

A SOVEREIGNTY MOMENT

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A Sovereignty Moment

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There are many ways to read *A Public Servant's Voice*.¹ Some readers may be interested in *my personal journey*: how did someone of modest origin born in Papineauville become the first woman Clerk of the Privy Council? Some may have an interest in *specific events or ideas* presented in the book. You will decide through your questions where you wish our conversation to go. For now, let me set the scene. I did not write this book to celebrate the past but with a view to the future. *Has the past something to teach public sector leaders today?*

The most important insight for me writing the book is *how much we already knew 10, 15 or 20 years ago about the challenges we are facing today*; the changes we failed to see or chose to ignore, the lack of attention given to the much faster pace of development in other parts of the world, the tolerance for the underperformance of Canada and slippage in public services. It is the lack of a sense of urgency for the course corrections we all knew were needed.

This book was written in the fall of 2024, before the election of President Trump, before a trade war was launched by the USA, before the resignation of Prime Minister Trudeau, the election of Prime Minister Carney and before the war in Iran. Much has happened in two years. I chose not to re-write any of the chapters because as written the book bears an important lesson: many of the challenges Canada is facing today have been in the making for a long time.

These challenges are not the result of your actions, but it is now incumbent upon you to steer Canada through a challenging period of time. You are serving at a more challenging time than when I served as Deputy Minister and a more dangerous time than when I was Clerk. *The question is what would help YOU face the challenges ahead?*

This book is not proposing a ten-point plan, and it is not about managing cuts in the public service. You have more important things to do. It is a modest contribution to the *institutional memory* of the public service of Canada. This is a way of distilling ideas that may be operationalised when needed to gain momentum in giving shape to a better future. Institutional memory provides a country with a comparative advantage in a fast-changing world. *Serving is about the future.*

A Word about Public Administration

I stepped down as Clerk in the early days of 2000 and left the public service of Canada in 2009. I have since mainly been working abroad. Both my work in Canada and my work abroad have shaped my views about public administration. Let me share with you some ideas that shape my practice:

- Public institutions and public organisations serve a public purpose. This is what makes them unique and irreplaceable.
- The world over, governments rely on their public administrations to give shape to their ideas about life in society. Public administration transforms ideas about life in society into a reality that we experience collectively.
- In any country, a small group of people have access to the levers of the state. They can spend, tax, legislate, and they can enforce laws through coercive measures. It is the position they hold that gives them this power, irrespective of how they got there. In a democratic society, these officials are elected or members of the professional public service. You are among them and everything you do matters. The way you think

1. Jocelyne Bourgon, *A Public Servant's Voice: Through the Words of the First Woman Clerk of the Privy Council for Canada* (Toronto, ON: University of Toronto Press, 2026)

and the way you frame issues has a significant impact on the solutions that will be found, the results that will be achieved and the overall performance of the country.

- Every government decision, every public sector action or intervention is deliberately designed to influence the course of events.
- Serving is a process of invention. It is a search to figure out what mix of public policy decisions, public services, programs or interventions would set a country on the desired trajectory, to build a better future and improve human conditions.

When the world is in a state of flux and when the systems that have served us well in the past are getting undone - this is when the role of government is most important.

The world over, public service leaders are searching for ways to ensure that *their country* will be among the few that will successfully navigate through this period of change and prosper in the future. **Your** challenge is to ensure that Canada will be among them.

So the question is what will **YOU** do to ensure Canada future prosperity and what powerful ideas will you bring forward?

A Sovereignty Moment

With this as background, let's look ahead. Canada is facing what I would describe as a "*sovereignty moment*." This is as close as we may ever get to a *wartime effort*... but of this we may never be sure.

Canada needs at once to regain its *economic sovereignty*, the capacity to ensure its future prosperity free of coercive forces; to preserve its *fiscal sovereignty*, the capacity to set priorities and to marshal resources in support; and to defend its *sovereignty*, the capacity of the government of Canada to ensure its authority over its territory and to protect the people living there against hostile forces both externally and internally.

Economic Sovereignty

I have discussed economic sovereignty at the Manion conference.² There is no need to cover this at length.

In a nutshell:

- A country that depends on another for 73 % of its exports is vulnerable and has already ceded a degree of its sovereignty. The picture is the same at the federal and provincial levels (e.g. Ontario 79 %, Quebec 73%, Alberta 88%, etc.).³
- The standard of living of Canadians did not increase in 15 years while others were racing ahead. Canadians are getting poorer.
- The productivity problems have been known for a long time.

The Canadian economy has been underperforming for quite some time. This did not happen overnight, and it will take time and concerted effort to correct. In summary, the recent trade

2. Jocelyne Bourgon, *Serving Canada in 2025 – Au service du Canada en 2025* (Ottawa, ON: Public Governance International, 2025)

3. Data is from Statistics Canada's *Trade Data Online*.

war is not a new crisis landing on a well performing economy. *It is an external threat compounding years of self-inflicted underperformance.*

The current circumstances provide an opportunity and an impetus to bring about reforms that were needed in any event. The trajectory is increasingly clear: Canada will need to reduce its dependency on the USA, diversify its exports and improve its productivity; and Canada needs to generate products and services the world wants at a price the world is prepared to pay.

