

**Political Monopoly: A study of the Progressive  
Conservative Association in rural Alberta 1971-  
1996**

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## Abstract

This dissertation argues that the Alberta Progressive Conservative organization constructed a rural political monopoly that facilitated a general provincial political monopoly. It will argue that rural Alberta was vital for the rise of the Progressive Conservatives and accounted for much of its success over the subsequent twenty-five years. The argument also challenges the theories of ‘responsible party government’ that have traditionally explained the perpetuation of the quasi-party system and tradition of one-party dominance in Alberta. It argues that a more comparative approach, specifically the thesis of democratic quality, be integrated into this field of study. The employment of democratic quality biases and the consolidation of economic power in rural Alberta contributed heavily to Conservative political success between 1971 and 1996. Over this period, the Conservatives perpetuated a system of electoral malapportionment that overrepresented rural constituencies and underrepresented urban ridings. At the same time the Conservatives actively challenged independent rural/agrarian civil society organizations and any policy contrary to the party’s political interests. Alberta’s once considerable independent rural and agrarian lobby is today predominantly mediated by their position within or in relation to the Progressive Conservative Association. The decline of general farm organizations (GFOs) and agrarian civil society organizations, facilitated in part by government complicity and a changing agricultural economy, resulted in a ‘political monopoly’ in rural areas. During this period malapportionment underpinned a general political monopoly with rural overrepresentation shoring up collapses of urban support (i.e. Edmonton) in the 1980s and 1990s. This work will provide evidence of participation, competition and other democratic quality biases through a construction of this theoretical framework in terms of a broader comparative perspective based on the evaluation of ‘democratic quality’.

*This dissertation is dedicated to my maternal grandmother Sophie Gallagher.*

*In addition, I would like to express gratitude to the agricultural producers and rural residents of Alberta past, present and future.*

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## *Chapter One: Introduction*

### *Introduction*

On election night 1993, after his Progressive Conservative Association had been declared victorious, Premier Ralph Klein strode to the podium and pronounced that this election's result had been nothing less than a miracle on the prairies. How this continuation of the Progressive Conservative dynasty, which had seen overwhelming majorities under Premiers Peter Lougheed (1971-1985) and Don Getty (1985-1992), could be claimed a miracle was indeed curious. In their 22<sup>nd</sup> year of power, the Progressive Conservative Association (Conservatives) had accrued an average of 81.75% of the Legislative Assembly seats, and 52.5% of the popular vote.<sup>1</sup> At times the Conservatives garnered annual financial contributions nearly four times that of their nearest political competitors (see chart below). Nevertheless, the PC victory under Klein did exhibit some surprising characteristics. Contemporary polls and pundits had predicted their defeat. Despite the election's outcome the Conservatives had captured the support of only a quarter to a third of eligible voters. During the period 1970-1996 provincial voter turnout averaged 59.6%, well below the 73.5% average experienced in other Canadian provinces.<sup>2</sup> During the late 1980s and early 1990s, the Conservatives were in unprecedented decline. Would their support hold? The Conservatives had gone into the election badly trailing the reinvigorated Alberta Liberals led by popular former Edmonton Mayor Laurence Decore. Under the tenure of Don Getty (1985-1992), the Conservatives had suffered a severe provincial economic downturn. Petroleum and agricultural commodities collapsed. The Conservatives endured serious

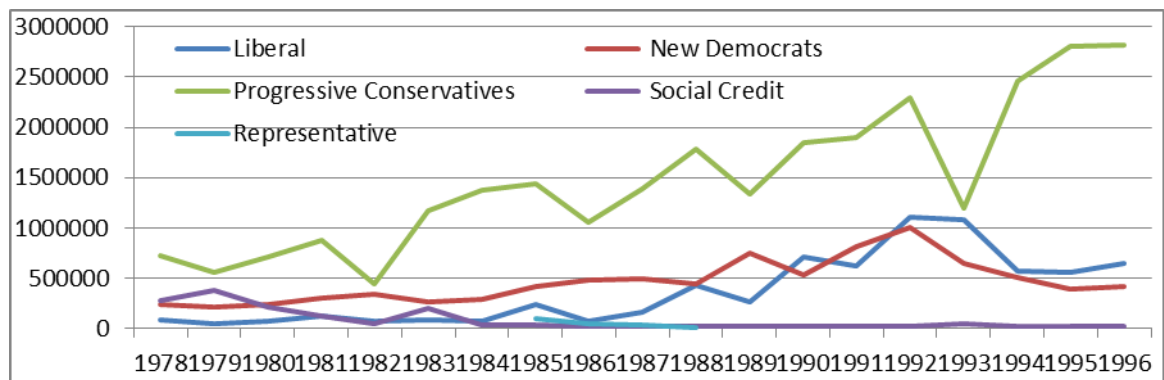
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<sup>1</sup> The lowest seat share came in 1971 with 65.3% during with the organization received 46.4% of the popular vote, the highest came in 1982 with 94.9% of the seats and 62.3% of the popular vote.

<sup>2</sup> This study would like to thank Simon Labbé St-Vincent, a doctoral student at Université de Montréal, for kindly allowing me to access his data set on elections.

political missteps by the unpopular Premier. The state of affairs resulted in unprecedented numbers of defections by erstwhile stalwart supporters. These factors ensured that the 1993 election was the first since 1971 in which an opposition party had achieved relative parity in financial contributions and the first truly competitive election since that time.<sup>3</sup> In the 1971 election Lougheed had led the Conservatives in an overthrow of Alberta’s previous political dynasty: the Social Credit League. Nevertheless, despite the Alberta Liberals’ best showing since 1921, the Conservatives prevailed. Failing to win a single seat in the provincial capital of Edmonton, the Conservatives took the majority of Calgary’s electoral seats as well those in most small cities, towns, and rural ridings. In a time of instability, the Progressive Conservative government had been sustained by its vital agrarian base.

Annual Contributions to Alberta Political Parties 1978-1996 (\$) <sup>4</sup>



In 2011, the Conservatives enter their 40<sup>th</sup> year of power having won eleven consecutive majority governments, the latest being in 2008. Should it continue a conventional full term of four years, or the constitutional limit of five years, the organization will have governed Alberta for at least 41 or 42 years under continuous and overwhelming

<sup>3</sup> By “competitive” we mean an election in which the second place party achieved more than 30% of the popular vote.

<sup>4</sup> Financial Submissions by political parties to the Chief Electoral Officer accessed at the Alberta Legislature Library.

majority governments. Such political dominance and longevity is without precedent in Canadian history. The Conservatives have yet to experience a decline and are among the most successful political organizations in the history of Alberta, and of all the Canadian provinces. The Conservatives have served as a hegemonic party in the quasi-party tradition of the province that has seen powerful political parties in the Alberta Liberals (1905-1921), United Farmer's of Alberta (1921-35) and Social Credit (1935-71). The Conservatives, however, may have well heeded L.G Thomas' (1959) maxim describing an earlier era of Alberta politics where provincial governments experience "...a pattern of sweeping victory, succeeded by long tenure of office with only ineffective opposition...[sic] then follows the virtual annihilation at the hands of young rivals of unexpected vigour and a sudden decline into political obscurity, if not complete extinction (xiii)."

### *Organization of the dissertation*

This dissertation will demonstrate that an analysis of rural dynamics can best explain the rise and the continuation of the Conservatives' political monopoly during the period 1971-1996. The remainder of this chapter will present a theoretical framework wherein the Conservatives are presented as a political monopoly. It will consider the rural dynamics and instances of democratic quality bias that allowed it to sustain power. This framework presents the argument that the employment of competition and participation bias advantaged the ruling rural political coalitions that contributed significantly to the Conservatives' ability to remain in office. Other elements of democratic quality bias that sustained the incumbents' advantage including bias will also be described and defined in terms of: vertical accountability, freedom, equality, and democratic responsiveness. Chapter 2 will review the literature expounding prevailing and traditional explanations for Alberta's quasi-party

system including structural, political and structural-political, together with the ‘responsible party government literature’. It will be demonstrated that these explanations are not sufficient to explain the perpetuation of one-party dominance in Alberta or the success of the Conservatives. Traditional explanations governing Alberta political patterns also mischaracterize the role of rural/agrarian Alberta within the ruling political coalition. Chapter 3 undertakes a study of the agrarian and rural political economy from the rise of the Conservatives until the end of the 1970s. Chapter 4 will examine the same theme during the period 1980-1996. Both chapters will highlight the continued importance of agriculture to the rural Alberta political economy and the fiscal policies employed by the Provincial government to maintain rural support. Chapter 5 explores how provincial grain policy on the Canadian Wheat Board and Statutory Rates (the Crow Rate) employed bias against participation, equality, vertical accountability, and democratic responsiveness. Chapter 6 reviews how the government’s employment of participation, freedom and equality bias challenged the agrarian fight for surface rights between 1971 and 1996. Chapter 7 will discuss how provincial agricultural marketing strategy violated the democratic qualities of participation, vertical accountability, democratic responsiveness, and responsiveness. Chapter 8 will examine how the Conservative government destabilized Unifarm through its employment of participation and vertical accountability bias. Chapters 9 will argue that the Conservatives’ rural malapportionment constituted competition and participation bias. In conclusion, Chapter 10 summarizes the argument while highlighting its scholarly contributions and limits.

### *Defining 'rural'*

Before proceeding to explain the theoretical framework it is essential to properly define “rural”. By no means does this work assume that rural areas are backward or parochial. As Lougheed’s biographer, David G. Wood (1985), observed: “[Hugh] Horner made one point that Lougheed and his colleagues have never forgotten: when you start believing that the people in rural Alberta are somehow different than the people in the bigger centres, you’re making a mistake. Rural Albertans come into the cities, go to concerts, shop in the malls: they’re as sophisticated and as aware of the rest of the world as any of their city cousins. (94)” This understanding afforded the Conservatives enormous political success. What distinguishes rural areas from urban are types of employment. Primary resource extraction employment remains a direct and central element of the rural economy. Notwithstanding the occasional farm, mine, or forestry operation within city or town limits, most primary resource extraction is located outside of urban areas. By contrast, urban employment is typically in secondary and tertiary industries. This study will consider the following as constituting rural Alberta: towns, villages, hamlets, and other places of residence outside of Edmonton, Calgary, Fort McMurray, Lethbridge, Medicine Hat, and Red Deer. Despite massive growth in the provincial petroleum industry since 1947, agriculture remains the largest element of the rural economy in terms of providing both direct and indirect employment. While it is important not to simply conflate rural with agrarian in 20<sup>th</sup> Century Alberta, it is nevertheless important to recognize the continued importance of agriculture both on rural economics and politics and the enormous political advantage to the party that controlled rural economics. Establishing such control afforded the Conservative government the power base to establish a political monopoly in rural Alberta.

