

3

Province-building and Canadian Political Science

MATT WILDER AND MICHAEL HOWLETT

THE AIM OF THIS CHAPTER IS to add balance to the study of economic and social policy making in Canada by bringing the provinces back in as a focus of analysis. “**Province-building**” is a concept that was first introduced in the 1960s by scholars of Canadian **federalism** and economic history as a counter-perspective to accounts that focused almost exclusively on the role of the federal government in the nation’s political, economic, and social development.¹ It posits that the provinces are often the primary actors responsible for the formulation, implementation, and financing of policy programs in Canada, and that their role in “country-building” deserves close inquiry.

Such a view animates many of the chapters in this volume, yet in recent years the province-building perspective has seldom been articulated explicitly. Substantively, province-building can be conceived of as occurring “below the radar,” given that provincial states are central actors in the management of the Canadian economy and society but are often overlooked by the media, academics, and the public, who prefer to focus instead on less significant but more publicly prominent units of analysis, namely the federal and municipal governments. Given that provincial governments have tended to maintain fairly low profiles over the past twenty years, province-building, when it occurs, often goes on undetected. Province-building, however, also goes undetected in a conceptual or theoretical sense, with the primacy of provincial governments being implicit in many other perspectives on governmental relations in Canada, but not always identified as such.² The following discussion examines why the province-building perspective arose, determines why it fell out of favour, and argues that a province-building perspective on Canadian development continues to be useful in the present era.

The Rise and Fall of the Province-building Concept

The original articulation of the province-building concept was largely a reaction to theories of Canadian federalism popular in the 1960s that emphasized a “progressive” and activist federal government whose behavior contrasted sharply with what were assumed to be regressive or status quo-oriented provincial regimes.³ As the **Quiet Revolution** brought modernization

efforts to Quebec, paralleled shortly thereafter by activist governments in Ontario and Western Canada, a new wave of scholars exhibited an interest in better understanding the relative influence of provincial governments in setting the trajectory of Canadian social and economic development.

Early proponents of the province-building perspective promoted a distinctly dialectical notion of the functions performed by the federal and provincial governments.⁴ In contemporary terms, they viewed Canadian federalism as a system of **multilevel governance** in which the role played by the federal government was recognized as significant but considered in many cases to be less consequential than that of the provinces. Provincial governments, it was argued, had not only influenced developments within their own jurisdictions over the course of Canadian history, but had also shaped the country as a whole through various forms of **intergovernmentalism**.⁵

Black and Cairns, in particular, took issue with much of the existing scholarship on Canadian federalism and constitutional history, arguing that it was informed by a pan-Canadian nationalist slant that ignored the critical role played by the provinces at various points in Canadian history.⁶ Against the argument often made by centralists that the technological and administrative complexity of modern policy making encouraged centralizing tendencies, Cairns argued that political and institutional dynamics had the opposite effect:

The presence in the Canadian federal system of eleven governments, each honeycombed with bureaucratic interests and desires . . . helps explain the expansion of each level of government, the frequent competition and duplication of activity between governments, and the growing impact of government on society. . . . These pyramids of bureaucratic power and ambition are capped by political authorities also possessed of protectionist and expansionist tendencies.⁷

The consequence of neglecting these institutional facts of Canadian political-administrative life was, according to these early proponents of province-building, a disproportionate emphasis on the federal government and an over-exaggeration of its ability to accommodate social integration and promote economic development. This emphasis, they argued, risked undermining the local autonomy and initiative that had led to Canada's creation and allowed it to succeed as a political project. The province-building hypothesis was thus born out of what early theorists felt was an imperative to conceive of the provinces as at least equal partners in the negotiation of a federal arrangement that was both resilient and "flexible enough to adapt to radical changes and circumstances over time."⁸

This idea spread in the 1970s beyond the realm of constitutional and legal scholars, in large part because of the purchase it offered to decentralized

interpretations of Canadian social and economic history. Of particular interest was forming a better understanding of policy development in areas involving natural resources, social welfare, health care, and transportation, in which the role of provincial governments was inescapable and undeniable but for the most part overlooked in existing accounts.⁹ Strains of Canadian political science and **political economy** prevalent in the 1970s and 1980s went on to link the concept of province-building to classic works in the **staples** tradition, which also emphasized geographical decentralization.¹⁰ Staples theory held that the raw bulk commodity products of Canada's many and diverse regions determined the character of national economic and social development, including the types of policies pursued by its governments.¹¹ Studies in the staples tradition acknowledged that different regionally based economies exploiting different staples—grain, lumber, minerals, oil and gas, fish, and furs, among others—had yielded uneven development patterns across the continent. From this perspective, Canadian history was just as much, if not more, about regional patterns of development than it was about national projects—such as the construction of transcontinental railways or federal grant programs for social development—that tended to be the focus of studies of the day.¹²

While many of the original staples theorists were themselves by and large province-blind, influential thinkers like Lipset and Macpherson investigated structural determinants of state action in an explicitly provincial context.¹³ Aitken's theory of defensive expansionism, which argued that ideas about Canadian development policy were partly fuelled by anxieties about external threats to Canadian sovereignty, was also skeptical of whether the Canadian state should automatically refer to the government in Ottawa.¹⁴ Following from these literatures, theories of Canadian federalism became intertwined in the 1960s and 1970s with those concerned with the relationship between social, cultural, and economic characteristics and the organization of the state.¹⁵ The effect was the widening of the audience of academics receptive to the notion of province-building.

The initial alliance between political economy and constitutionalism was, however, short-lived. Almost immediately, studies in Canadian political economy began to move away from functionalist, instrumentalist, geographic, or technologically deterministic accounts of social and economic development, in which the state's behaviour was considered to follow from the tangible characteristics of the Canadian geography and its political institutions, to take on more sociological or society-centric tones.¹⁶ The result was a new focus on the dynamics of industrial and social organization, such as the structure of capital and labour in Canada, which staples political economists had previously treated only as secondary phenomena.

Legal and constitutional scholars resisted this development, which for them was a return to the past. Cairns, for example, was prompted to reiterate his views on the nature of Canadian federalism in several forceful and well-cited articles in the late 1970s and early 1980s. In his well-known “Governments and Societies of Canadian Federalism” and “The Judicial Committee and Its Critics,” Cairns argued that the resurgent tendency to view the institutions of Canadian governance as a product of societal pressure was misguided.¹⁷ In these works, Cairns again brought to the fore the structural and institutional determinants of the autonomy of provincial states—this time in their relation to both the federal government and Canadian civil society—and stressed the impact that this institutional order had on subsequent trajectories of social, economic, and political development.

