A Western Canadian Perspective

Hon. David Kilgour, J.D. Association for Canadian Studies Conference on Evolving Federalism National War Museum 11 Feb. 2010 Ottawa

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It is an honour to provide a Western perspective on this panel. It has been several years since doing so, and even more since writing two books on regional disaffection in the West and elsewhere in our country. It's time I called again for more regionally fair federal government procurement/cultural spending, democratic changes in the practices of the House of Commons and Senate reform.

First, some brief comments from a Western perspective on the three surveys your association commissioned as background for this conference:

1. It should surprise no thoughtful Canadian that those surveyed in the West, Quebec and Atlantic Canada are more concerned than Ontarians about the amount of respect accorded to their respective provinces.

2. Majorities in all provinces want the federal government to play a key role on issues like climate change and the economy, although respondents in all regions agree that the federal and provincial governments are not working well together.

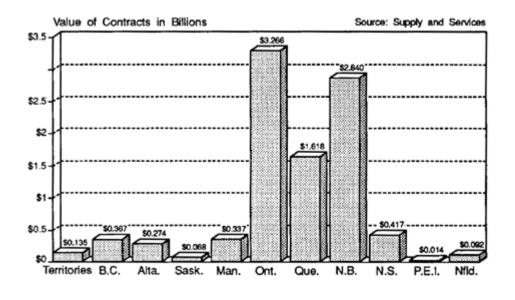
3. Most of those surveyed do not see our country as ten equal provinces, preferring instead the Charter of Rights concept of 33 million equal members of a national family. Westerners are unlikely to differ from the national consensus on this; indeed, I'd expect the region to hold this opinion as strongly as anywhere given the populist tradition in all four provinces.

4. Outside Quebec, most of those surveyed identified with "Canada only" and with having national interests prevail rather than those of one's province. Stronger Identification with one's province in the West would appear to have weakened, probably because of the passage of three decades and more from the enactment of regionally divisive policies such as the 1980 National Energy Program.

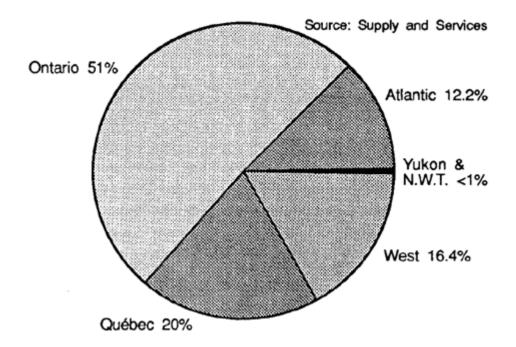
Origins of 'western alienation'

The phrase continues to reflect a perception among many residents of all four Western provinces that some Canadians are "more equal than others" or that Westerners are in a permanent minority. My books (*Uneasy Patriots-Western Canadians in Confederation* (1988) and *Inside Outer Canada* (1990)) can both be accessed at <u>www.david-Kilgour.com</u>; they offer examples of this phenomenon as of the times of writing and earlier. I hope things have changed for the better in terms of regional fairness since, but have no current research data to offer. What was done then appears still to be essentially the same today; perhaps this association might consider doing an update on some of it, including procurement and cultural issues.