*A Comparative turn to the study of Alberta politics*

By adopting a broader approach that examines the use of democratic quality bias by political monopolies, this theoretical analysis critically positions previous theoretical explanations of Alberta's political history as insufficiently comparative. Unconsciously inflating their area of study to be a field of political science in its own right, many in Canadian political science have not adequately considered the empirical, theoretical, and methodological elements of comparative politics. Canadian political science has largely failed to consider explanations for Alberta's one-party dominance outside the rubric of responsible party government theory. It is useful to consider a broader comparative view even with respect to a study of a sub-national unit within a recognized democracy. Rokkan (1970) and Lijphart (1975) criticize studies of democracy that focus primarily on the national level as suffering from a 'whole-nation bias.'<sup>5</sup> This bias has resulted in a lack of analysis and study of sub-national and smaller political units (i.e. urban and municipal). The sub-national political regime literature demonstrates that federalism and even unitary systems may allow for a variation in the quality of democracy or even different regime types over the same territorial space (Frederickson, 2000; Gibson, 2005; Key, 1949; Linz and Stepan, 1996; Mickey, 2005). Guillermo O'Donnell employs a "metaphor of a map of a country in three possible colors blue, green, and brown, representing a descending order of effectiveness of

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<sup>5</sup> The opposing argument has been posited by Giovanni Sartori (1976), who spoke of the 'unit-jump fallacy,' where: "A sub-state, i.e., a member of a federal state, is made equal to a sovereign state (83)." The 'unit-jump fallacy' critique assumes that the national polity will enforce or even possesses the will or political capital to enforce democratic violations at the sub-national level. However, even if it is inclined to intervene the national polity may only have the ability to enforce democratic violations in one or few sub-national units as opposed to all or in none at all.

the legality of the state (2007, xii).”<sup>6</sup> Moreover, it is possible for a non-democratic sub-national regime to exist within a democratic national regime.

The need to go beyond Canadian political science’s traditional responsible party government theories does not necessarily mean that the primary case study, Alberta, is outside the threshold of the democratic regime. Citing Charles Tilly (2004), Beatriz Magaloni (2006) argues that “democracies are classified as such precisely because they possess fewer undemocratic features, not because these features are not present at all (34).” Though some scholars might classify Alberta either as an authoritarian or hybrid regime, this characterization is not helpful in isolating an explanation for continued one-party dominance. This dissertation is less concerned with establishing the true nature of the Alberta regime than in explaining one-party dominance in Alberta from 1971-1996. Driving this thesis is the assessment of Alberta as a political monopoly and examining which biases against democratic quality the dominant party has employed to remain in power. Additionally, the thesis is furthered by demonstrating that, in terms of democratic quality, the Alberta political system suffers from many of the same weaknesses as are evident in other nation-states and sub-national units.

### *The epistemological orientation of the study*

Bounded rationality will guide the epistemology of this study. It does not subscribe to the classical view that human inference is composed solely of logic, probability, and statistics (i.e. Pierre Laplace and Theodor Lipps). Nor does it accept the heuristic and biases

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<sup>6</sup> Blue represents areas where the rule of law is vigorous, green where it is partially diminished and brown where it is extremely diminished.

program notions (i.e. Kahneman, Slovic, and Tversky, 1982) that concluded that “human inference is systematically biased and error prone (Chase, Hertwig, and Gigerenzer, 1998).” As Jones (1999) describes: “Bounded rationality is a school of thought about decision making that developed from dissatisfaction with the ‘comprehensive rational’ economic and decision theory models of choice (299).” The theory, as Maldonato (2007) notes, is premised on “the idea that cognitive limits lead deciders to use a simplified model of the world with which they interact (29).”<sup>7</sup> Simon (1957) observed that: “Since the organism, like those of the real world, has neither the senses nor the wits to discover an ‘optimal’ path-even assuming the concept of optimal to be clearly defined-we are concerned only with finding a choice mechanism that will lead it to pursue a ‘satisficing’ path that will permit satisfaction at some specified level of all of its needs (270-71).” With this theory giving pride of place to ‘satisficing’ over optimization, the focus of bounded rationality is on the psychological and the ecological (Gigerenzer and Goldstein, 1996).

By adopting this conception of human inference, this study must depart from comprehensive rational epistemology and methodology. Bounded rationality lends itself well to the use of heuristics. Ostrom (2007) observes that: “In most everyday situations, individuals tend to use heuristics - rules of thumb - that they have learned over time regarding responses that tend to give them good (but not necessarily optimal) outcomes in particular kinds of situations (196).” Simon (1990) observes that heuristics are not optimal, but satisficing:

Problem solving by recognition, by heuristic search, and by pattern recognition and extrapolation are examples of rational adaptation to complex

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<sup>7</sup>Simon (1990) observes: “Because of the limits on their computing speeds and power, intelligent systems must use approximate methods to handle most tasks. Their rationality is bounded (6).”

task environments that take appropriate account of computational limitations-of bounded rationality. They are not optimizing techniques, but methods for arriving at satisfactory solutions with modest amounts of computation. They do not exhaust, but they typify, what we have been learning about human cognition, and they go a long way toward explaining how an organism with rather modest computational capabilities can adapt to a world that is very complex indeed (11).

Building on such notions, this study will posit that is difficult, if not impossible, at times to assess feedback or causality in a comprehensively rational way. Lagnado and Sloman (2004) along with Novick and Cheng (2004) have expressed concern about how causal information can be acquired. In their study, Garcia-Retamero, Hoffrage and Dieckmann (2007) were able to manipulate participants' "causal mental models through instructions (1197)." This is not to say that scholars pursuing bounded rationality epistemology cannot ascertain some degree of causal relationships, but rather to say that the use of heuristics does not automatically result in their establishment. As Gigerenzer (2008) offers, affect, causality, and representativeness have different meaning under heuristics than more optimizing epistemology: "These terms are mere labels, not formal models of heuristics. A model makes precise predictions and can be tested, such as in computer simulations (21)." The latter is clearly not the attention of this study as in this instance the political monopoly concept is intended to be a heuristic.

There are several misconceptions on the nature of heuristics, including the notion that they are less robust and vigorous than models. Despite such arguments, Gigerenzer (2008) observes that some types of heuristics (i.e. Take-the-Best and Tallying) are able to "predict as accurately as or more than multiple regression (24)." Garcia-Retamero and Hoffrage (2006) note that: "Simple heuristics are fast and frugal but nevertheless fairly accurate decision rules that people can use to compensate for their limitations in computational

capacity, time, and knowledge when they make simple decisions (365).” Garcia-Retamero, Hoffrage and Dieckmann (2007) find that: “They are fast because they do not involve much computation, and they are frugal because they only search for some of the information available in the environment (1197-1198).” Arguing that animals and humans use heuristics to solve adaptive problems, Gigerenzer and Brighton (2009) offer the example of a ball player using the gaze heuristic: “The gaze heuristic is the simplest one and works if the ball is already high up in the air: Fix your gaze on the ball, start running, and adjust your running speed so that the angle of gaze remains constant (see Gigerenzer, 2007). A player who relies on the gaze heuristic can ignore all causal variables necessary to compute the trajectory of the ball—the initial distance, velocity, angle, air resistance, speed and direction of wind, and spin, among others (108).” This example is instructive. A good heuristic will still allow for the success of an objective (i.e. catching a ball) even in the absence of properly indentifying the causal variables.

This work will not claim causation. Again, the political monopoly is a satisficing heuristic, or rule of thumb, for explaining the success of the Conservative organization during a discrete time period. While this study will present highly detailed archival evidence, this will be regarded as strong correlations in support of the heuristic - not as causal evidence. Ultimately, this evidence is open to different historical, political and economic interpretations. There is the possibility that there is evidence in existence that could refute the presented hypothesis. Therefore, the thesis must be nevertheless considered falsifiable. The nature of this highly historical work requires that detractors offer different interpretations or present additional evidence.

*The Conservatives as a political monopoly*

Trounstine (2008) contributes to the construction of the Progressive Conservatives as a political monopoly. Arguing that there was often little difference between many reform and machine municipal governments in the United States, Trounstine provides evidence that both served as political monopolies. Political monopolies are not simply political coalitions that experience longevity; they are organizations that employ various forms of bias to maintain power. Bias can be quantitatively and qualitatively measured in terms of levels of contestability. This work will synthesize the ‘democratic quality’ framework offered by Larry Diamond and Leonardo Morlino (2005) to assess the bias employed by political monopolies.<sup>8</sup> To wit: democratic quality “provides [sic] its citizens a high degree of political freedom, political equality, and popular control over public policies and policy makers through legitimate and lawful functioning of stable institutions (2005: xi).”

Political monopolies may be thought of as comparable to single-party dominant regimes. Geddes (1999) defines single-party regimes as those that have maintained continuous control of the executive since coming to power and those that usually win two-thirds of the seats in the legislature. The broader comparative literature posits that single-party dominant regimes are among the most resilient and that their collapse is more likely to result from exogenous events than internal division (Geddes, 1999; Huntington, 1991; Haggard & Kaufman, 1995). Exogenous events are either geo-political or economic in

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<sup>8</sup> Under Trounstine’s model there are three types of bias that challenge levels of contestability: “the degree to which constituent’s information about governmental performance or available alternatives is limited; the degree to which the entry, exit, or behaviour of candidates or voters is restricted; and the degree to which incumbents’ control over government seats is insulated from their vote share (22).”

nature with the latter being the most relevant to our case study. During periods of economic instability and depression the political opposition is afforded opportunities while the ability of the political monopoly to maximize resources and maintain bias is diminished. Exogenous events will offer a brief opportunity for the opposition to consolidate their resources and to significantly challenge the dominant political organization. These occasions also open spaces, or political opportunity structures (POS), for social movements to mount stronger challenges of government. During periods of greater vulnerability, the government may be more responsive to demands for social change or shifts in policy. Under these conditions, voters may be induced to throw caution to the wind and vote against the ruling party, despite its hold on the electorate.<sup>9</sup>

*The political monopoly, historical institutionalism, and path dependency*

The political monopoly concept may be better understood through explicit association to the neo-institutional approach to political studies. At its heart, neo-institutionalism rehabilitates the role of institutions in political dynamics, while also recognizing the importance of ideas and interests. Nøgaard (1996) observes that:

Institutionalists reject the proposition that a set of behavioural and socio-psychological individual characteristics suffices when explaining individual and collective action. Action is bounded and circumscribed by institutions. Hence, universal generalization is not possible. Social scientists should rather seek middle-range and conditional generalizations (33).