Despite ongoing disputes between Ottawa and provincial governments in Quebec, Alberta, and Saskatchewan, Cairns continued to resist complete province-centrism, noting that “parliamentary government and federalism have contributed to a flexible, nonideological, pragmatic style of politics which facilitates intergovernmental agreement.”¹⁸ There was nevertheless a growing sociological dimension evident in Cairns’s analysis as the theory of province-building began to take on an elitist dimension. Closely paralleling the politics of the late-nineteenth-century National Policy, the growth of provincial states was now considered to be contingent on the ability of industrial and government elites to forge relationships with one another in the interest of securing decision-making autonomy. The institutional or statist elements of this analysis were, however, paramount and could not be ignored as they had been in many contemporary political economic accounts. And while these elite-level relationships existed everywhere,¹⁹ Cairns argued that they were particularly strong at the provincial level.

It was not long before an influential minority of Canadian political economists began to reconsider the power of institutions and the function they served in facilitating province-building. By the late 1970s, Canada’s economic situation was such that provincial control over staples production, along with high prices for primary goods and provincial governments’ ability to capture substantial rents in other areas (such as hydroelectricity), had led to extraordinary growth in the size, complexity, and power of provincial governments. Cairns described this state of affairs as contributing to the “other crisis of Canadian federalism,” whereby the existing administrative challenges of federalism were exacerbated by provincial demands for greater autonomy over their new-found fortunes.²⁰ The definitive collection on *The Canadian State* was written in this context, and influential works by Pratt and Stevenson in that collection focused specifically on province-building.²¹ Among those who most articulately echoed Cairns’s ideas were Richards and Pratt, who argued in their analysis of post-World War II industrialization processes in

the Canadian prairies that successful economic development was dependent upon the forging of elite industry–government networks whose origins and allegiances were decidedly provincial.²²

It was at this point that the concept of province-building was most clearly defined. Closely related to the emerging notion of “the relatively autonomous state,” province-building aimed to convey the idea that provincial states are important, semi-autonomous units capable of exercising agency independent of other institutionalized actors and social forces. Given the complexity of modern administration, many analysts went on to argue that developing the organizational intelligence required for effective province-building demanded a high degree of elite networking and a shared understanding among influential actors in both the public and private spheres that the development and growth of the provincial state was a common interest. From this perspective, province-building is distinguishable from country-building if, when faced with the choice of pursuing either decidedly provincial or decidedly national interests, decision makers consciously prioritize provincial interests. This does not mean that national and provincial interests may not align, nor does it imply that federal policy-makers will necessarily place national priorities ahead of provincial ones.²³ It does however imply that, while cooperation between levels of government will be common, we should expect provincial policy-makers to prioritize provincial interests whenever they possess the means to do so.

The 1984 Young, Faucher, and Blais Critique

Led by Cairns, Stevenson, Pratt, and Richards, numerous other scholars became interested in the merits of the province-building hypothesis in the late 1970s, representing the high point of the perspective.²⁴ It is against the backdrop of this significant disciplinary engagement with province-building that Young, Faucher, and Blais articulated their famous critique of the concept.²⁵

The kernel of this critique was that, by 1984, the province-building concept had begun to be used speculatively by students of federalism and political economy, glossing over the status of Quebec as unique among the provinces and neglecting the significant role played by the federal government.²⁶ The image of province-building that had emerged by the early 1980s had moved a great distance away from the intergovernmentalism espoused by Cairns and others to become, according to Young, Faucher, and Blais, essentially the antithesis of country-building. In their critique of contemporary analyses, Young, Faucher, and Blais argued against the view that provinces had led national development in any conscious or even unintentional manner. As they put it, the picture of province-building had “become too vast and lurid,” being a highly amorphous and complex concept that had come to mean so many different things to so many different people that it had in effect become meaningless.²⁷

Similar to the original position put forward by Black and Cairns in 1966, Young, Faucher, and Blais emphasized that the course of Canadian history was characterized by cyclical swings from centralization to decentralization and back again. According to Black and Cairns, centralization had often been the product of emergencies and exceptional circumstances in which the survival of the country was at stake.²⁸ The long-term pattern was, however, reflective of a gradual blurring of jurisdictional barriers, resulting in a system of “fused federalism” characterized by federal involvement in virtually every area of provincial jurisdiction—natural resources, social welfare, highway-building, higher education, local government, and others—despite archaic constitutional language that envisioned separate (“water-tight”) jurisdictions. Young, Faucher, and Blais agreed with this latter sentiment but argued that what proponents of province-building cited as “provincial” initiatives in fact owed their origins, or accomplishment, to federal initiative and financing.

The critique delivered by Young, Faucher, and Blais was two-pronged. Conceptually, province-building, whether treated as a dependent or an independent variable, was difficult if not impossible to identify because it was either conceptually vague or, conversely, represented different things to different authors. Empirically, having done a thorough analysis of the relative strength of the provinces vis-à-vis the federal government across a number of measurement categories, they argued that testing the province-building hypothesis yielded findings contrary to the expectations of the concept’s proponents. The dwindling use of province-building after the Young, Faucher, and Blais critique appeared is testament to the power and influence of their argument. Where the concept continued to be used, it tended to be in a historical context.²⁹

The decline of studies in province-building in the aftermath of the Young, Faucher, and Blais critique is understandable but unfortunate. This was, at least initially, in part a consequence of depressed market prices for primary resources and the elimination of the substantial budget surpluses upon which provincial governments could draw to fund economic and social development. In light of these changes to both the **empirical** and academic contexts, students of Canadian federalism began to develop alternative means for understanding federal–provincial relations. Included among these was the view proposed by conservative critics of the judiciary that any latent provincial orientation had been overridden by the judicialization of Canadian politics following constitutional repatriation and the enactment of the Charter of Rights and Freedoms in 1982.³⁰ Meanwhile, students of Canadian political economy shifted their focus toward the federal free trade agenda as negotiations got underway for the Canada-US Free Trade Agreement (FTA), and toward the political economy of race, class, and gender, popularized by the emergence of identity politics and a new wave of feminist scholarship.³¹

Perhaps due to a wariness on the part of scholars to make use of a stigmatized concept, many have shown a reluctance to classify the patterns of economic and social development that have emerged since.³² Yet, contrary to the findings of Young, Faucher, and Blais in 1984, an updated empirical analysis reveals that a framework that emphasizes the autonomy of provincial governments and their independent capacity for action continues to better capture the dynamics of multilevel governance in Canada than does a “fused” model of federal–provincial relations. Although economic and social development policies continue to be characterized by fluctuations in the type and degree of interaction between the two orders of government, the division of powers and other institutional arrangements aid in explaining the persistence of conditions conducive to province-building.³³

An empirical analysis of the province-building hypothesis must begin with the identification of two measurable variables of government strength: **policy capacity** and policy action. Included under the rubric of capacity are personnel, the degree of bureaucratic professionalism, and financial resources. Policy action may simply be measured as targeted expenditures. Consistent with Young, Faucher, and Blais, we argue that if province-building is to be refuted, it will likely be in the face of evidence that the federal government possesses a controlling interest in the financing, formulation, and implementation of social and economic development policy in Canada.