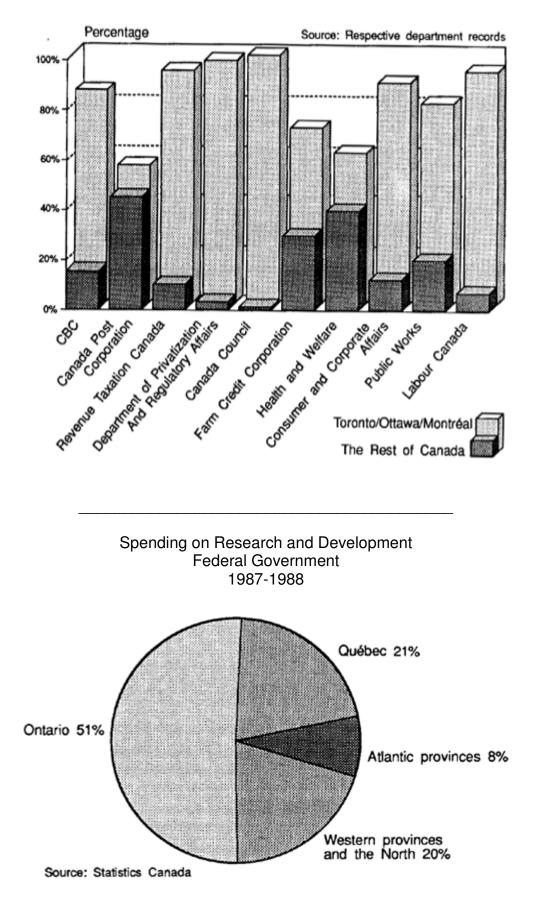
Federal Government Procurement By Province 1987-1988



Federal Government Procurement By Region 1988-1989



Spending on Goods and Services 1988-1989



Farmer angst

The first albatross was hung around western farmers' necks in 1879 when Prime Minister Macdonald began to enact the high tariff feature of his National Policy. The aim was to encourage new Ontario and Quebec manufacturers by penalizing the entry of competing products primarily from the United States and Britain. For western producers, however, the result was that they were forced to pay high duties on imported farm machinery and the like, or to buy substantially more expensive substitutes from Central Canada. For almost a century afterwards, Westerners, who obtained no visible benefit from high tariffs in terms of manufacturers locating their plants near their most important customers, believed that they were paying for most of the mahogany in the homes and offices of manufacturers in Toronto and Montreal.

The western complaint remained until well into the 1970's that world export realities required Westerners to sell our agricultural products, notably wheat, into highly competitive world markets, but that we were obliged by Ottawa to buy necessities in a domestic market made less competitive by high protective tariffs.

"Damn the railroads"

Another major farm issue in the West over many decades was the railway monopoly in general and freight rate equalization in particular. Except for a few items, rates in the West were 50% higher than the Grand Trunk Railway's rates for Central Canada for the same services. Wheat travelled 200 miles for ten cents a bushel in Ontario and Quebec but for twice that in parts of the Prairies. Manitobans paid a higher rate than Central Canadians, residents of what is now Alberta and Saskatchewan a higher rate than Manitobans, and British Columbians paid the highest rate of all. Ottawa rail officials would later approve this as "fair discrimination."

Westerners argued in vain during most of a century thereafter that there should be equalization of rates in the sense that all Canadians should pay the same rate for the same distances for the same kind of material shipped in any part of the country. Convincing Ottawa's Board of Railway Commissioners would prove to be a goal not for the faint-hearted.

Political Inequality in Prairie Canada

The problem of political inequality probably generated as much alienation as tariffs and freight rates combined. The issue surfaced nowhere as strongly as in disputes over natural resources ownership and the setting of provincial boundaries. Manitoba barely crawled into being as a province in 1870, lacking control of even its crown land and resources, and it did not succeed in obtaining them until sixty years later. The Macdonald government had concluded that providing Manitoba a constitutional status equal to the five existing provinces, including tiny Prince Edward Island, would deprive the federal government of much of the rich lands on the Prairies. The Manitoba Act of 1870 declared that crown lands in the new province were reserved' for the purposes of the Dominion." The same principle was applied in 1905 to Saskatchewan and Alberta when they, after much difficulty, also won provincial status. British Columbia maintained control of its resources on entry to Canada in 1871, presumably because no one in Ottawa would have dared to try to take away what was already won.

The eventual success of the three provinces in obtaining control of their own resources probably had more to do with political clout than the rather self-evident merits of their case. Some still argue the transfer symbolized the end of the establishment phase of the first National Policy. Many weary Westerners concluded at the time that the real reason Ottawa transferred land and resources was because it felt neither was worth keeping. In Prairie economist V.C. Fowke's words: "The remaining natural resources which were transferred to the prairie provinces in1930 would not have tempted any railway company, nor any hard-bitten farmer from Ontario, or scarcely even the unsuspecting immigrant."