With this epistemological view fitting particularly well with the political monopoly heuristic, Howlett and Ramesh (2003) denote another compatible trait: neo-institutionalists regard the state as an autonomous actor. The state is able to pursue its own objectives independent from

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<sup>9</sup> However, exogenous economic events are no guarantee for the collapse of the political monopoly. Geddes (1999) has found that some single-party dominant regimes remain remarkably resilient during even severe economic downturn and leadership transition.

the influences of social groups or classes. This is precisely the logic that has been assigned by this study to the political monopoly. A political organization is able to use its agency to mobilize institutions to perpetuate its longevity. Yet another important compatible component is the importance neo-institutionalists assign to path dependency. Levi (1997) argues that: “Path dependence has to mean, if it is to mean anything, that once a country or region has started down a track, the cost of reversal are very high. There will be other choice points, but the entrenchments of certain institutional arrangements obstruct an easy reversal of the initial choice (28).” The use of democratic bias by political monopolies must after all be regarded as a path dependent policy. Therefore, the repudiation of such practices is quite difficult for an organization eager to maintain political power. Indeed the options of the political organization are limited by the institutional initiatives of the state.

As evidenced by the debate among scholars, neo-institutionalism must be regarded as a school of thought in some dispute. Hall and Taylor (1996) argue that there are three distinct sets of neo-institutionalism: historical, rational choice and sociological. These scholars caution against a crude synthesis between all three of these sets, but do submit that a dialogue between them is both ‘necessary’ and ‘crucial.’ However, driven by concerns of structure and agency, Hay and Wincott (1998) suggest that the ability for dialogue has been overstated by Hall and Taylor. They observe that the deductive rational choice and inductive sociological institutionalisms are premised on mutually incompatible ‘social ontology.’ Nevertheless, this study supports the notion of three distinct forms of neo-institutionalism. It also argues that historical institutionalism offers the greatest purchase in understanding the political monopoly. Without prolonging this explanation, it is important to note that elements

of sociological and rational-choice institutionalism exist within modern historical institutionalist accounts.

As an approach to political studies, historical institutionalism is a relatively modern - the term was not coined until the early 1990s. However, the tenants of historical institutionalism were in practice before the approach was formally established. Steinmo (1998) argues that Max Weber, Stein Rokkan, David Truman, Karl Polanyi, Alexander Gershenkron, E.E Schattschneider and Hugh Hecllo should be regarded as historical institutionalists. Observing the influences of the prominent group theory and structuralist-functional accounts of the 1960s and 1970s on the approach, Hall and Taylor (1996) note: “From group theory, historical institutionalists accepted the contention that among rival groups for scarce resources lies at the heart of politics, but they sought better explanations for the distinctiveness of national political outcomes and for the inequalities that mark these outcomes. They found such explanations in the way the institutional organizations of the polity and economy structures conflict so as to privilege some interests while demobilizing others (937).”

Within historical institutionalism there are two distinct accounts for how actors behave: the calculus approach and the cultural approach. Sharing much in common with rational choice institutionalism, the calculus approach regards actors as self-serving utility maximizers. The cultural approach stresses that actor “behaviour is not fully strategic, but bound by an individual’s worldview...It tends to see individuals as satisficers, rather than as utility maximizers, and to emphasis the degree to which the choice of a course of action depends on the interpretation of the situation (Hall and Taylor, 939).” It is not realistic to regard the Conservatives as being fully strategic utility maximizers. The decision to

perpetuate bias in rural Alberta was not the result of seemingly countless political calculations that determined no other option. Instead, the Conservatives were influenced by changing political dynamics within their political organization in the early 1970s. In distinction to the 1967 election, the Conservatives began the 1971 election as both an urban and *rural* political organization. This represented a critical juncture that made it strategic for the Conservatives to concentrate on maintaining a vital element of their organization that had brought them to power. In other words, a rural culture had been infused into what had been previously a predominantly urban political organization.

### *The Democratic Quality Framework Introduced*

Despite the normative benefits of democratic quality being seemingly self-evident, the constitution of its dimensions requires elaboration. The rule of law, participation, competition, vertical accountability, and horizontal accountability serves as democratic quality's procedural dimensions with freedom and equality representing its substantive dimensions. Democratic responsiveness links the procedural dimensions with the substantive. Citing O'Donnell (2005), Diamond and Morlino argue that the rule of law implies that all citizens are equal before it and that the law itself is clear, consistent, fair, non-retroactive, public, stable, universal, and administered by an independent judiciary. Democratic participation means all adult citizens have the right to vote. It also means that engaged citizens participate in the political process outside of elections through membership in political and civil society organizations, public policy discussions, and holding elected representatives accountable by monitoring their activities (xvi). Beyond the simple holding of free, fair, and regular elections, democratic competitiveness also includes the political opposition having a realistic chance of unseating at least some incumbents supported by

equal access to the mass media and campaign funding (xvii). Vertical accountability is the obligation of government to render account to electors for political actions, the ability of electors to make requests during election campaigns, and the ability of political and civil society actors to hold government to account at any point (xix). Democratic competition and participation are essential for substantive vertical accountability. Horizontal accountability requires that the government be accountable to state political institutions (i.e. courts, auditing agencies, ombudsmen, etc.). Consisting of political, civil and social, or socioeconomic rights, freedom includes the right to: vote, organize, contest office, liberty, security, privacy, freedom of thought and expression, private property and entrepreneurship (xxv). Equality implies that citizens and groups have equitable access to the rights and protections of the state together with ready access to sources of justice and power (xxvii). Citing G. Bingham Powell Jr., Diamond and Morlino (2005) argue that “democratic governments are responsive when the democratic process induces them ‘to make and implement policies that the citizens want (xxix).’” Rather than examining all dimensions of democratic quality bias, this dissertation will only examine those that were the most effective in the perpetuation of the political monopoly in rural Alberta.

Some components of democratic quality have greater covariance than others. Diamond and Morlino (2005) posit democratic participation and competition as “the key causal aspects in the performances of other dimensions (xxxv).” Bias against participation is about limiting the efficacy of incumbent opposition. Bias against competition is about limiting the numbers of incumbent opposition. The weakness of democratic participation and competition in rural Alberta was the result of a political monopoly employing its primary forms of bias against democratic quality to ensure its longevity. Moreover, a political party

in a democracy is able to shape and even change the party system, or perpetuate a flawed party system, if it can effect change in levels of participation and competition. These actions will pose often overwhelming obstacles to political challengers, particularly when a political monopoly crafts the laws. For example, incumbents can legally perpetuate competition bias by malapportioning, or gerrymandering, electoral boundaries to their advantage (Fritz, 1992, 1994, 1996; Studniberg, 2009).<sup>10</sup> These processes can be more easily accomplished and the effects are more detrimental against the opposition when a political organization has maintained firm control on the levers of power for decades. Weaknesses in other democratic dimensions are often the result of a desire to limit rival competition and participation and to ensure incumbent political longevity. Biases against these dimensions are often used in conjunction with participation and competition bias. In addition to democratic competition and participation bias, this study will consider the employment of bias against equality, freedom, vertical accountability, and responsiveness by the political monopoly in rural Alberta. A primary focus will remain the systemic participation bias employed in conjunction with other forms of democratic biases in Alberta between 1971 and 1996.

### *Participation bias and the decline of agrarian civil society*

Discernable among the major elements of participation bias is the political monopoly's complicity in the decline of independent civil society organizations (i.e. social movements) in rural Alberta.<sup>11</sup> Charles Tilly (2002) defines social movements as "a sustained challenge to power holders in the name of a population living under the

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<sup>10</sup> This is particularly true in a nation-state in which the courts are deferential to the legislatures on the drawing of electoral boundaries (i.e. Canada).

<sup>11</sup> The political explanations with the greatest amount of academic purchase have been those that focus on agriculture social movements and interest groups represented by general farm organizations.

jurisdiction of those power holders by means of repeated public displays of that population's worthiness, unity, numbers, and commitment (90)."<sup>12</sup>Historically, Alberta has been represented by powerful social movements. During its height in the 1910s and 1920s, the Alberta agrarian movement, principally represented by the United Farmers of Alberta (UFA), was considered a Farmer's Parliament that provincial governments ignored at their own peril. The UFA swept to power in Alberta in 1921 and yet another social movement organization, Social Credit, won office in 1935. However, with the notable exceptions of Coleman (1988), Epp (2005, 2007, and 2009), Jaques (2001), Skogstad (1979, 1980, and 1987) and Wipf (2007) there has been relatively little academic interest in the operation of the agrarian movement and agricultural organizations after Social Credit's defeat in 1971. Giugni (1999) finds that even within the broader field of comparative politics the "study of the consequences of social movements is one of the most neglected topics in the literature (xiv-xv)." This study will rectify this scholarly oversight and examine the effects of the decline of the agrarian movement in Alberta.

The evaluation of civil society and social movements in rural Alberta posits a middle ground between neo-Tocquevilleans and their challengers.<sup>13</sup> This work finds great academic purchase in scholars that argue a strong civil society can only compliment, not substitute for, a working political order and community (Huntington, 1968; Berman, 1997). Civil society is essential to providing the foundations of an effective democratic political order and

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<sup>12</sup> Tilly (1999) also found that, "No social movement is self-contained. None operates without the involvement of at least three distinguishable populations: power holders who are the object of claims, the minimum claim being to tolerate the movement's existence; participants, who range from minor contributors to leaders and are often connected by social movement organizations; and a subject population on whose behalf participants are making or supporting claims (257)."