Trends and Patterns in Province-building since 1980

On first inspection, the empirical tenacity of province-building does appear to be quite weak, ostensibly supporting the Young, Faucher, and Blais critique. The size of provincial governments in Canada has rarely matched that of the federal government, and despite impressive growth in both the population and economy of the provinces, the aggregate size of provincial governments has not surpassed its 1991 peak of 371,908 direct employees. The federal government, on the other hand, recently exceeded its 1992 peak of 404,484 employees to reach a new high of 423,294 in 2010. This picture is misleading, however, since it excludes employment in local governments, which according to standard techniques should be considered extensions of provincial governments.³⁴ As demonstrated in [Figure 3.1](#), although the size of all three levels of Canadian government fell off beginning in the early 1990s, the size of local governments caught up with and surpassed both provincial and federal totals between 1994 and 1996, taking off substantially in 2000.³⁵

Analysis of key financial metrics also does not sustain the argument that the federal government is the central actor in economic development policy. In spite of impressive growth in personnel in local governments, [Figure 3.2](#) indicates that

Figure 3.1 Size of Governments, 1982–2012

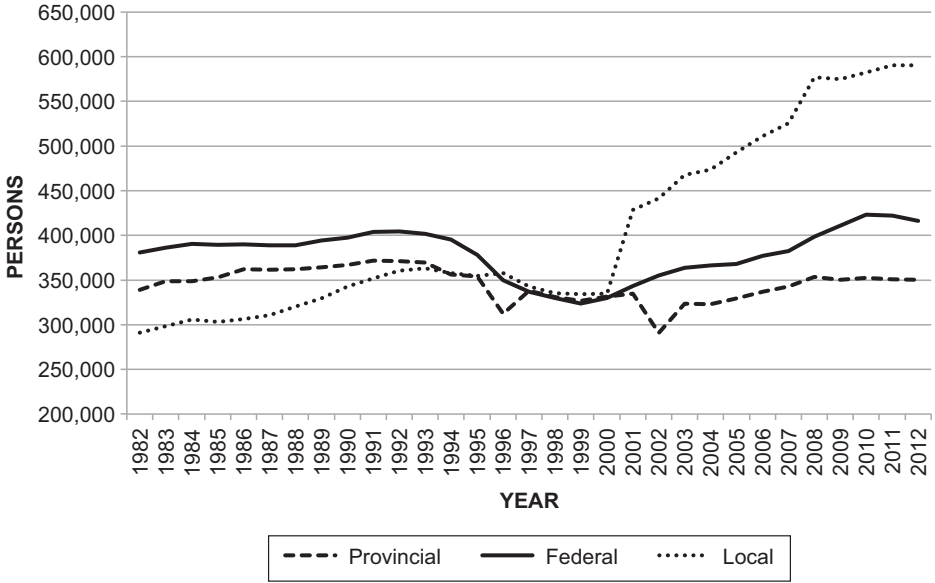
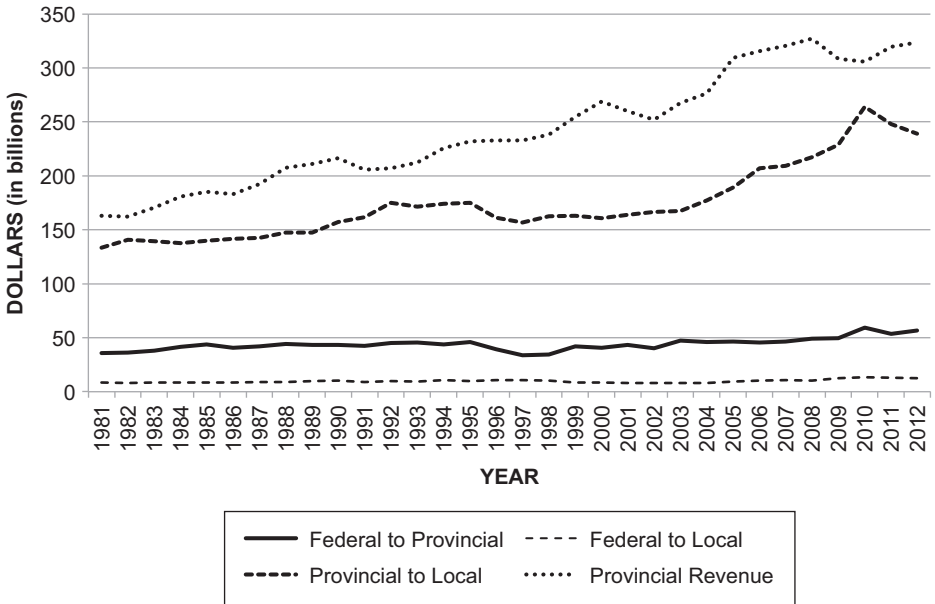