The Calgary Herald described the Laurier government's 1905 refusal to accord Alberta and Saskatchewan equality with the original provinces on the resources issue as an "autonomy that insults the West." To this day, some in Prairie Canada believe that this act of gross discrimination by Ottawa demonstrated clearly that the West was regarded as an exploitable colony.

1970s and 1980s

A number of issues arising in the 1970s and 1980s increased the western sense of being disfavoured by their national government:

Ottawa Mandarins

Many of my observations two decades ago do not seem to have changed markedly, although I don't have statistical analyses to confirm such conclusions today.

"There can be little doubt that Canada has been dominated economically since Confederation by Ontario and Québec and particularly by a relatively small group of people and companies located in Montréal and Toronto," concluded David Walker of the department of geography, University of Waterloo in 1983.

A continuing conviction shared by Outer Canadians is that we are chronically under-represented in the public service of our country. Kenneth Kernaghan concluded in a 1978 study that middle levels of the pubic service were more representative of the country as a whole than were senior ones in terms of both birthplaces and geographical regions. Two years later, Dominique Clift wrote that a disproportionate number of top officials were from Ontario. The journalist Jeffrey Simpson revealed during 1981 only one deputy minister and three of 198 assistant deputy ministers were Albertans.

Data on the regional or provincial composition of federal officials are difficult to find because, unlike linguistic and gender data, they are rarely recorded. My own survey of the 220 most senior individuals in twenty-eight federal departments and agencies in mid-1989 indicated that only about ten per cent were born and educated in Western Canada. Four per cent were from Atlantic Canada in both education and birth. Senior executives, who were both born in and educated in either Ontario or Québec, hold seventy per cent of the highest posts. Eight per cent of the top job holders then were born outside Canada, but all of them had received at least part of their education in Ontario or Québec. Our federal public service and its ability to respond to legitimate regional aspirations has been largely ignored for research purposes. One of the reasons why, as Donald Savoie has suggested, may be the fact that so few academics across Canada understand the workings of our Ottawa public service. In Savoie's words: "Many people still cling to the belief that politicians set policies and public servants simply administer them and carry out ministerial directives." In reality, appointed Ottawa officials play the key roles in shaping most policies and in the decision-making process. Having served as a parliamentary secretary to four different cabinet ministers and in the Chretien cabinet for seven years, this is certainly my conclusion.

Our national government appears to remain a highly centralized organization with a disproportionate number of its key-decision makers originating from Inner Canada. The organizational capacity of our federal government to reflect regional circumstances appears to remain both inadequate and showing little improvement.

Culture and Communications

The C.B.C. should be a major unifying vehicle, providing a broad cultural highway of national self-expression. It should allow Canadians everywhere to share a cultural heritage that reflects our full national diversity. Neither the English nor the French television network of the CBC currently (as of 1990 at least) provided an adequate contribution with respect to regional and cross-cultural communications. This was first documented officially during 1977 when the Boyle Commission of Inquiry concluded that virtually all regular network CBC English television series were produced in Toronto with Ottawa providing some political programs. Both the English and French CBC television networks still appear to give insufficient attention to Outer Canadians. Canadians generally will have to assess for themselves whether it's doing significantly better today.

On the CBC English radio news side, one internal corporation analysis about 20 years ago suggested an exemplary record in reporting regularly from many centres across Canada. Radio news is clearly much more portable than television news, but even so it appears to deserve high marks as a vehicle for having Canadians speak to each other across often vast distances.

In 2010, our technology of communication has changed dramatically from 24-hour news to personal news on twitter. It would be interesting to research the regional origins of today's news and creative content across Canada of both new and traditional media.

Energy Wars

It is often forgotten that the national Liberal party was historically strong in Western Canada. Pierre Trudeau and his Just Society and One Canada, blended with his iconoclastic personal style, were attractive to many Westerners during the 1968 election campaign. Trudeaumania provided an excellent opportunity for Pierre Trudeau to break the existing political mold in the West.