<sup>13</sup> Contrary to those influenced by Almond and Verba (1963) it will not go as far as saying there are social prerequisites to democracy. It will nuance the argument made by Putnam (1993) that civil society is essential to making democracy work.

community. As Diamond and Morlino (2005) find, “the participation of organized civil society and the role of political competition, when not pushed to radical extremes, are the two key factors that emerge...to explain the existing level of [democratic] quality (xxxvii).” The beneficial effects of civil society and social movements are counteracted when civil society is too diverse and too fragmented to be able to serve as an opposition to government especially one enjoying a political monopoly. Berman (1997) finds, “If a population increasingly perceives its government, politicians, and parties to be inefficient and unresponsive, diverting public energies and interest into secondary associations may only exacerbate the problem, fragment society, and weaken political cohesion further (429).” Nevertheless, there is a certain core of the independent civil society movement that contributes to the democratic and competitive functioning of the regime.<sup>14</sup> The composition, membership, and efficacy of this core vary in different nation-states and sub-national units. It should be able to challenge government when government fails to respond to the citizenry or begins to limit the public’s rights with respect to a variety of public policy concerns. Generally, these include a legal movement that is represented through vibrant civil liberties organizations as well as equality movements represented by social organizations that advocate or provide assistance for individuals that the state does not significantly acknowledge (i.e. marginalized or disenfranchised populations). Given the historical position agricultural producers have traditionally occupied at the forefront of Alberta’s democratic reforms, this framework will posit that a vibrant agrarian/rural movement should be considered a core civil society group in Alberta.

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<sup>14</sup> This means independent of government control. Discussions of civil society often make the *a priori* assumption that these groups and organizations are independent of government. An emerging literature discusses the ability of government to co-opt civil society.

The paucity of independent agrarian civil society groups in rural Alberta is partially the result of a political monopoly consolidating power by limiting democratic participation and competition. The increasing longevity of governments, with particularly strong bases of rural support, may very well correspond to the increasing fragmentation and decreasing efficacy of the agrarian social movement into divergent general farm organizations and commodity groups. Nevertheless, this fragmentation has been accelerated by a changing agricultural economy and by government interference. The continued decline of these movements has opened a space for governing political coalitions to monopolize rural/agrarian politics.<sup>15</sup> Wipf (2007) argues that despite serving as the second largest agricultural economy in Canada, Alberta has the weakest general farm organization among the Prairie Provinces. This dissertation will attribute complicity by a political monopoly - rather than the traditional, and solely economic, academic explanations (Coleman, 1988) - for this decline. The changes in Alberta's agricultural economy towards increased specialization since the 1970's did not preclude the survival of strong general farm organizations elsewhere in Canada, even in agricultural areas more economically vulnerable given higher production costs (i.e. British Columbia and Quebec). While no single group can constitute an entire social movement, it is possible for a single group to assume a pre-eminent position within that movement. In this study, we give pride of place to Unifarm and will consider them to be the dominant agrarian organization in Alberta from 1971-1996. Concerned with general farm issues (i.e. surface rights, land use, environment concerns,

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<sup>15</sup> Epp (2007) attributed the decline of the agrarian movement to one of Social Credit's first acts in power, which saw the consolidation of 4,000 local school districts into 50. The agrarian movement had long organized at the local level using school district meetings for broader political-economic discussions. The consolidation of school districts seriously damaged the grassroots ability of the agrarian movement. The consolidation of municipal government soon followed the consolidation of school districts and presented similar problems. The attacks on the agrarian movement did not end with Social Credit.

increasing the net income of *all* agricultural producers), Unifarm also maintained the strongest link with the historic agrarian movement in the province.<sup>16</sup> The crux of the present argument is that the independent agrarian movement served as a political threat to the Conservatives after their achieving power in 1971. While non-political and non-partisan, agrarian social movement organizations such as Unifarm and the National Farmers' Union nevertheless served as a continuous opposition to the policies of the new Conservative government. Often serving as the voice of a largely absent rural political opposition, these organizations meaningfully questioned government policies and highlighted government missteps and inaction in rural Alberta. Given the value of 'vote-rich' rural Alberta to a government's longevity, independent and critical agrarian movements served as a persistent threat to the political monopoly. The small agricultural producers to which the Conservatives attributed much of their rural support could be influenced by a powerful agrarian organization to throw their support to another political party if the government proved inadequately responsive. This framework supports the argument that the reorganization of the principal general farm organizations in Alberta during the late 1960s and 1970s was: 1)

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<sup>16</sup> Grace Skogstad (1987) questioned which groups legitimately represented agricultural producers or even the various agricultural commodities in Alberta. Did Unifarm or the Alberta Cattle Commission represent cattle producers? Did the Alberta Wheat Pool or the Palliser Wheat Growers represent wheat producers? This dissertation will regard Unifarm as an umbrella group that did not have a direct vested financial interest towards one commodity over another as its membership included all types of agricultural producers. The National Farmers' Union and the Christian Farmers Federation of Alberta should also be considered agrarian social movement organizations also given their emphasis on broader general farm issues as opposed to narrow commodity interests. The Alberta Cattle Commission (ACC) represented an agrarian commodity group concerned with a narrowly focused vested interest and was not independent of government. Initially its executive was appointed by the Minister of Agriculture and even after the institution of elections the organization remained ultimately responsible to the government rather than cattle producers. Nevertheless, the ACC joined Unifarm in the late 1970s and its withdrawal in the early 1980s has often been cited as a primary reason for Unifarm's ultimate collapse a decade later, if not a Trojan horse. The Alberta Wheat Pool (AWP) represented a powerful commodity group that was part of the Unifarm organization until the 1990s. The Palliser Wheat Growers (later the Western Canadian Wheat Board) was an organization that the Alberta government sponsored to challenge pro-Canadian Wheat Board organizations, including Wheat Pools and general farm organizations across the prairies. It shared very close relations with the Alberta government and the Alberta Grain Commission.

partly the product of rural discontent with government over deteriorating agricultural economic conditions; and 2) the effect of government policy. It is much to the advantage of a governing political organization if it can refuse to engage with a powerful rural-based social movement and instead co-opt agency through its own organization.

*Bell's model for social movement efficacy*

An examination of the governmental processes that contributed to the decline of independent agrarian civil society will draw on General Social Movement (GSM), New Social Movement (NSM), and Resource Mobilization theories (RMT). For RMT theorists, the efficacy of social movement organizations is directly attributed to their capacity to acquire economic and political resources. For NSM theorists, that efficacy is directly attributed to its ability to maintain a collective identity. Building on Melucci (1989) and Orsini (2002), the construction of collective identity cannot result from political engagements with the state. Indeed collective identity can be damaged through such engagement.<sup>17</sup> Utilizing RMT and NSM, Edward Bell (1992a) posited a general theory of social movements to explain the success of Social Credit in Alberta. This theory was comprised of five components: opportunity/threat/deprivation; ideology; resources; organization; and resistance. If a single factor is absent among the first four components or too pronounced in the fifth this will result in a weak social movement or its collapse. During the study period regular economic deprivation was a factor for many agricultural producers. As Skogstad (1980) finds, such conditions serve as important sources of mobilization.

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<sup>17</sup> Orsini (2002) cites the three dimensions of collective identity posited by Melucci (1989), “first, formulating cognitive frameworks concerning the goals, means, and environment of action; second, activating relationships among the actors, who communicate, negotiate and make decisions; and third, making emotional investments, which enable citizens to recognize themselves in each other (35).”

However, the increasing divide between small and large producers makes a comprehensive and united effort by agricultural classes unlikely.<sup>18</sup> Nevertheless, this does not preclude the coalescing of agricultural producers to champion significant general farm issues (i.e. surface rights, environmental concerns, land use etc) that transcend agricultural class distinctions. Unifarm's ideology was evident from their constitution: "The development and maintenance of a competitive efficient agricultural industry through collective action and co-ordination of marketing agencies, co-operatives, producer commodity groups and Unifarm (Skogstad, 1979: 237)." In the early 1970s Unifarm was well-organized with nearly 30,000 agricultural producers serving as members. In time, despite its strong beginnings, the organization suffered continued and substantial declines in membership and organizational capacity until the end of the study period when it finally collapsed. This study will show that the provincial government's undermining of agrarian social movement organizations was comprised of both direct and indirect actions that eroded and eventually contributed to the collapse of the organizational capacity of the independent agrarian movement.

Building on the importance of collective identity to NSM theory, the resistance offered by the Conservative government not only directly caused ideological faults and division within Unifarm, but indirectly challenged its opportunities, resources, and organization. Ideological differences between the provincial government and Unifarm were evident, with Skogstad (1987) arguing that the former espoused a "competitive market, free of government interference" fearing that even mild supply management would cause

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<sup>18</sup> This model will propose that the divide has been encouraged by the province, which favours large agribusiness that can create many jobs.

agricultural producers to “lose their initiative and competitiveness (95).”<sup>19</sup> Unifarm favoured supply management in addition to other views opposed by government. These divergent positions engendered conflict over statutory rates, the Canadian Wheat Board, and other agricultural matters. Seeking to monopolize the debates, the Conservative government used the full resources at its disposal to support their position even when it conflicted with the views of a majority of provincial agricultural producers. At times, the Conservatives favoured individual commodity organizations because of their ideological convictions, or support of government policy, rather than on the basis of widespread agrarian support. In this vein, the province ingeniously co-opted and funded ‘independent’ and ‘grassroots’ commodity organizations (i.e. Western Canadian Wheat Growers), which conveniently espoused positions identical to government. The Conservatives also influenced the ideological disposition of agricultural marketing boards and commissions.<sup>20</sup> The resistance offered by the province to independent agrarian civil society organizations was not limited to ideological challenges.

Building on the importance of economic dimensions to RMT (McAdam, McCarthy, & Zald 2001), it is important to highlight government efforts to limit financial resources available to the independent agrarian movement. A significant obstacle for Unifarm was

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<sup>19</sup> The irony is that Alberta had the most interventionist Department of Agriculture among the Western Provinces.