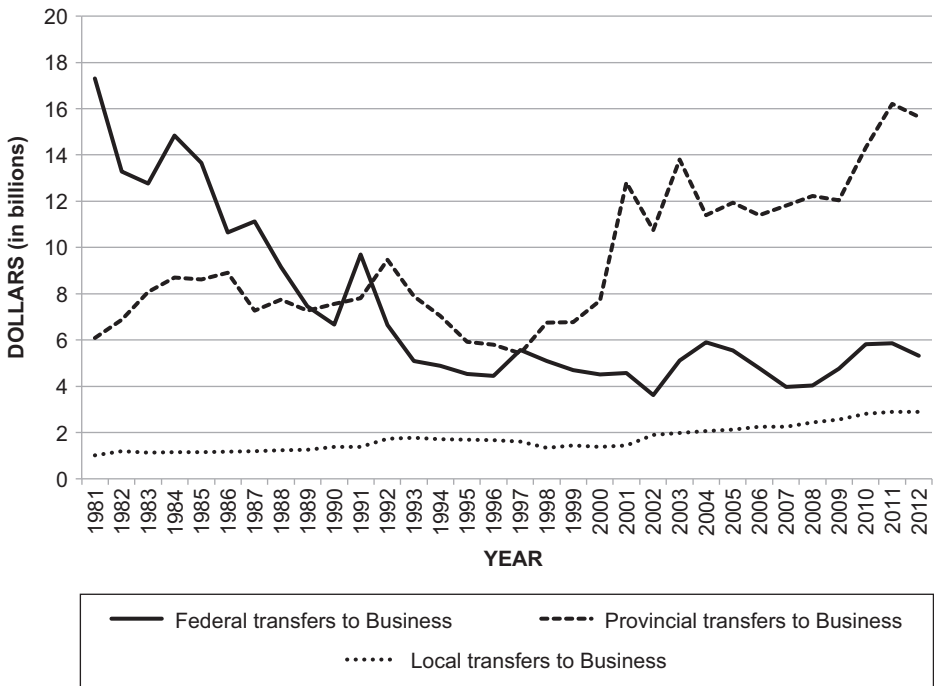
Figure 3.2 Transfers between Levels of Government, 1981–2012



the rate of devolution outlined in Figure 3.1 has not been reflected to nearly the same extent in government financing. Rather, the provinces have retained significant resources beyond those transferred to local governments. Meanwhile, although direct federal transfers to local governments have increased by 645 per cent since 2000 to exceed \$1.9 billion in 2012, specific-purpose transfers from provincial to local governments dwarf federal transfers by a factor of 45.

Although the federal government maintains a strong (and renewed) presence in the financing of some activities such as research and development, there is strong evidence that Ottawa has backed away from more direct financing.³⁶ Federal loans to businesses, for instance, increased dramatically in the 1980s to reach a peak of \$28.9 billion in 1985. Since subsequently falling to a low of \$1.6 billion in 1997, such loans averaged only \$7.1 billion per year from 1999 to 2011.³⁷ While the federal government still lends more than provincial governments, in the period between 1981 and 2012, provincial subsidies on production vastly exceeded federal subsidies, with the exception of 1997–1998, when provincial levels were at their postwar low. Direct federal subsidies for production decreased by 71 per cent from a federal high of \$3.8 billion in 1997 to only \$1 billion in 2012, while provincial subsidies have risen by 561 per cent since 1997, peaking at \$12.2 billion in 2010. With respect to total direct transfers to business, there has been a clear reversal in

Figure 3.3 Transfers to Businesses, 1981–2012



the source of financing from the federal to provincial governments, with local governments playing a fairly modest role but one that may be approaching the level of federal contribution. These trends are reflected in [Figure 3.3](#).

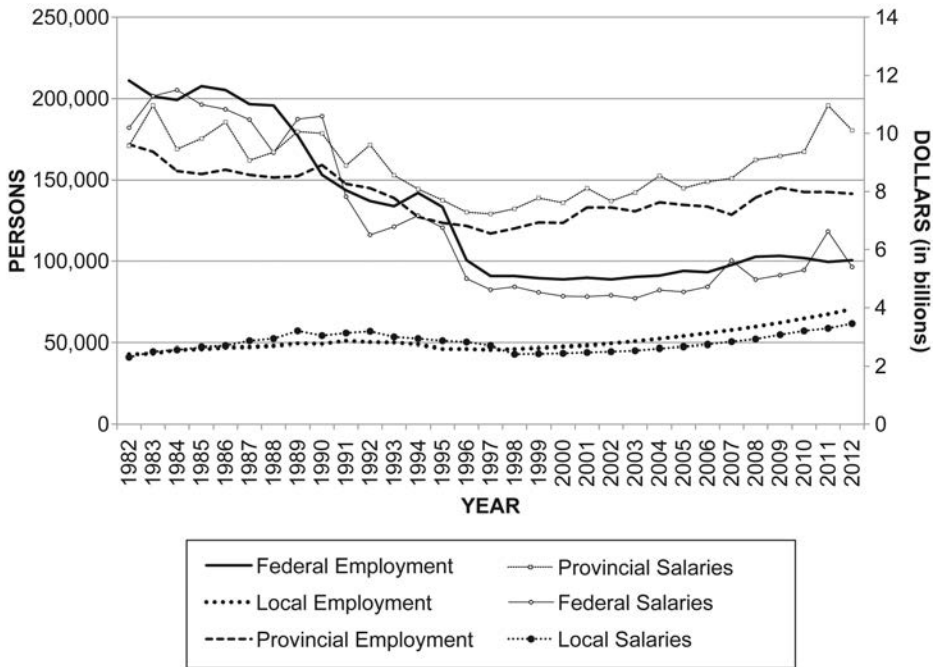
Contrary to the impression given by the relative growth of Canadian governments in [Figure 3.1](#), between 1982 and 2012 the provinces increased their financing contributions to businesses by 157 per cent while the federal and local governments adjusted their contributions by -69 and 186 per cent, respectively. Consonant with the thesis that the federal government intervenes in times of crisis, federal transfers to business have typically gone to have-not and resource-dependent provinces, the top three recipients being Saskatchewan, PEI, and Alberta, who received on average \$1,065, \$530, and \$438 per person per year respectively from 1981 to 2009. With these provinces excluded, federal transfers averaged only \$239 per person per year in that period. Contrary to the commonly held view that the federal government has increased its role in financing business ventures in the new millennium,³⁸ the data reveal a negative pattern across all the provinces and territories, with the recent exception of federal transfers to businesses in Yukon and Nunavut. While there have been significant increases in transfers to businesses from local governments, this should not be taken as an indication of significant devolution, since local government transfers to businesses are eclipsed by both federal and provincial transfers.

Despite the elimination of many non-tariff barriers in the 1990s, the provinces have also proven fairly successful in sustaining levels of employment in state-owned enterprises. This is not the case for the federal government, which embarked instead on a large-scale and sustained program of liquidating Crown assets.³⁹ Employment in enterprises owned by local governments increased by 62 per cent between 1982 and 2012 but continue to be overshadowed by federal and provincial totals, which witnessed reductions of 50 and 15 per cent, respectively. The profitability of provincially owned enterprises is reflected in the consistently higher salaries paid relative to federal and local enterprises. Despite reductions, employment in provincial Crown corporations stood at 141,544 persons in 2012, while employment in federally and locally owned enterprises was 100,606 and 70,505, respectively. [Figure 3.4](#) captures these changes.

