

and these are negotiations that will have to arise when we sit down with the municipalities and provinces."

The former longtime finance minister and Quebec MP for LaSalle-Emard stressed the importance of improving the "partnership" between Ottawa and the provinces and municipalities.

"I believe the future of the country is going to be set by communities large and small," said Martin, who a day earlier toured the sites devastated this summer by one of the worst forest fire seasons in B.C. history.

More than 230 homes in Kelowna alone were wiped out and thousands of people were evacuated from towns and cities in the Interior.

Martin has talked previously about a "new deal" for municipalities, and said the country's prime minister needs to speak regularly to municipal federations in all provinces.

"And second, a federal finance minister needs to know how a budget affects cities."

The Federation of Canadian Municipalities said Martin's speech was what it wanted to hear.

"We are obviously pleased with Mr. Martin's directness and continued commitment to a new deal for Canada's municipalities," Yves Ducharme, federation president and mayor of Gatineau, Que., said in a prepared statement.

Martin reiterated proposals he made at the federation's annual meeting in Winnipeg last May, including an offer to share the federal fuel excise tax with municipal governments and the establishment of new mechanisms for intergovernmental relations.

Martin, who received a standing ovation before he had said a word, made an overture to British Columbia in particular, telling delegates that B.C.'s sense of alienation was not a myth.

"It's real," he said.

He said that feeling might be due to the "historic tendency in Ottawa to treat regional issues that arise in Central Canada as national issues, whereas too often national issues in B.C. are relegated to regional concerns."

He specifically mentioned fisheries, the softwood lumber dispute and the pine beetle infestation that has destroyed huge chunks of B.C. forests.

The Liberal party holds only 15 seats in Western Canada, including six in B.C.