<sup>20</sup> In the early 1970s, agricultural marketing board and commission executives were chosen directly by the Minister of Agriculture, or the provincial Cabinet. Even after democratic reforms later that decade (which saw producers elect board and commission leadership) these organizations were still ultimately accountable to the government, not to agricultural producers. Most boards and commissions levied a check-off, a form of taxation, from producers of a particular agricultural commodity. Some marketing boards had the power to establish quotas and/or set commodity prices. While agricultural marketing boards and commissions did occasionally express criticism of provincial policy, the government was largely able to temper opposition through the Agricultural Products Marketing Council (APMC), the regulator for commodity boards and commissions. Appointed by order-in-council the executive of the APMC was given considerable powers under the *Marketing of Agricultural Products Act*.

their inability to obtain a check-off, or universal financing, from the provincial government that argued that such a move was against free-market principles. By the late 1970s, the province had intervened to ensure that well-funded agricultural marketing boards and commissions could not use the proceeds of their own check-offs to fund general farm organizations, or become members, without government consent.<sup>21</sup> Other provincial measures during this period similarly challenged the ability of independent agrarian organizations to recruit. This included the 1978 government order that banned Unifarm from operating Cooperative Insurance Services (CIS), a highly successful auto and fire insurance pool that also furnished Unifarm a crucial recruitment mechanism for the organization.<sup>22</sup> Another more subtle measure was the creation of the Farmers' Advocate office. This action centralized responses to agricultural enquiries and complaints in the hands of government rather than the agrarian movement abating the impetus for agricultural producers to be members of the latter. This government centralization was undertaken without substantively increasing government responsiveness to agricultural concerns.<sup>23</sup>

*Participation bias in conjunction with among other elements of democratic bias*

The employment of participation bias by the political monopoly was often undertaken in conjunction with other forms of democratic bias. Diamond and Morlino (2005) evaluate the substantive democratic qualities of freedom and equality. They assert

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<sup>21</sup> Though the APMC has a counterpart in every province, what distinguishes Alberta is the fact that a political monopoly had a firm grasp on this agricultural institution for decades. Arguably, firm control of an organization such as the APMC by provincial governments has a more substantial effect on provincial agricultural policy than what is debated in the Legislature. This point was taken from a discussion with Dr. Sean Gouglas an agrarian historian in the Department of History and Classics, University of Alberta.

<sup>22</sup> CIS offered premium refunds and discount incentives to participants.

<sup>23</sup> Rather than approaching a general farm organization, many rural Albertans would now call on a government-appointed and controlled civil servant to solve or mediate many of their problems.

that, in addition to essential civil rights (i.e. personal liberty, security, freedom of expression, freedom of assembly etc.), there are “civil economic rights” that include “not only the rights to private property and entrepreneurship, but also the rights associated with employment, the right to fair pay and time off, and the right to collective bargaining (xxv).” Moreover, how does one ensure strong civil economic rights? Weingast (1989) cites political checks and balances as vital to the security of private property, entrepreneurship and their correlates. Others have questioned the efficacy of checks and balances in securing such rights on their own and focused instead on the role of veto players and the importance of elections to complement checks and balances. Keefer (2007) observes that: “Where democracy is absent, the vast majority of citizens occupy no veto gate and are protected from opportunistic behaviour only as long as their interests happen to coincide with those of an elite group that does (894).” Keefer continues and observes that competitive elections are thus necessary to force “...multiple veto players to satisfy a larger constituency, increase the political costs of, for example, expropriation (Ibid.).” Building on this scholarship, this study will use the criteria of genuine competitive elections as a measure of effective checks and balances that adequately vouchsafe civil economic rights. The quality of effective checks and balances correlates with the quality of effective democratic competition. If the government is able to persistently and successfully frame debate, consolidate authority, or if it sufficiently fractures the political or civil society opposition on a substantive issue of public policy, it can escape the electoral punishment that issue might have caused had it been presented by a more united oppositional coalition.

Further contextualizing the equality element of Diamond and Morlino’s (2005) democratic quality framework, Rueschemeyer (2005) finds that inequalities present in social

and economic structures are intertwined with political equality. Thus dominant groups may create a “cultural hegemony” in which they may direct “the views, values and preferences of subordinate groups,” resulting in extremely limited political equality (48). Similarly, economic centralization by the state may contribute to such hegemony. Rueschemeyer observes that: “Since control over financial capital-homegrown and small shareholding aside-is highly concentrated in even the richest capitalist countries, both direct bargaining power and indirect influence rest in the hands of handful of decision makers who often have no political competition or supervision to restrain them. Aside from the legislative and administrative attempts to curb growing corporate concentration, encouraging political competition may be the most promising antidote (54).” It is on this point that the study will link the broader comparative theory with a more traditional element of political studies of Alberta: province-building. Pratt (1976) argues that under the Conservatives “the powers and resources of an interventionist, ‘positive’ government are being employed to nurture the development, and to defend the province-building interests of an ascendant class of indigenous business entrepreneurs, urban professionals, and state administrators (1).” Building on this concept of province-building, this study will argue that such actions also have a political impetus and that successful implementation of tight provincial control also contributes to tenure of office.

Constituting the reaction of governments to “the expectations, interests, needs and demands of citizens” democratic responsiveness has clear correlations to the efficacy of vertical accountability, participation, and competition (Diamond and Morlino, 2005: xxix). Diamond and Morlino (2005) catalogue some examples of innocuous circumstances that result in governments’ inability to adequately respond to the preferences of their citizens.

Sometimes elected leaders do not understand the preferences of the electorate. Responses may be constrained by limited fiscal resources and exogenous factors, including the loss of economic sovereignty, that place limitations on domestic public policy options. Structural variables also account for poor democratic responsiveness. Concentration of power in the executive (i.e. the modern Westminster system), the lack of an electorally competitive political opposition, and ‘coordination failure’ (i.e. too many opposition parties contesting the same electoral space) all inhibit democratic responsiveness (Powell, 2005).

### *Competition bias: electoral malapportionment*

Competition bias is more likely to be employed by governing coalitions that aspire to create, or have already created, a political monopoly.<sup>24</sup> Trounstine (2008) defines such bias as “a systematic advantage for the government in the way citizens’ preferences are translated into votes as a result of barriers to entry or exit for voters or challengers (30).” Grofman, Koetzle, and Brunell (1997) argue that “it is only when population or turnout differences across districts are linked to the distribution of party voting strength that we get partisan bias (458).” Competition bias, voter bias, electoral bias, whatever the nomenclature, served as a significant factor in the Conservatives sustaining their political monopoly in Alberta from 1971-1996.<sup>25</sup>

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<sup>24</sup> Trounstine (2008) notes that, “politicians in pursuit of monopoly attempt to structure electoral and governing institutions in a manner which will enhance their chances for re-election (5).”

<sup>25</sup> Often portrayed as exclusively a contemporary problem of the developing world, competition bias has persisted in the developed world in the modern age. Competition bias was clearly visible in the United States during the events in Florida during the Presidential election of 2000, North Carolina in 2001 and Ohio in 2004, partisan gerrymanders along the lines of Tom Delay and less overtly through the use of sophisticated computer models by partisan boundary commissions (Rodden, 2007; Moore, 2002).

Malapportioned electoral boundaries represented a vital and often overlooked component to understanding the continued tenure of the Conservative political monopoly. Samuels and Snyder (2001) define malapportionment as “the discrepancy between the shares of legislative seats and the shares of population held by geographical units (652).” Johnston (2002) argues that malapportionment results when “(a) there are substantial variations in constituency size (measured as either population or electorate, depending on the local situation) and (b) one of the parties is strongest in the smaller constituencies (it is the beneficiary) whereas the other is strongest in the larger seats (6).”<sup>26</sup> Malapportionment violates ‘voter equality’ which scholars maintain is an essential attribute of democracy (Dahl: 1971, 1989).<sup>27</sup> Snyder and Samuels (2006) posit that malapportionment has “a negative effect on the quality of democracy (172).” Johnston (2002) offers that malapportionment typically benefits the governing political organization:

Where a party controls the districting process, its’ goals is to minimise its surplus and wasted votes - and thus maximise its effective vote proportion. Malapportionment, and reactive malapportionment, allow this: other things being equal, the smaller the average constituency that your opponent wins, the smaller your number of effective votes per seat won. So does gerrymandering: a stacked gerrymander for your opponent means that it piles up large numbers of surplus, for example, and has a small effective vote percentage; a cracked gerrymander in your own favour means that you have few surplus votes while your opponent garners a large number of wasted ones (8).

The Conservative government consistently ensured that rural Alberta was over-represented in the electoral boundary distribution process. Many opposition votes were wasted in large

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<sup>26</sup> Johnston (2002) views malapportionment and gerrymandering similarly, “In each, the goal is to maximize a party’s return from the votes that it obtains-to get as high a seats [to] votes ratio as possible (6).” Under the rubric of gerrymandering Johnston has also listed ‘reactive malapportionment,’ a process whereby electoral boundaries are ostensibly equivalently distributed, but are practicably inequitable given that the voter turnout rates for some boundaries are significantly lower than most and this advantages one party over another.

<sup>27</sup> Citing other scholars Samuels and Snyder (2001) observe that malapportionment is “ethically unjustifiable (652).”

urban areas with the ruling political coalition benefitting disproportionately from votes in smaller rural districts.

While malapportionment is a “formal institutional flaw that significantly weakens the quality of democracy of many countries...it has attracted surprisingly little attention among scholars, politicians or engaged citizens (Snyder & Samuels, 2006: 171).” In their study of seventy-eight nations, Samuels and Snyder (2001) measured the levels of malapportionment in lower chambers and elected upper chambers that existed during the early to mid 1990s. The twenty-five most-malapportioned lower chambers (in terms of percentages) included developed nations: South Korea (2<sup>nd</sup> with 20.75%), Iceland (7<sup>th</sup> with 16.84%), Andorra (15<sup>th</sup> with 13.07%), Spain (16<sup>th</sup> with 9.63%), Canada (22<sup>nd</sup> with 7.59%) and Liechtenstein (25<sup>th</sup> with 7.25%).<sup>28</sup> With Canada ranking among the most malapportioned states in the world, a fact that has warranted little study, it should not come as a surprise that one of its sub-national units suffers this same malady though on a greater scale.

Alberta has for generations exhibited an electoral regime largely unlike most of its sub-national counterparts in Canada. Many will rightly point out that Canada’s federal system and other provincial jurisdictions (i.e. PEI) suffer from a degree of malapportionment or other electoral bias that imperils its democracy (Dyck, 1991). Carty (1985) has found that the impact of malapportionment which “has been far greater than that of gerrymandering, has never been considered a great problem in Canada (275).” Samuels and Snyder (2001) have already demonstrated that, at the federal level, Canada is comparatively a leader in

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<sup>28</sup> Snyder and Samuels also note that of the top-twenty most malapportioned states: fifteen have experienced democratic transitions since 1975 or are continuing to experience democratic transition. Other malapportioned western democracies include: France (28<sup>th</sup> with 6.95%), Norway (29<sup>th</sup> with 6.57%), Austria (30<sup>th</sup> with 6.43%), Denmark (36<sup>th</sup> with 5.24%), Japan (39<sup>th</sup> with 4.62%), the UK (40<sup>th</sup> with 4.56%), Greece (43<sup>rd</sup> with 4.06%), and Germany (49<sup>th</sup> with 3.44%).

malapportionment. However, the case of Alberta will demonstrate that its malapportionment more clearly corresponds to government longevity than in other Canadian jurisdictions of the period. Keith Archer (1993) submits that “odd as it might appear at first, Alberta is a ‘deviant case’ among the provinces on the issue of electoral distributions because of the relative *stability* of its distortions...Alberta has not experienced the same trend toward greater democratization and equality as has occurred in most other provinces [in Canada] (182).”