As indicated by [Figure 3.4](#), employment in federal enterprises has declined significantly; yet, similar to patterns surrounding employment in provincial Crowns,⁴⁰ the decline in employment in federal Crowns has not been uniform across the provinces. Aside from Yukon and the Northwest Territories, where federal enterprises were scaled back and then privatized entirely by 1997, all provinces except Manitoba, PEI, and Nova Scotia experienced a steady decline in the rate of federal Crown employment (see [Table 3.2](#)).

The analysis so far has established that the overall size and financing capacity of governments in Canada has, at least since 2000, supported the province-building hypothesis. As Young, Faucher, and Blais noted, however,

Figure 3.4 Employment in Crown Corporations, 1982–2012

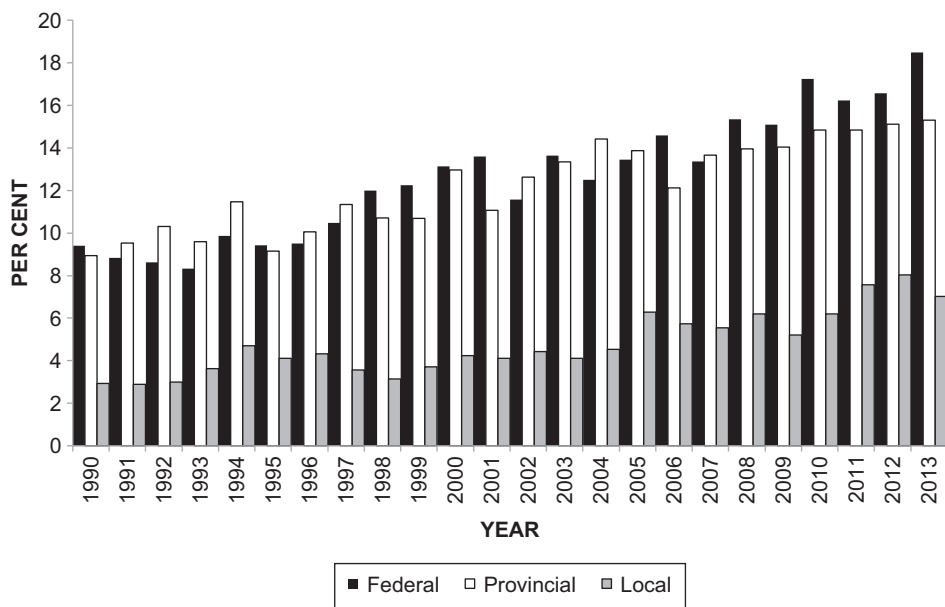


these are somewhat crude measures of government capacity since they do not take into account the quality of the government services provided. Relative expertise among the levels of government in Canada indicates that federal and provincial governments have a great deal more policy capacity than local governments, and that, while federal capacity has been relatively stable or declined, provincial capacity has increased.⁴¹

Figure 3.5 is demonstrative of the overall pattern of relative professionalism in Canadian bureaucracies as measured by graduate degree-holders in the civil service. Levels of professionalism in federal and provincial governments were roughly at parity until 2007, after which professionalism in the federal bureaucracy increased by 5 per cent to reach 18.47 per cent in 2013, while provincial levels remained stable around 15 per cent. For its part, professionalism in local governments underwent a gradual increase from 2.94 per cent in 1990 to 7.01 per cent of the bureaucracy in 2013.⁴²

Assuming a concentration of federal professionals in Ottawa, it is arguable that provincial governments retain a higher degree of professionalism in their respective jurisdictions across the board.⁴³ If one prefers to err instead on the side of caution, the data nevertheless suggest that in every province except

Figure 3.5 Graduate Degree-holders as Percentage of Bureaucracy, 1990–2013



Ontario, provincial bureaucracies have a higher concentration of professionals than does the federal civil service. This does not mean that individual provinces have greater capacity for policy making than does the federal government.⁴⁴ It does suggest, however, that federal policy-making capacity is concentrated in the national capital, not distributed geographically across the provinces and territories.

Conclusion

Young, Faucher, and Blais were correct in pointing out that province-building is empirically non-generalizable. That is, both their and our analyses demonstrate that evidence of province-building has not been uniform across time and space. This should, however, not be considered a weakness of the concept; rather, it simply suggests that there has been a different temporal pattern of province-building in each jurisdiction—something that should not be surprising in a decentralized federation. The evidence presented nevertheless indicates that, overall, the provinces have become increasingly significant actors across many key metrics. This has implications for how we conceive of province-building and the configuration of multilevel governance in Canada.⁴⁵

Table 3.1 Typology of Ideas about Multilevel Policy-governance Practices in Canada

	Strong Provincial	Weak Provincial
Strong Federal	Province-building as multilevel collaboration <i>or</i> friction	Country-building without province-building (unilateral “cooperative federalism”)
Weak Federal	Province-building as country-building	N/A

As demonstrated by [Table 3.1](#), what the various strands and critiques of the province-building concept reveal are actually arguments about the different possible configurations of provincial and federal actors in federal systems.

Four possible scenarios exist depending on the presence or absence of strong or weak governments at each level. While some versions of province-building may be premised on a continuously weak federal government, the data analyzed by Young, Faucher, and Blais and that compiled here both support a less stereotyped view of province-building. Contrary to Young, Faucher, and Blais, however, we do not see province-building as necessarily competitive in spirit, but rather amenable to collaboration between levels of government.

Of course, this is not to deny variations across provinces and, as mentioned previously, the likelihood that different provinces will cycle through different configurations at different times. On the contrary, the patterns of centralization and decentralization identified by Cairns and others are a classic case of such sequencing, of which there has been sustained evidence.⁴⁶ While the patterns detailed in this analysis are demonstrative of a highly complex process of administrative evolution (see [Table 3.2](#) for a summary), none of these findings is incongruent with the notion that province-building occurs and has been significant to Canadian social, political, and economic development.

