

Introduction to the Research Symposium

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Abstract

With the constant negotiation and renegotiation of political arrangements between levels of government in Canada, federalism and intergovernmental relations are never stagnant. From time to time, new political circumstances bring about sudden policy changes which redefine the federal partnership, perennial problems are cast in a new light as new solutions emerge. What used to be obvious no longer is, and unsuspected opportunities open up which political entrepreneurs can seize upon. In this context, the question raised at the workshop "Common Ground: Renewing the Federal Partnership in Quebec and the West," held in Vancouver in March of 2007, was whether the election of the Conservative government, among other factors, has created a new climate for renewing Canadian federalism and, more specifically, whether Quebec and the western provinces will be able to work out their past differences in a new atmosphere of cooperation around issues of mutual interest.

Overview

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Many factors account for the recent evolution in Canadian federal relationships, including generational demographic changes, the freshening of interprovincial interaction through the Council of the Federation, the realignment of economic power based on escalating energy prices, most remarkably in Alberta, and so on, but the coming to power of the Conservatives led by Stephen Harper is arguably the most important among them. Since the election of the Harper Conservatives in January 2006, new solutions have emerged to long-standing concerns.

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Constitutional proposals to limit the federal spending power, discussed in the 1980s, and an intergovernmental agreement to do the same under the 1999 Social Union Framework Agreement have given way to proposals to create a legislative framework of consent mechanisms and opt-out clauses for federal-provincial transfer payments. Such legislation aims to address Quebec's perennial concern that the federal spending power's disregard for the division of powers undermines the very essence of federalism.

The redress of longstanding grievances regarding the role of the Senate in the legislative process has been attempted through federal proposals to elect senators and limit their tenure in office. Indeed, legislative solutions to age-old grievances voiced by Quebec and the West have become the policy tool of choice at a time when intergovernmental officials have no appetite for discussion of formal constitutional amendment.

Unanticipated opportunities to change the dynamics of Canadian federalism have recently arisen. With the failure of the *Clean Air Act*, and public perception that the federal government has done little to mitigate climate change, provinces have assumed a leadership role in this policy area. The release of climate change action plans, the setting of provincial greenhouse gas emissions reduction targets, the promotion of carbon capture and storage in Alberta and Saskatchewan, and the discussion of a cap and trade system between Ontario and Quebec are just some examples of provincial policy leadership. Remarkably, July 2008 marked the second consecutive Council of the Federation meeting to have climate change as a major agenda item. General federal retrenchment from areas of concurrent and provincial jurisdiction --- thankfully acknowledged by the provinces in some cases, reluctantly in others --- has given provinces the ability to take control of policy portfolios without federal interference. The same may be said of provincial involvement in policy areas arguably under federal jurisdiction. Recent cues from the federal government that it does not oppose province-level efforts to negotiate international trade and culture agreements.

Remarkably, Canadians are witnessing high-profile borrowing, by Ontario and Quebec for example, of innovative policies from the West. Recent innovations in labour mobility policy is a good example of the export of policy ideas from the West to other parts of Canada. The first-ever Ontario and Quebec joint cabinet meeting on June 2, 2008, ended with an announcement to negotiate a labour mobility framework whose principles were inspired by the Alberta-British Columbia Trade, Investment and Labour Mobility Agreement (TILMA). Cross-country concern with internal labour mobility, an aging workforce, and general skills shortages has sparked discussion of the TILMA model as a policy alternative for other regions.

In this context, the question raised at the workshop "Common Ground: Renewing the Federal Partnership in Quebec and the West,"¹ held in Vancouver in March of 2007, was whether the election of the Conservative government, among other factors, has created a new climate for renewing Canadian federalism and, more specifically, whether Quebec and the western provinces will be able to work out their past differences in a new atmosphere of cooperation around issues of mutual interest. Although significant changes have occurred on the political landscape since March 2007 (notably, provincial elections in Saskatchewan and Alberta; significant debate on "reasonable accommodation" in Quebec, and on royalty rates in Alberta; and, as already mentioned, the release of climate-change plans by the governments of Alberta, British Columbia, and Ottawa), none of these fundamentally reverses the pertinence of this diagnostic.

One might look to the example of the dramatic reversal of Saskatchewan's relationship with Ottawa as an indication that times have changed since the workshop; one might go so far as to see this about-face as evidence that federal-provincial relations have become more cordial. Under the leadership of Lorne Calvert's New Democrats, Saskatchewan was pursuing a constitutional challenge to the provisions of federal Budget 2007, and its treatment of non-renewable natural resources. With the election of Brad Wall's Saskatchewan Party, however, Saskatchewan suddenly occupied a more closely aligned position with Ottawa. Saskatchewan's closest allies switched from Newfoundland and Labrador and Nova Scotia, to Alberta.

Nevertheless, under Harper's Conservative government federal-provincial interactions have remained varied. From the adversarial exchange perpetuated by Newfoundland and Labrador Premier Danny Williams' "broken promise" campaign, and the failure of the federal government to address the value gap create by changes to the Equalization program, to the cozying up of New Brunswick Premier Shawn Graham to the Prime Minister, as evidenced in the first Community Development Trust allocation, to the increasing tension between Ottawa and Ontario revealed by the conflict-ridden exchange between federal Finance Minister Jim Flaherty and Ontario Premier Dalton McGuinty on how best to assist the ailing auto sector.

Participants in the workshop, however, cannot be faulted for neglecting to discuss events that had yet to occur, and the focus was not national in scope; again, the aim of "Common Ground" was to assess the possibilities opened-up for redefining intergovernmental interactions among Quebec and the West, upon election of a new Conservative government promising a new Open Federalism agenda.

Edward McWhinney's concise overview of the crucial role Quebec has played over the last fifty years in reshaping Canadian federalism and its lasting impact on federal-provincial relations provides the historical background that is needed to better understand the context within which the issues discussed by all the other authors have emerged. Eric Montpetit in his article credits the Harper government's piecemeal approach for some of the positive moves that have already been accomplished in trying to assuage some of Quebec's concerns, and his prescription is that all partners in the federal-provincial system should adopt Charles Lindblom's strategy of "disjointed incrementalism" if further progress are to be achieved.

Looking at the situation from a Manitoba angle, Paul Thomas notes a new willingness on the part of Premier Doer to work cooperatively with, and to borrow ideas from, Quebec and the Maritime provinces, especially New Brunswick. But if a significant break with the past can be accomplished, it will necessarily entail new departures in federal-provincial fiscal relations. On that subject, Harvey Lazar strikes a more pessimistic note. While the provinces have been able to unite and put pressure on Ottawa to rein in the federal spending power, there is far more disunity on the crucial issue of equalization and on this dossier, Quebec and the western provinces are at odds.. On the same topic, John Richards is slightly more optimistic. He notes that the priorities and methods set out in the recent O'Brien report go some way toward addressing Quebec's historic complaint about the existence of a "fiscal imbalance" and set the whole program of Equalization on a sounder footing. Finally, Roger Gibbins offers some concluding thoughts on the issues arising from the workshop from the perspective of Canada's West.

Endnotes

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