This study will reinforce the point that rural areas provided an essential component to the political coalition of the Conservatives. Snyder and Samuels (2006) find that malapportionment results in rural-conservative biases through the overrepresentation of those areas. While it would be highly reductionist to equate rural areas with homogenous conservatism, it is legitimate to attribute greater support given to conservative parties by rural areas (Rodden, 2007). Disproportionate rural Conservative bias was evident in the Legislative Assembly, the government caucus, and provincial public policy. Widespread centrist political views from urban and rural areas were at times suppressed to assuage the more right-wing policies of the Conservative rural political network. This is not to say that the Conservatives did not boast a considerable urban network. This work seeks to characterize previous scholarly studies that have portrayed the Conservatives as a strictly urban party as reductionist. There was a substantial rural element of the Conservative party that held disproportionate influence in relation to other factions. Moreover, the importance of rural areas to the Conservative organization became increasingly important after the collapse of government support in Edmonton following the resignation of Premier Lougheed in 1985. Opposition parties (i.e. NDP and the Liberals) overwhelmingly won or swept Edmonton and made inroads into Calgary and smaller cities and towns after 1985. Mounting

electoral competition from the political opposition made it essential for the Conservative government to continue its malapportionment practices. This goal was achieved through the partisan nature of the redistribution process with most of the ostensibly independent boundary commission being appointed by the government. This strategy went a long way in mitigating the defeat of the Conservative government during the late 1980s and early 1990s. Building on the work of scholars (Dahl, 1971; Diamond and Morlino, 2005; Snyder and Samuels, 2006; etc.) that view voter equality as an essential attribute of democracy, this study of malapportionment seeks to contribute to a better understanding of the nature of the electoral system in Alberta and Canada. The goal is to raise awareness on malapportionment and facilitate discussion throughout the developed world on the question of whether the electoral systems of national, sub-national, and municipal levels are in fact sufficiently developed, democratic, and equitable.

### *Measuring democratic participation and competition bias*

Democratic quality bias was fundamental to maintaining the Conservative tenure after 1971. The extent of such bias in the area of study resulted in the Conservatives' near monopolization of rural/agrarian agency. Measuring democratic quality bias in Alberta this study will adopt a predominantly qualitative analysis drawing on archival, media, and legislative sources. This dissertation will use both quantitative and qualitative analysis where applicable, with the former drawing upon a relatively small-N data analysis. Quantitative analysis lends itself particularly well to the study of competition bias, but unfortunately not to most other democratic quality elements.<sup>29</sup> Schmitter (2005) has rightly observed that

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<sup>29</sup> Diamond and Morlino (2005) observe that: "Competition is one dimension of democratic quality that is relatively amenable to quantitative measurement-though no quantitative measure can fully capture the extent of it (xix)."

accountability is hard to measure directly. Other quantitative measures of democratic quality (i.e. freedom, responsiveness and equality) may be gleaned from survey data. Despite the relative paucity of existing data related to these specific qualities, the complexity in conducting extensive surveys is simply too great and beyond the scope of this study. This work will leverage existing data while shoring up quantitative gaps with qualitative data. The qualitative approach will rely heavily on a historical narrative analysis that draws on archival documents, legislative materials, and media accounts. Constituting the most significant element of primary data, archival documents will include both the public and private papers of Premiers Lougheed and Getty as well as Ministers of Agriculture (i.e. Hugh ‘Doc’ Horner and Ernie Isley), Members of the Legislative Assembly, PC functionaries, and civil servants.<sup>30</sup> Legislative materials include: *Hansard*, motions for returns, public accounts, and annual reports. This study will also consult mainstream media sources, most prominently the *Edmonton Journal* and the *Calgary Herald*. It will also consult media publications of the agrarian movement such as Unifarm’s *Farm Trends* (subsequently renamed *Trends*). There is also a rich body of Alberta political literature to draw upon and engage with. An analysis of these artefacts will provide evidence of democratic quality bias by the political monopoly.

The following table briefly summarizes how bias may be employed against the elements of the democratic quality framework that will be adopted for use in this study: participation, competition, vertical accountability, freedom, equality, and responsiveness. Participation and competition bias will be the primary elements studied, with most secondary

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<sup>30</sup> Ralph Klein’s Premiers papers are sealed until 2012. A request by the author to allow earlier access to them was declined.

elements being considered with the former. A more precise elaboration of how democratic quality bias may be practically accessed will also follow.

### Democratic Quality Bias Assessment for Alberta

Dimension of Democratic Quality	Evidence of Bias		Specific Hypothesis
	Qualitative	Quantitative	
<p><b>Participation</b> All citizens have the right to influence public decision-making through the rights to organization, protest, assemble and lobby.</p>	Government attempts to significantly limit, weaken, or co-opt opposition opinions or independent civil society organizations through direct and indirect means.	The government deliberately ensures that fewer resources are available to independent general farm organizations compared to those of other Canadian provincial jurisdictions.	The Conservative government deliberately challenged the efforts of independent civil society and the political opposition through direct and indirect means in order to monopolize political agency in rural areas.
<p><b>Competition</b> Elections are not only ‘regular’ and ‘free,’ but are ‘fair’ and open allowing for the alternation of political power.</p>	The governing political organization conspires to structure the electoral boundary system in its favour.	High Loosemore-Hanby, Gini-coefficient, 1PSC, 1PVC, SL <sub>1-2</sub> (%), DISP and SBL levels compared to other Canadian provincial jurisdictions.	The Conservatives constructed an electoral boundary system in their favour that ranked among the world’s worst in terms of electoral malapportionment and other competition biases.
<p><b>Vertical Accountability</b> Requires a dialogue between power-holders and electors to allow the latter to adequately evaluate the actions of the former and provide reward or punishment in response.</p>	The ruling political coalition either controls independent civil society or has diminished a position of considerable weakness including a fear to criticize government policy through its actions and by virtue of its incumbency.	Opinion data that the government was acting contrary to the will of provincial producers.	Civil society groups in rural Alberta became reluctant to speak out against government out of fear of retaliation.
<p><b>Freedom</b> All citizens have political rights (i.e. right to vote, contest office, organize etc.), civil rights (i.e. liberty, security, privacy, freedom of expression, right of assembly etc.)and socio-economic rights (i.e. civil economic rights).</p>	The government violates the political, social, and economic rights (i.e. private property, entrepreneurship and employment rights) of its rural citizens.		The regulation of provincial petroleum development violated the surface rights, or economic rights, of agricultural producers.
<p><b>Equality</b> All citizens are afforded the same rights and protections under the law and that all have some access to power-holders, irrespective of race, creed, wealth, gender, or any other distinguishing characteristic.</p>	The institutional power and influence of a particular group is elevated resulting in the marginalization or the special consideration of a segment of society in the development of the public policy process.		The government adopted a state-centric policy approach that largely excluded the role of independent producers from developing grain and agricultural marketing policy. The Conservatives favoured energy and cattle interests.
<p><b>Responsiveness</b> Governments convert the widely expressed preferences of the citizens into public policy.</p>	The government ignores the will of the citizenry and unilaterally pursues public policy contrary to citizens’ wishes.		The government adopted a state-centric policy approach that was not responsive to independent producers on grain, agricultural marketing, and surface rights policy.

### *Measuring participation and other biases*

This framework will demonstrate that the Progressive Conservative organization impinged on the four essential elements proposed by Bell's (1992a) general theory<sup>31</sup> and offered considerable resistance to independent civil society. There was indeed a modern basis for rural/agrarian social movement organizations given the opportunities, threats, and sources of economic deprivation that existed in the rural/agrarian space (i.e. surface rights, agricultural marketing, grain debates etc.). Despite the differences between the agricultural classes there remained a basis for small agricultural producers and large producers to cooperate in lobbying both the provincial and federal governments for greater government support through an agrarian social movement organization. Large producers are not sufficiently wealthy to protect themselves against consistent and substantial losses. Additionally, this study will examine the need for independent social movement organizations by reviewing the positions of agricultural producers on matters of surface rights and land use, grain policy, and agricultural marketing. These issues were not satisfactorily addressed by the ruling political coalition. For example, this work will demonstrate how the Conservative government successfully blunted rural/agrarian discontent against the oil and gas industry and deliberately hindered the establishment of a level playing field between them. It will also examine the attempts by the government to co-opt or destroy independent agrarian organizations. The declines in the agricultural economy are also a source of motivation for agrarian civil society organizations.

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<sup>31</sup> Bell's four elements are: opportunity/threat/deprivation; ideology; resources; and organization.

Government intransigence may be concretely assessed by examining its role in precluding resources being available to independent agrarian organizations. Moreover, this resistance went beyond a lack of government cooperation to direct challenges to the organizational capacity of agrarian movements. Substantial government resources were deployed in favour of commodity groups that espoused similar ideological convictions to that of the ruling political coalition that were, on many occasions, contrary to the majority views of provincial producers. At the same time, the denial of a check-off for general farm organizations was an attempt to limit the efficacy of critical voices from rural areas. This argument will be supported by contrasting the fiscal opportunities for general farm organizations in other Canadian provinces, namely Quebec, Ontario, and British Columbia. Rather than being antagonistic towards general farm organizations, those jurisdictions provided crucial financial and statutory support and ideological cooperation instead of positioning themselves as gatekeepers of a closed policy network as was the case in Alberta. Arguably the nature of competitive elections, government turnover, and the inability of one political party to monopolize agrarian/rural support for more than a short period provided an impetus for alternating governments to cooperate and be responsive to an important component of Canadian civil society. The selective financial and political encouragement of commodity groups by Alberta's ruling political coalition further fractured the agrarian movement and provided an impetus for agricultural producers to join commodity organizations, as opposed to general, farm organizations. Through these means the government could more easily deal with, or further divide and rule, a heterogeneous compilation of groups, rather than principally strong and united general farm organizations. Compounding this effect, many institutions (i.e. the Farmers' Advocate) that the government

did offer to rural residents were poor, ineffective substitutes for the general farm organization.