Ultimately, the record shows that there is no denying that Canada has undergone several significant changes over the last thirty years. These have included the **retrenchment** of the **welfare state**, devolution of responsibilities to local governments, and the construction of complex networks among the three levels of Canadian government. Consistent with Black and Cairns’s prediction that authority will often be shared among the three orders of government, Canada has also experienced shifts toward cooperative federal-provincial-municipal governance.⁴⁷

Table 3.2 Average Change to Measurement Categories since 1981 (%)

Jurisdiction	Size of Government (persons)				Professionals in Civil Service*				Government Enterprises (persons)				Transfers to Business			
	F	P	L	Average	F	P	L	Average	F	P	L	Average	F	P	L	Average
NL	-23	28	77	27	-9	298	194	167	-50	-20	x	-35	-65	15	1	-16
PE	25	95	156	92	337	159	23	159	19	62	x	41	0	327	0	109
NS	-24	-7	200	56	145	176	116	217	-48	-64	30	-27	-91	-67	203	15
NB	10	31	60	34	124	195	547	185	-76	-5	174	31	-95	653	160	239
QC	8	14	53	25	97	113	31	102	-66	-14	-59	-46	-85	353	180	149
ON	23	1	110	45	124	122	126	78	-41	-2	173	43	-37	172	187	107
MB	-1	9	92	33	44	56	-3	59	-26	1	-10	-12	-33	52	-31	-4
SK	-17	-14	92	20	45	95	118	153	-60	-8	-44	-37	-51	-41	49	-14
AB	14	-28	181	56	333	-21	347	247	-85	-73	-50	-69	-59	-25	15	-23
BC	10	-18	105	32	249	62	510	274	-34	-4	-67	-35	-31	-12	2,561	839
YT	-53	175	206	109	N/A	N/A	N/A	N/A	-100	N/A	N/A	-100	30	8	-79	-14
NT	-53	47	56	17	N/A	N/A	N/A	N/A	-100	N/A	N/A	-100	-78	-71	N/A	-75
NU**	175	0	67	81	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	219	8	N/A	114
Average	7	26	112	48	149	125	201	158	-56	-13	18	-17	29	105	295	124

Source: Calculated based on data from Statistics Canada and provincial public accounts

F=Federal

P=Provincial

L=Local

* From 1990

** From 1999

While there have been long-term declines of specific tools like public enterprises, as well as a shift in some provinces toward the tools of **New Public Management**, these trends merely disguise the continuing and significant presence of provincial governments in the financing, formulation, and administration of social and economic development policy.⁴⁸ Situating the province-building hypothesis vis-à-vis theories of multilevel governance, the analysis provided in this chapter has demonstrated that an appreciation of provincial governments as builders of provincial states is critical to understanding both historical and contemporary Canadian politics and government. While pressures toward decentralization, devolution, and retrenchment may characterize politics at the federal level,⁴⁹ the distribution of authority in the Canadian constitution, coupled with unique political structures that encourage a high degree of centralization within provincial governments, provides a compelling explanation for the continued relevance of provincial governments in the contemporary era.

Notes

- 1 See, for example, William Easterbrook and Hugh Aitken, *Canadian Economic History* (Toronto: University of Toronto Press, 1988); J.R. Mallory, "Canadian Federalism in Transition," *Political Quarterly* 48 (1977): 149–63; R.M. Dawson, *The Development of Dominion Status: 1900–1936* (London: Frank Cass and Co., 1965); Vincent Massey, *Report of the Royal Commission on National Development in the Arts, Letters, and Sciences* (Ottawa: King's Printer, 1951).
- 2 Kenneth Kernaghan, "Moving towards Integrated Public Governance: Improving Service Delivery through Community Engagement," *International Review of Administrative Sciences* 75 (2009): 239–54; Andrew Sancton and Robert Young, eds., *Foundations of Governance: Municipal Government in Canada's Provinces* (Toronto: University of Toronto Press, 2009); Christopher Stoney and Katherine Graham, "Federal-Municipal Relations in Canada: The Changing Organizational Landscape," *Canadian Public Administration* 52 (2009): 371–94.
- 3 Pierre Elliot Trudeau, *The Constitution and the People of Canada* (Ottawa: Queen's Printer, 1969); C.B. Macpherson, *Democracy in Alberta: The Theory and Practice of a Quasi-party System* (Toronto: University of Toronto Press, 1953).
- 4 Edwin Black and Alan Cairns, "A Different Perspective on Canadian Federalism," *Canadian Public Administration* 9 (1966): 27–44; Alan Cairns, "The Governments and Societies of Canadian Federalism," *Canadian Journal of Political Science* 10 (1977): 695–726; Alan Cairns, "The Other Crisis of Canadian Federalism," *Canadian Public Administration* 22 (1979): 175–95.
- 5 Harvey Lazar, "Fiscal Federalism: An Unlikely Bridge between the West and Quebec," *Canadian Political Science Review* 2 (2008): 51–67.
- 6 Black and Cairns, "A Different Perspective"; cf. Donald Smiley, *Conditional Grants and Canadian Federalism* (Toronto: Canadian Tax Foundation, 1963);

- Pierre Elliot Trudeau, *Federalism and the French Canadians* (Toronto: Macmillan, 1968).
- 7 Cairns, "Governments and Societies," 704.
 - 8 Black and Cairns, "A Different Perspective," 30.
 - 9 Gerard La Forest, *Natural Resources and Public Property under the Canadian Constitution* (Toronto: University of Toronto Press, 1969); John Dales, *Hydroelectricity and Industrial Development: Quebec 1898–1940* (Cambridge, MA: Harvard University Press, 1957); Malcolm Taylor, *Health Insurance and Canadian Public Policy: The Seven Decisions that Created the Canadian Health Insurance System* (Montreal: McGill-Queen's University Press, 1978); Richard Schultz and Alan Alexandroff, *Economic Regulation and the Federal System* (Toronto: University of Toronto Press, 1985).
 - 10 See Donald Creighton, *The Commercial Empire of the St. Lawrence, 1760–1850* (Toronto: Ryerson Press, 1937); W.T. Easterbrook, "Recent Contributions to Economic History," *Journal of Economic History* 19 (1959): 76–102; Vernon Fowke, *The National Policy and the Wheat Economy* (Toronto: University of Toronto Press, 1957); Harold Innis, *Problems of Staple Production in Canada* (Toronto: Ryerson Press, 1933); A.R.M. Lower, *The North American Assault on the Canadian Forest* (Toronto: Ryerson Press, 1938); Mel Watkins, "A Staple Theory of Economic Growth." *Canadian Journal of Economics and Political Science* 29 (1963): 141–58.
 - 11 Michael Howlett, M. Ramesh, and Alex Netherton, *The Political Economy of Canada*, 2nd ed. (New York: Oxford University Press, 1999).
 - 12 Tom Naylor, "Dominion of Capital: Canada and International Investment," in *Domination*, ed. A. Kontos, 35–56 (Toronto: University of Toronto Press, 1975); Smiley, *Conditional Grants*.
 - 13 Seymour Martin Lipset, *Agrarian Socialism* (San Francisco: University of California Press, 1959); Macpherson, *Democracy in Alberta*.
 - 14 Hugh Aitken, *The State and Economic Growth* (Ottawa: Social Science Research Council, 1959). On this point, Aitken argued, "We must bear in mind that the locus of the 'state' was neither single at any one time nor constant over time. For example, financial assistance to railroad construction in Canada was provided by the governments at all levels—municipal, provincial, federal, and imperial. There was no single locus of decision making, nor even a single hierarchy. Each level of government operated within its particular limitations to achieve its own objectives, and these did not always coincide in all respects," 185.
 - 15 Frank Underhill, "The Development of National Political Parties in Canada," in *In Search of Canadian Liberalism*, ed. Frank Underhill, 21–42 (Toronto: University of Toronto Press, 1961); Tom Naylor, "The Rise and Fall of the Third Commercial Empire of the St. Lawrence," in *Capitalism and the National Question in Canada*, ed. Gary Teeple, 1–13 (Toronto: University of Toronto Press, 1972); Kari Levitt, *Silent Surrender: The Multinational Corporation in Canada* (Toronto: Macmillan, 1970); Mel Watkins, "The Staple Theory Revisited," *Journal of Canadian Studies* 12 (1977): 83–95.
 - 16 Gregory Albo and Jane Jenson, "A Contested Concept: The Relative Autonomy of the State," in *The New Canadian Political Economy*, ed. Wallace Clement and Glen Williams, 180–211 (Montreal: McGill-Queen's University Press, 1989).