Success will depend on the response of the *private sector*: investors taking risks, firms developing new products and new markets, companies investing in research and buying leading-edge technologies, and workers adapting to an accelerating pace of change.

It will depend on a coordinated response by *governments* to accelerate the necessary adjustments and resist the temptation to preserve the status quo. It would be a colossal mistake to believe that this is a short-term issue.

These risks are manageable. Canada has the geography, the climate, the natural resources, the conventional and clean energies, the research capacity and the skilled labour force needed to become an indispensable partner for its allies in a reconfigured world economy. No one, not the federal government, not the provinces, the public or the private sector has all the tools, the resources or the levers to face the challenges ahead on their own but *collectively*, Canada has all it takes to ensure its future prosperity. This is a case of united we win divided we fail.

For the public service, this means that every decision you make is a strategic decision: how do programs, services, actions or interventions contribute to regaining Canada's economic sovereignty? The challenge is not to announce new government initiatives, but to see them through from beginning to end. Whether building a pipeline, eliminating interprovincial barriers to trade, or selling Canadian goods abroad, it is the final results and the capacity to transform ideas into reality that matters for Canadians.

Fiscal Sovereignty

Fiscal sovereignty is the capacity of a country to invest in the future of its choice. Canada can expect much volatility ahead.

I, for one, do not believe that the course correction needed can be achieved through spending cuts alone. I have discussed that at the Manion conference.⁴ There is a need to look at the revenue side of the ledger, including taxation, as well as the spending side, and this means all expenses - including tax spending and tax credits.

A lesson from the 1980s is about the importance of structural reforms. Unlike cuts that reduce spending for a time structural reforms keep giving. Structural reforms will be inevitable in some sectors; the sooner we contemplate this possibility the better.

Most governments are currently asking their public services to reduce their fiscal footprint. You would be well advised to consider the current round of cuts as a *first installment*. More will be asked of you. Your challenge is to transform a spending cut exercise into one aimed at repositioning the role of government in society for the future.

4. Bourgon, *Serving Canada in 2025*.

The lesson learned in the mid-1990s is that realigning the role of government in society is a political process supported by a public service wide effort. It should not be treated as a management issue. In leading such an exercise, your North Star is the future, and your centre of gravity is service to Canadians.

There are no well performing countries without well performing public institutions and organisations. It is your turn to invent the public service Canadians need for the future.

Canada's Sovereignty and Self-Inflicted Risks

Everything mentioned so far is doable and Canadians have the capabilities to bring about the necessary course corrections. As I see it, looking ahead, the only risks that could prevent Canada from *managing manageable risks* would be *self-inflicted*.

Canada is currently exposed to *warfare* - trade warfare, political and psychological warfare by its most important ally and trading partner. I use the word “warfare” deliberately because the intentions are hostile. Canada is vulnerable to various forms of foreign interference and is especially vulnerable to technological warfare. Canadians may not have seen the worst of it yet.

Canada has assumed for too long that its climate, geography and proximity to the USA were sufficient to ensure its security. A serious re-think is underway. The government of Canada is moving aggressively to increase its defence capacity. There is a slow but growing awareness of the need to ensure its digital sovereignty. This is all good. But what about *internal risks*?

Canada is vulnerable to external and *internally self-inflicted risks*. When it comes to self-inflicted risks, the use of referendums and the “idea of secession” readily come to mind.

More than 70 percent of people in the world live under some form of autocratic regime.⁵ At the scale of the world, the society Canadians have built north of the 49th parallel is an exceptional and remarkable achievement. Canada is a modern, democratic and inclusive state governed under the rule of law.

The privilege of living in a modern democratic state comes with some legal obligations but also with the responsibility of using individual and collective freedoms *responsibly*.

There are good reasons why *representative* democracy is the approach used to govern modern society rather than direct democracy. Representative democracy is deliberative and adaptive. It provides agility for course corrections in response to changing needs and circumstances.

Referendums have valid uses, but they are crude instruments and as a result they must be used with care. Life in society is complex; it cannot be reduced to a binary view of the world that can be resolved through a yes or no question.

The hard work of *governing* is to reconcile conflicting views in a pluralistic society to search for an ever-evolving consensus in order to make progress in a fast-changing world. This is hard work. Periodically, people aspire to a change of government; this does not mean that they aspire to a change of country as a result.

It is a failure of responsible government to lay the challenge of governing at the feet of people through a yes and no vote to address the complex issues that stem from living in a modern

5. *Democracy Report 2025: 25 Years of Autocratization – Democracy Trumped?* (Gothenburg, Sweden: V-Dem Institute, 2025), 12

democratic society.