Democratic responsiveness, ‘the ability of the government to respond to the ‘expectations, interests, needs and demands of citizens,’ is related to the strength of vertical accountability, participation, and competition in particular (Diamond & Morlino, 2005). This study will find that the capacity of responsiveness in Alberta is low given that the political monopoly does not feel compelled to ensure strong levels of vertical accountability owing to the lack of political competitiveness. Voter alienation, evidenced by very low voter turnout, means even when the PC organization achieved a strong proportion of the ‘popular’ vote it was able to remain unresponsive to a majority of the eligible electorate for significant periods of time. This effect can be evidenced through an examination of a host of public policy issues during our study period. The resulting analysis will both demonstrate that: the ruling political coalition failed to provide public policy that was under strong demand by the broader electorate; and that the ruling political coalition foisted public policy on the citizenry under the guise of its ‘public support’ when strong opposition by the broader electorate was the reality. Given their position as a political monopoly, the PC organization can occasionally completely disregard the will of the people with little political consequence.

#### *Measuring competition bias*

Malapportionment was widespread and significant during the period 1971-1996. Violations of democratic and equality principles of ‘one person-one vote’ benefitted the incumbent party over the political opposition. Much of this demonstration will come in the form of quantitative measures using such methodological tools as a modified Loosemore-

Hanby index and gini-coefficients to determine the extent of malapportionment. The use of the Loosemore-Hanby index this work will draw on the methodological method of Samuels and Snyder (2001). Another quantitative measure will be to compare and contrast Alberta's electoral regime with that of other Canadian provinces. The expectation will be that Alberta ranks as the worst among the Canadian sub-national jurisdictions and at a level substantially higher than the provincial average. This will be seen in levels of electoral concentration, such as the percentage of seats and percentage of votes won by the government, respectively one-party seat concentration, (1PSC)<sup>32</sup> and one-party vote concentration (1PVC). It can also be viewed in levels of electoral competition, such as the percentage of seats that the government wins over opposition (SL<sub>1-2</sub> (%)). Malapportionment will also be shown to benefit the government in terms of measures of electoral bias such as the total disproportionality of seats (DISP) and the seat bias in favour of the government (SBL). The Alberta governments' share of the popular vote (1PVC) will be high compared to other jurisdictions in Canada. The electoral data in the Canadian provinces has been calculated for the study period by Alan Siaroff (2006). There is also extensive literature on electoral bias in Alberta upon which to draw. This study will also make use of more qualitative data drawn from archival documents wherein members and functionaries of the Progressive Conservative Association directly discuss the electoral boundary process. This rich qualitative analysis will complement and contextualize the quantitative findings, providing both evidence of malapportionment and the intent to malapportion.

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<sup>32</sup> The PC Association places great stock in the percentage of seats it has won which influences its interactions with the political opposition (i.e. the allocation of opposition membership on legislative committees and caucus funding). Significantly, this large share of the seats has a detrimental impact on the political opposition to challenge the government. For example, the small numbers of opposition members will suffer fatigue from the onerous task of holding such a large government to account.

## *Conclusion*

This work challenges the academic orthodoxy in accounting for the rise and success of the Conservative organization. It highlights the immense importance of rural Alberta to the Conservatives' fortunes during the period 1971-1996. By adopting a broader comparative approach, this study considers the Conservative organization as a political monopoly that used democratic quality bias to perpetuate their tenure. This political program included participation, competition, vertical accountability, freedom, equality, and democratic responsiveness biases. This study will involve examining rural political economy, surface rights, grain policy debates, agricultural marketing, the decline of general farm organizations, and electoral malapportionment. By monopolizing important rural public policy debates and limiting competition from civil society, the Conservatives gained an immense political advantage. Its actions with regard to petroleum development violated the freedoms, specifically the economic rights, of agricultural producers. In breach of democratic equality, the province largely excluded the role of agricultural producers from determining grain and agricultural marketing policy. The provincial government was also unresponsive to producers' concerns on grain, agricultural marketing, and surface rights policy. Nevertheless, such intense control was not enough as the government needed to challenge the vertical accountability offered by civil society. The government embarked on a campaign against independent agrarian civil society organizations, most prominently represented by general farm organizations, to ensure there were no potential challengers. Having gained firm control over the rural space, the provincial government adopted and perpetuated a policy of malapportionment that deliberately underrepresented urban areas where the political opposition (i.e. Liberals and the New Democrats) offered the greatest competition. These rural areas became even more important to the perpetuating the tenure of

the political monopoly after collapses of Conservative support in urban ridings during the late 1980s and early 1990s.

## *Chapter Two: Literature Review*

### *Introduction*

A comparative turn for the study of Alberta regime longevity requires building on comparative politics literature in support of new theory, as well as integrating existing works on the field of study. While there is a rich literature on Alberta and Canadian politics, the primary shortcoming of most of this literature is that it is conceived under responsible government assumptions that presume Alberta to be a high-quality democracy with few deficiencies. The curious longevity of Alberta regimes is often attributed to the peculiar nature of the provincial class structure, rather than the limitations of the provincial political system itself. A secondary shortcoming discernable in the literature is the lack of focus on rural Alberta after 1971. Rural Alberta is a vitally important element in explaining the longevity of the United Farmers of Alberta and of Social Credit, but few have considered it as an integral part of the rise of the Conservatives. Thus, this study integrates the sources of lacunae from the existing literature to posit an explanation for provincial distinctiveness: democratic quality bias in rural Alberta. This study does build on existing theories of Alberta (i.e. Bell) that have sufficiently placed it in a comparative politics context. This chapter will begin with a detailed look at much of the Canadian political science literature on the topic and will indicate what needs to be added to this literature. It will proceed to examine structural theories previously posited to explain the unique political circumstances of Alberta. Given its stature, this discussion includes a detailed review and critique of Macpherson.<sup>33</sup> Popularized by Pratt and Richards (1979) to explain the rise of the

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<sup>33</sup> While this work does not subscribe to his structural arguments, Macpherson's notion of the quasi-party system has considerable contemporary academic purchase if integrated with the broader comparative politics literature.

Conservatives in 1971, the Modernity and Social Change Thesis, which replaced Macpherson as the dominant orthodoxy, will also be analyzed. Rounding out the structural theories to be examined in this study is the notion that Alberta possesses an inherently Conservative political culture. This assumption will be placed in the proper historical context. More political explanations including the Strong/Weak Leadership dichotomy, the Populist argument, and the Pinard Theory will also be analyzed. Through the use of literature and theories of comparative politics, this chapter will argue that a reinterpretation of rural Alberta offers a more viable theory to explain the rise and subsequent success of the Conservative organization.

### *The Canadian party literature*

When considering Alberta, the Canadian political science literature is only of partial help in explaining why Alberta's party system is unique among its provincial counterparts. While no other Canadian jurisdiction has experienced more than 35 years of continuous majority government, Alberta has experienced two such periods under Social Credit (1935-1971) and the Conservatives (1971 to the present-day).<sup>34</sup> Examining provincial political cultures in Canada, Wilson (1974) argued that Alberta was the only two-party system in Canada where one of the political parties co-opts the labour interest. McCormick (1980) found Alberta to be a 'no-party' state. Chandler and Chandler (1979), Dyck (1985, 1991, 1996), McCormick (1988, 1996), and Carty and Stewart (1995) all found Alberta to have a one-party dominant/unstable/non-competitive party system, with the province usually serving as the only instance of this among the provinces in Canada. While 'one-party

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<sup>34</sup> Roger Gibbins (1985) has argued that demographic considerations of the prairie west resulted in the tradition of regional parties, "the prairie population had *relatively* shallow roots in Canadian political soil and more particularly, in the mainstream Conservative and Liberal parties. In the economic crises to come, western Canadians were, as a consequence, open to new political ideas and quite prepared to abandon the traditional parties in order to support more radical regional parties (99)." This view explains, to a degree, why Alberta did not adopt a two-party system.

dominance' can often be found vaguely defined in the literature, Bell, Jansen, and Young (2007) offer a definition, which includes, "the relatively infrequent changes of government; the tendency for victorious parties to get relatively high proportions of the popular vote; and the propensity of winning parties to garner a comparatively large proportion of legislative seats (28)." Dyck (1996) argues that the term one party dominance can be used, "where one party gained more than 70 percent of the seats or persistently attracted more than 50 percent of the vote (7)." Moreover, the Canadian party literature to date essentially considers Alberta as a classification exercise and does not attempt to explain this anomaly of the Canadian federation. What is missing at times in the literature is a connection to the broader comparative literature to demonstrate that Alberta is not unique.<sup>35</sup>

Originating in the 1950s, responsible party government theory is familiar to scholars who employ rational choice (Downs, 1957) and historical comparative approaches (Lipset and Rokkan, 1967) to explain party politics. Kitschelt and Wilkinson (2007) offer that the responsible party government model has five characteristics that correspond closely to democratic responsiveness.

First, voters have policy preferences over a range of salient issues to allocate or redistribute scarce resources through state action. Second, vote- or executive office- seeking politicians and parties bundle issues positions in electoral platforms or programs they promise to enact, if elected into office.<sup>36</sup> Third, voters relate their own preferences to those offered by the partisan competitors and opt for the most compatible programmatic basket, weighted by strategic considerations such as the electability of the party and the credibility of its promises given its past performance. Fourth, victorious parties or coalitions of parties with relatively similar programs then implement their promises, with an eye on the evolving preferences of their constituencies. Fifth, at the subsequent election, voters hold incumbents and

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<sup>35</sup> This issue will be seen later on in the discussion on the specific literature with respect to Seymour Martin Lipset's (1954) criticism of C.B Macpherson's *Democracy in Alberta* (1953).

<sup>36</sup> "To simplify matters for information misers in the electorate, such programmatic bundles can be aligned in a minimally dimensional scale, with a single "left-to-right" dimension (Kitschelt and Wilkinson, 2007: 2)."

opposition parties accountable for their performance during the electoral term, based upon their effort and performance (2).

Constructing Alberta as a political monopoly allows for greater theoretical flexibility by enabling consideration of features not readily available from a responsible party government analysis. As Trounstine (2008) finds, “when political coalitions successfully limit the probability that they will be defeated over the long term - when they eliminate effective competition - they achieve a political monopoly. In these circumstances the governing coalition gains freedom to be responsive to a narrow segment of the electorate at the expense of the broader community (2).” Key (1949) finds that when a dominant political party does not have competition, “the party organization, therefore, becomes merely a framework for intra-party factional and personal competitions (388).” Schattenschneider (1942) raises criticism with intra-party competition, finding that proper “democracy is not to be found *in* the parties but *between* the parties (1942: 60).”<sup>37</sup> Building on Przeworski (1991) an ideal democracy is one in “in which parties lose elections,” as well as, “a system of ruled open-endedness, or organized uncertainty (10-13).” Huntington (1991) reasonably proposes that democracies should experience a double-turnover of governing parties within a 25 year period. Moreover, Alberta’s incompatibility with these essential features of a functional competitive party system raises research questions. Building on broader theories of comparative politics, one must look beyond the responsible party government scholarship to explain traditional one-party dominance in Alberta under the Conservatives.