- 17 Cairns, "Governments and Societies"; Alan Cairns, "The Judicial Committee and Its Critics," *Canadian Journal of Political Science* 4 (1971): 301–45; cf. William Livingston, *Federalism and Constitutional Change* (Oxford: Clarendon Press, 1956).
- 18 Cairns, "Governments and Societies," 723.
- 19 John Porter, *The Vertical Mosaic: An Analysis of Social Class and Power in Canada* (Toronto: University of Toronto Press, 1965).
- 20 Cairns, "The Other Crisis"; cf. Anthony Careless, *Initiative and Response: The Adaptation of Canadian Federalism to Regional Economic Development* (Montreal: McGill-Queen's University Press, 1977).
- 21 Leo Panitch, ed., *The Canadian State: Political Economy and Political Power* (Toronto: University of Toronto Press, 1977); Larry Pratt, "The State and Province-Building: Alberta's Development Strategy," in Panitch, 133–62; Garth Stevenson, "Federalism and the Political Economy of the Canadian State," in Panitch, 71–100; cf. Garth Stevenson, *Unfulfilled Union: Canadian Federalism and National Unity* (Toronto: Gage, 1979).
- 22 John Richards and Larry Pratt, *Prairie Capitalism: Power and Influence in the New West* (Toronto: McClelland and Stewart, 1979), 168, summarizes the interplay of private and public influences in creating conditions conducive to province-building in the following way: "Once the foreign investor has sunk his costs and has fixed assets in place and his monopoly on expertise has been eroded, under certain conditions, there occurs a shift of power toward the province. . . . What begins as a relatively simple and highly unequal, often exploitative relationship evolves into a much more complex pattern of relations as the provincial government moves up a learning curve of skills and negotiating expertise and the foreign company faces the steady erosion of its monopoly power."
- 23 There is, after all, much evidence to the contrary, federal regional development programs being the obvious example of the federal state putting regional interests above national ones. See Charles Conteh, *Policy Governance in Multi-Level Systems: Economic Development and Policy Implementation in Canada* (Montreal: McGill-Queen's University Press, 2013).
- 24 H.V. Nelles, *The Politics of Development: Forests, Mines and Hydro-electric Power in Ontario, 1849–1941* (Toronto: Macmillan, 1974); Melville McMillan and Kenneth Norrie, "Province-building vs a Rentier Society," *Canadian Public Policy* 6 (1980): 213–20; Marsha Chandler and William Chandler, "Public Administration in the Provinces," *Canadian Public Administration* 25 (1982): 580–602; Judith Maxwell and Caroline Pestieau, *Economic Realities of Contemporary Confederation* (Toronto: C. D. Howe Institute, 1980).
- 25 Robert Young, Philippe Faucher, and André Blais, "The Concept of Province-building: A Critique," *Canadian Journal of Political Science* 17 (1984): 783–818.
- 26 What Young, Faucher, and Blais objected to most strongly was that province-building implied a zero-sum vision of Canadian federalism—either provincialism or federalism: "The implications of the concept are profoundly anti-federalist. It de-emphasizes the regional distinctiveness which is the basic justification for the establishment of federal as opposed to unitary states. It

- downplays co-operation and tolerance, and substitutes crude conflict for the fruitful tensions which may be amenable to creative resolution,” 818.
- 27 Ibid., 783.
- 28 Black and Cairns, “A Different Perspective,” 29.
- 29 Harold Chorney and Philip Hansen, “Neo-Conservatism, Social Democracy and ‘Province Building’: The Experience of Manitoba,” *Canadian Review of Sociology* 22 (1985): 1–29; Stephen Tomblin, *In Defense of Territory: Province-building under WAC Bennett* (PhD dissertation, University of British Columbia, 1985); Sean Markey, Greg Halseth, and Don Manson, *Investing in Place: Economic Renewal in Northern British Columbia* (Vancouver: UBC Press, 2012).
- 30 Peter Russell, “The Effect of a Charter of Rights on the Policy Making Role of Canadian Courts,” *Canadian Public Administration* 25 (1982): 1–33; Peter Russell, “The Political Purposes of the Canadian Charter of Rights and Freedoms,” *Canadian Bar Review* 16 (1983): 30–54.
- 31 Keith Banting, George Hoberg, and Richard Simeon, eds., *Degrees of Freedom: Canada and the United States in a Changing World* (Montreal: McGill-Queen’s University Press, 1997); Duncan Cameron and Mel Watkins, eds., *Canada under Free Trade* (Toronto: Lorimer, 1993); Jane Jenson, “Introduction: Some Consequences of Economic and Political Restructuring and Re-adjustment,” *Social Politics* 3 (1996): 1–11.
- 32 Cf. Julie Simmons and Peter Graefe, “Assessing the Collaboration that Was ‘Collaborative Federalism’ 1996–2006,” *Canadian Political Science Review* 7 (2013): 25–36.
- 33 Michael Atkinson et al., *Governance and Public Policy in Canada: A View from the Provinces* (Toronto: University of Toronto Press, 2013).
- 34 While this image is contentious, considering that municipal governments have been successful in garnering recognition over “general spheres of jurisdiction,” many of those sensitive to local autonomy concede that provincial governments have been ready to intervene when provincial interests are concerned. See Robert Young, “Conclusion,” in *Foundations of Governance: Municipal Government in Canada’s Provinces*, ed. Andrew Sancton and Robert Young, 487–99 (Toronto: University of Toronto Press, 2009).
- 35 From 1982 to 2012, federal, provincial, and local governments grew 9 per cent, 3 per cent, and 103 per cent respectively; from 1999 to 2012 the level of growth for the three levels of government was 29 per cent, 7 per cent, and 76 per cent. Local government totals for 2012 were 590,263, federal 416,224, provincial 350,313.
- 36 The proportion of research and development financed directly by the private sector did not drastically surpass that of the federal government until 1986. Whereas federal investment in R&D dipped from \$4.4 billion in 1994 to \$3.8 billion for the years 1997 and 1998, private investment in R&D climbed rapidly during this period to reach a peak of \$16.5 billion in 2006. Provincial government investment in R&D has always been overshadowed by investment at the federal level but nevertheless climbed steadily since 1981 to reach \$1.8 billion in 2013. Not surprisingly, Ontario, Quebec, and Alberta lead the provinces in