How the Liberals destroyed their political base both federally and provincially in the region between 1968 and 1980, when they won but two of the West's seventy-seven federal constituencies, has been well chronicled. More than anything else, their National Energy Policy

reinforced the western suspicion that Pierre Trudeau and his party regarded our region as a continuing colony of Central Canada. Energy, of course, has divided Canadians on a regional basis on price and is perhaps now doing so somewhat on the basis of global warming and 'going green'.

The National Energy Program (NEP) was introduced in the House of Commons eight months after the Liberals defeated the Conservatives in the 1980 general election. It contained both announced and undeclared objectives. The four public ones seemed the soul of reason: greater energy self-sufficiency, conservation, "nation-building" and Canadianization. The unspoken one was clearly continued Liberal party hegemony in Central Canada at the expense of Western Canadians generally and Albertans in particular.

The NEP's conservation feature was praised initially in every part of Canada, including the West. Some of the NEP programs, such as grants for better home insulation and for converting to natural gas heating, were excellent. Unfortunately for the authors of the NEP, price is the major factor determining the amount of oil and gas used by both individuals and commerce. In keeping domestic oil prices across Canada at about half of international levels between 1980 and 1984, the government ensured great waste. A longer term consequence of this cheap energy to both industry and agriculture was that both sectors were able to postpone investing in the more efficient machinery with which competitors around the world were retooling. The future international competitiveness of the exports from every region of Canada was harmed by the NEP.

Defenders of the NEP agree that one of its objectives was to establish the leadership of Ottawa in the energy sector. The means chosen was a bold attempt to create a new community of energy leaders with a primary loyalty to the federal government. This group was to join industrial-financial elites in Toronto and Montreal who have historically identified closely with Ottawa because of various federal measures such as the Bank Act. The NEP was thus profoundly anti-western because until 1980 our energy industry was one of the very few sectors centred in Western Canada. It was, to many Westerners, as if a national government with no elected representation on either coast had told our east- and west-coast fisheries that they should relocate their industry decision-makers to Ottawa.

In many western minds, the key goal of the NEP was to keep Central Canada on the Liberal side of the political fence by pursuing a consumer-oriented oil strategy. Rather than creating a policy which attempted to balance the interests of both the producing West and the consuming centre and east, Trudeau's government came down all but entirely on the consumer side. The Liberal party, having learned to govern with virtually no representation from the West, wished to be seen as the defender of Central Canada regardless of economic consequences in the West.

Conclusion

Towards 'equal regions'

What is the policy remedy? Some institutional changes are clearly required, but the major obstacle is probably the ongoing indifference of government and private sector policy-makers in Inner Canada. Westerners seek major changes on both the attitudinal and institutional fronts. We believe strongly that our region is vital to Canada. Our experience indicates that democratization of our national institutions is long overdue. We have developed a truly

multicultural and confident society. We wish neither to dominate nor to be dominated as a region; we ask nothing that we do not also seek for our fellow citizens in every part of the country.

Political, economic and cultural equality is the means of ending western alienation.

Canadians from Kenora to Nanaimo seek only fair play for everyone from our national government and institutions. We want every Canadian to be treated as well as those in the central provinces; we need full recognition of our region's contribution and potential. We expect to be full players. The old national policy created diversified, stable and strong communities in Central Canada at least until the Great recession of 2008; a new one must do the same for the entire country. Western Canadians have achieved much for Canada and we can help make it a place where every young person from sea to sea will believe that opportunities in life are equal regardless of where one happens to be born.

Westerners cannot afford to be short of either wind or goodwill. Indifference is the real enemy of those seeking regional justice. To quote Nobel Laureate Eli Wiesel's words in another context, indifference is "the worst disease that can contaminate a society; evil is not the worst; indifference is the worst....indifference is the end." Combating this form of inertia is a cause worthy of the best efforts of all Canadians.

Thank you