That was the lesson from the Brexit experience. It was initiated to appease internal political tensions instead it self-inflicted damages. The UK referendum to leave the European Union took place on June 23rd 2016. From there on government took on the challenging work of overcoming *self-inflicted difficulties*. It took four years to negotiate an agreement with the EU (2020). Ten years later, agreements are still being negotiated to regain some of the access the UK previously enjoyed.⁶ These were difficulties a modern society *inflicted to itself*.

Referendums on secession are even more challenging. As Canadians know only too well, they are emotionally charged, highly divisive and unpredictable. They are vulnerable to manipulation. In the current circumstances there are good reasons to believe that they may play in the hands of agents or countries with hostile intentions toward Canada.

I cannot think of another country that would entertain the possibility of a referendum on questions that put it at risk when being exposed to external threats.

I am moderately confident that Canadians will find a way to prevent actions that would put Canada at risk, not for fear of “direct democracy” as some have argued but because there is more important work to do and the society Canadians aspire to build north of the 49th parallel cannot be reduced to a yes and no question.

Governing is the job Canadians have assigned to their elected officials. Governing a complex modern democracy is a search for an elusive balance to reconcile emerging needs, circumstances and collective capacity. *It is a failure of democracy* to reduce it to a yes and no question, where one side wins and one side loses.

One day, and this may not be the day, Canadians will need to talk openly and respectfully about the consequences for a country when the “*idea of secession*” is an ongoing concern. Compared to other countries, Canada has been exceptionally permissive on the question of challenging its sovereignty. Most countries declare that they are indivisible; a few allow referendums under strict conditions and with the prior approval by the national government.

People of my generation have lived all their adult age with the possibility that a referendum on secession may pull their country apart. To live in a country where the *idea of secession* is an ongoing concern has consequences.

Life in society is challenging. There are tensions and conflicting views. These tensions provide an impetus for problem solving. The *idea of secession* on the other hand transforms unresolved issues into grievances and the threat of secession. This erodes the capacity for collective problem solving.

The *idea of secession* transforms relationships between governments. Cooperation is seen as a subtraction - your win is my loss - rather than a multiplication - the capacity to achieve results no one could achieve on their own. The challenges governments are facing in the 21st century from climate change to an aging population, from global trade to public security, require the pooling of capacity across boundaries, sectors and governments. This is the lesson from 50 years of effort among the members of the European Union. Individual countries cannot influence the course of event on their own but collectively they are a force to reckon with. Their internal markets are too small to ensure their future prosperity but as a single market

6. E.g. the EU regulatory system for goods, Horizon Europe for scientific research, EU standards for chemicals, food, agriculture; discussion is still under way on youth visa, student exchange

under common rules they build the capacity to compete at home and abroad.⁷ This is a feat Canada has been unable to achieve. No country should leave 2-4% or more of GDP on the table because of self-inflicted barriers within their economic union.⁸

Referendums on secession present some similarities to what Canada is currently experiencing in its relationship with the USA administration: they can be used to extract concessions under threat.

One way or the other the *idea of secession* as an ongoing concern contributes to political instability which in turn contributes to the underperformance of the Canadian economy and periodically discourages long term investments. A key lesson from the Canadian experience is that *to remain “silent”* on the risks and consequences of the idea of secession for fear of making things worse did not serve anyone’s interest.

Canadians and their elected representative will need to find their voice to talk about what *federalism* has to offer to face the challenges ahead and to ensure Canada’s future prosperity in a challenging world.

The machinery to support the management of a modern and complex federation like Canada is severely lacking compared to other federations like Australia, Germany and even the European Union. This is a need to *institutionalise* multilateral collaboration among governments to build a country with the adaptive capacity to prosper in a fast-changing global landscape. We have known about this weakness for a long time. Indeed, this was a key recommendation of the Royal Commission on the economy as far back as 1982. The *institutionalisation of modern federalism* belongs on a governing agenda for the 21st century aimed at ensuring Canada’s prosperity.

Conclusion

You are serving in an especially challenging and dangerous period of time. You did not choose to serve at this juncture. Many of the problems you are inheriting have been in the making for a long time, but here you are and everything you do matters.

Serving begins with an unrelenting commitment to serving Canadians, a drive to excellence, a search for new and better ways to fulfill your public mission and to get things done. These are some of the characteristics of a public service fit for the time.

Governing is a search for balance - making choices, exploring what mix of policy decisions, actions and interventions would be deserving of public support and propel Canada forward. The capacity of working across multiple boundaries is a defining characteristic of government able to address complex issues of the 21st century that respect no boundaries.

I have learned that when the political will and the professional capacity to shape an ambitious agenda and to get things done converge, the course of history can forever be transformed.

I have learned that little can stand in the way of a country when its people aspire to build and share a better future together.

The question of this book remains - how can we help you succeed? *A Public Servant’s Voice* is

7. Trade and customs, competition policy, product standards, environmental, agriculture and fisheries, etc.

8. Some estimates go even higher. The IMF estimates a potential 7% gain in GDP from clearing internal trade barriers; see *Canada: 2025 Article IV Consultation—Press Release and Staff Report* (Washington, DC: International Monetary Fund, 2026), 29

an extended hand: You can count me in.



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