- their commitments to R&D, with Alberta's rate of investment being the only impressive figure per capita.
- 37 Having increased only modestly in the 1980s to reach \$7.8 billion in 1986, however, provincial loans to businesses surpassed federal levels briefly in 1997 to peak at a little over \$7.8 billion in 1999–2000 and averaged a still consequential \$4.4 billion per year from 1999 to 2011.
 - 38 See Conteh, *Policy Governance*.
 - 39 Sanford Borins, "New Public Management North American Style," in *The New Public Management: Current Trends and Future Prospects*, ed. Kathleen McLaughlin, Steven Osborne, and Ewan Ferlie, 181–94 (London: Routledge, 2002).
 - 40 Per-capita employment in provincially owned enterprises does not follow a clear pattern, with Saskatchewan being the sole province to experience significant decline in the early 1990s but rebound in the late 1990s to lead the provinces at 0.94 per cent of the population in 2012. Conversely, Alberta's rank declined from second place (behind Saskatchewan) in 1982 to last place for per-capita employment in provincial Crowns at 0.16 per cent of the population in 2012. Ontario, Manitoba, and Nova Scotia similarly underwent drastic declines in the early 1990s and have not had any significant recovery, standing at 0.29 per cent, 0.21 per cent, and 0.22 per cent of the population in 2012. While BC has witnessed a very gradual decline in provincial Crown employment, from 0.82 per cent of the population in 1982 to 0.49 per cent in 2012, New Brunswick, Quebec, Newfoundland, and PEI have maintained stable per-capita rates of employment, averaging 0.60 per cent, 0.53 per cent, 0.41 per cent, and 0.17 per cent between 1982 and 2012.
 - 41 Kennedy Stewart and Patrick Smith, "Immature Policy Analysis: Building Capacity in Eight Major Canadian Cities," in *Policy Analysis in Canada: The State of the Art*, ed. Laurent Dobuzinskis, Michael Howlett, and David Laycock, 265–80 (Toronto: University of Toronto Press, 2007); Kevin Lynch, "The Public Service of Canada: Too Many Misperceptions: Remarks by Kevin G. Lynch, Clerk of the Privy Council, Secretary to the Cabinet and Head of the Public Service" (Ottawa: 2008); Michael Howlett and Joshua Newman, "Policy Analysis and Policy Work in Federal Systems: Policy Advice and Its Contribution to Evidence-based Policy-making in Multi-level Governance Systems," *Policy and Society* 29 (2010): 123–36; Michael Howlett, "A Profile of BC Provincial Policy Analysts: Troubleshooters or Planners?" *Canadian Political Science Review* 3 (2009): 55–68.
 - 42 Young, Faucher, and Blais, "The Concept of Province-Building," 794, speculated that most HQM (highly qualified manpower) at the provincial level was concentrated in areas of mandatory (as opposed to discretionary) spending, such as health and education. However, with education and health excluded from the calculations, the overall pattern is essentially unchanged; graduate-degree holders as a percentage of the federal and provincial bureaucracies average 7.31 per cent and 6.21 per cent between 1990 and 2013.
 - 43 Conteh, *Policy Governance*.
 - 44 Michael Howlett and Adam Wellstead, "Policy Work in Multi-level States: Institutional Autonomy and Task Allocation among Canadian Policy Analysts," *Canadian Journal of Political Science* 45 (2012): 757–80; Michael Howlett et al.,

- “The Distribution of Analytical Techniques in Policy Advisory Systems: Policy Formulation and the Tools of Policy Appraisal,” *Public Policy and Administration* 29 (2014): 271–91.
- 45 Gary Marks, Liesbet Hooghe, and Arjan Schakel, “Patterns of Regional Authority,” *Regional and Federal Studies* 18 (2008): 167–81.
- 46 Tom Courchene, *Celebrating Flexibility: An Interpretive Essay on the Evolution of Canadian Federalism* (Toronto: C. D. Howe Institute, 1995); Richard Simeon and Ian Robinson, “The Dynamics of Canadian Federalism,” in *Canadian Politics*, ed. James Bickerton and Alain Gagnon, 5th ed., 101–26 (Toronto: University of Toronto Press, 2004).
- 47 David Cameron and Richard Simeon, “Intergovernmental Relations in Canada: The Emergence of Collaborative Federalism,” *Publius: The Journal of Federalism* 32 (2002): 49–72; Conteh, *Policy Governance*.
- 48 Luc Bernier, “The Future of Public Enterprises: Perspectives from the Canadian Experience,” *Annals of Public and Cooperative Economics* 82 (2011): 399–419; Eleanor Glor, “Has Canada Adopted the New Public Management?” *Public Management Review* 3 (2001): 121–30.
- 49 Gregory Albo and Jane Jenson, “Remapping Canada: The State in the Era of Globalization,” in *Understanding Canada: Building on the New Canadian Political Economy*, ed. Wallace Clement, 215–39 (Montreal: McGill-Queen’s University Press 1997); Grace Skogstad, “Globalization and Public Policy: Situating Canadian Analyses,” *Canadian Journal of Political Science* 33 (2000): 805–28.