the need for him to decide immediately whether to continue in office. The government's mandate does not expire until September 1994. Bourassa's news bolstered the Liberals because of his ability to unite the party over its language policy, and because of his popularity among the provincial electorate. A SOM-Le Soleil poll, of 1,020 voters from April 13 to 19, found the Liberals to have 51 percent support of decided voters, and the PQ 41 percent.

#### **NAFTA**

The NAFTA implementing legislation has cleared its final hurdles in the House of Commons. Parliamentary committee hearings on NAFTA