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<sup>37</sup> Both Schattenschneider (1942) and V.O Key (1949) noted the belief among their contemporaries that the two-party system was the most desirable.

Part One: Macpherson's Thesis  
*Introducing Macpherson*

The peculiarity of Alberta's traditional one-party dominance provoked a comprehensive academic project under the direction of S.D. Clark in the late 1950s and early 1960s with the Canadian Social Science Research Council (CSSRC) Social Credit series.<sup>38</sup> This study resulted in several publications which posited primarily structural explanations for the formation of Social Credit and one-party dominance in Alberta (Fowke, 1957; Irving, 1959; Macpherson, 1953; Mallory, 1954; Mann, 1955; Thomas, 1959). Examining the UFA and the early Social Credit period, Macpherson's *Democracy in Alberta* (1953) was the most prominent of these works. Its thesis has "lurked [sic] in the background" of most substantive works on the province ever since (Bell, Jansen and Young, 2007).<sup>39</sup> For C.B. Macpherson, Alberta's party system did not resemble a two-party, multi-party, non-party, one-party or any deviant form thereof, but had to be considered a *sui generis* form: a quasi-party system. In Alberta, several unique political characteristics stood out including, without fail, an overwhelming majority government and a typically very small and ineffective opposition in the provincial legislature. The pattern of political succession in the province was characterized by a sudden and virtual annihilation of the ruling party by either an upstart fringe party or a revived traditional party. The once dominant political organizations declined into political obscurity, if not complete extinction.

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<sup>38</sup> In understanding Alberta, one must be cognizant that western Canadian historiography is distinct from that of the Laurentian Thesis of Canada's development and traditional central view of Canada created by Donald Creighton. (Rovinsky, 1997: 2) Much of the western scholarly literature on western Canada builds on the efforts of W.L. Morton and his intellectual engagement with Creighton.

<sup>39</sup> Leo Panitch (1977) argued that *Democracy in Alberta* was "the best political analysis in the Marxist tradition undertaken in Canada (10)."

Macpherson argued that two structural factors produced Alberta's quasi-party system. The first was that Albertans were a *petite-bourgeoisie*, a "relatively homogenous class" of primarily independent agricultural commodity producers. The second was that Alberta was a quasi-colonial entity in relation to the central government in Ottawa and that colonial resentment presented itself in provincial politics. To quote: "The former seemed to make a party system unnecessary; the latter led to a positive aversion to party. The absence of any serious opposition of class interests within the province meant that alternate parties were not needed either to express or to moderate a perennial conflict of interests. There was apparently, therefore, no positive basis for an alternate-party system (21)." Macpherson suggested through his analysis that there is a causal relationship between the quasi-party system and the voting behaviour of the homogenous class of independent commodity producers in response to their 'quasi-colonial' condition (McCormick, 1980).

Macpherson (1953) identified a 'plebiscitarian' political character "in which people give up their right of decision, criticism, and proposal, in return for the promise that everything will be done to implement the general will (233)." Considering these peculiar characteristics, Macpherson described the quasi-party system, particularly after the Social Credit victory in 1935, "as a middle way between an alternate party system...and a one party state (Ibid, 239)." To contemporary comparativists such a characterization is reminiscent of the hybrid-regime and the vast plethora of authoritarian/democratic adjectives for similar regime types.<sup>40</sup> Macpherson questioned whether the quasi-party system was "the final stage

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<sup>40</sup> Hybrid regimes have a plethora of names and Levitsky and Way (2002) have cited the following: semidemocracy, virtual democracy, electoral democracy, pseudodemocracy, illiberal democracy, semi-authoritarianism, soft authoritarianism, electoral authoritarianism, and partly-free (a measure given by

in the deterioration of the capitalist democratic tradition, or a way of saving what can be saved of liberal democracy from the threatening encroachment of the one-party state (250)?" Nevertheless, Macpherson chose not to interrogate the degree to which governing parties in Alberta employ bias against elements of democratic quality to ensure longevity and hegemony. Instead he chose a Marxist class-approach. This study argues that there is considerable academic purchase in further examining the 'plebiscitarian' aspects (i.e. democratic biases) of Macpherson's argument and relating these to the concept of the political monopoly.

### *Macpherson's Critics*

The scholarship has delivered broad criticism of Macpherson's thesis as being insufficiently comparative and over-reliant on structural features. On the former point, Lipset (1954) offered that Macpherson "did not examine Alberta or Canadian politics in a comparative context (176)." In the same vein, others scholars have rightly offered that the nature of Alberta's regime was similar to that of the Solid South in the U.S. given the competitive nature of intra-party rather than inter-party competition (Lipset, 1954; Stevenson, 1985). Epstein (1967) argued that Alberta was a 'leading case' of the one-party possibility within Western democracies, where 'overwhelming majorities' "virtually eliminated party competition except in national election (54)." Rather than being *sui generis*, Alberta under Social Credit could be juxtaposed with other problematic sub-national units from Western democracies. "In Northern Ireland no less than in the American south or in Alberta, the dominant party serves as a sectional interest transcending the two-party alignment of the rest of the nation (Ibid)." McCormick (1980) finds that Macpherson's

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Freedom House). Larry Diamond (2002) argues that, "virtually all hybrid regimes in the world today are quite deliberately *pseudodemocratic* (24)."

analysis failed to adequately contrast Alberta with other provincial jurisdictions. Experiencing much of the same history, Saskatchewan was also more agricultural and rural oriented, or class homogenous, than Alberta. Nevertheless, Saskatchewan did not devolve into a ‘quasi-party’ system in response to its ‘quasi-colonial’ condition.<sup>41</sup> Bell (1993a) argued that sole reliance on social structures ensures that the work lacks “explicit consideration of human agency and decision-making. Specifically, they tend not to explain satisfactorily the mechanisms by which structural variables or conditions allegedly produce outcomes (141).” Macpherson’s interpretation of Alberta’s class structure, the degree of rural support enjoyed by Social Credit, and the purported quasi-colonial condition of the province has also provoked criticism. By building on these criticisms, this study demonstrates that these same elements had little academic purchase for explaining the rise of the Conservatives. Moreover, the reliance on Macphersonite theories caused many Alberta scholars to misconstrue the factors that facilitated the rise of the Conservatives.

*a) Misconstruing Alberta’s class structure*

The most problematic element of Macpherson’s work was his description of the homogenous nature of Alberta society. This point provoked considerable scholarly criticism (Bell, Young & Jansen, 2007; Smith, 2001; Pratt and Richards, 1979; Stevenson, 1983). Challenging Macpherson, Pratt and Richards (1979) argued that Alberta’s society was hardly homogenous.

The central flaw in Macpherson’s study of Alberta society and politics- and it is an unusual failing in an avowedly Marxist work- is its consistent tendency

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<sup>41</sup> Saskatchewan did experience domination by a provincial Liberal party from 1905-1929 and 1934-1944 that enjoyed close ties with the dominant federal Liberal party. The failure of agricultural independent commodity producers in Saskatchewan to repudiate an orthodox Canadian party represents a very serious theoretical weakness.

toward single-class analysis. Alberta has never been as homogenous or free of internal class conflict as is argued by Macpherson; nor has Manitoba or Saskatchewan. In Alberta tensions among rival metropolitan centres, between urban and agrarian interests, between ranchers and farmers,<sup>42</sup> mine-owners and coalminers, between indigenous and external capital, and between capital and labour are recurring, not occasional, themes in various stage of the province's development...It is one thing to assert Social Credit's base was mainly (though by no means exclusively) on the farms...and that agriculture accounted for a majority of the West's income prior to Leduc...It is quite another to argue that the society had been relatively homogenous since its settlement (150-51).

Even among the alleged homogenous agricultural class there were clear differences. For example, the 'wealthy and politically powerful elite' comprised of British and eastern Canadian 'gentleman ranchers' that dominated Southern Alberta until 1914 served in stark contrast to the stereotypical, if not caricatured, prairie farmer.<sup>43</sup> Differing wildly from many poorer settlers to the province, the life-style of these ranchers consisted of "the fox hunt, in which the lowly coyote was the unhappy substitute for the fox; a polo league of international caliber; Chinese cooks; governesses; schools in the 'Old Country' and eastern Canada; and winters in Calgary, Victoria or Great Britain, depending on financial means (Breen, 1976: 153)." Politically, these 'gentleman ranchers' were staunch supports of the federal Conservative Party and preferred direct and colonial rule by Ottawa. When provincial status became an inevitable certainty they campaigned against Sir Frederick Haultain's proposed province of Buffalo, a combined province of present-day Alberta and Saskatchewan. In its place they championed the "north-south division of the territory that would sever the more populous northern farming region and thereby enhance their own

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<sup>42</sup> Generally, the conflict between farmers and ranchers is more recent than historic. Consider that the ranchers at Cochrane were some of the earliest and strongest supporters of the UFA organization.

<sup>43</sup> Given their intense British patriotism, gentleman ranchers from Southern Alberta were some of the first and most eager recruits into the military in 1914 at the outbreak of war. Given that they were among the first recruits, they were also among those with the highest casualty rates. Sadly, the new generation of the gentleman rancher class of Southern Alberta was largely wiped out by the First World War. Of those that survived most never returned to Alberta.

regional strength (Ibid: 154).”<sup>44</sup> In more northern areas of the province, the landscape was dominated by farmers as opposed to ranchers. Many subsistence farmers were Eastern Europeans who toiled using manual labour on one quarter-section (160 acres) or less. Many large and well-to-do agriculture producers were Anglo-Saxons or Western Europeans who worked mechanized multiple quarter-section farms.<sup>45</sup> David Monod (1985) offers some insight into these differences and the agricultural conditions that existed in Alberta during the early depression period just prior to the rise of Social Credit,

Increasingly, small and large farmers were becoming like two different classes in the countryside. While the ‘commercial farmers’ moved to adopt the methods of industrial capitalism, the marginal producers clung to the old techniques of the agricultural frontier. While large farmers became involved in the modern economy-buying with cash, bringing urban conveniences into their homes diversifying their investments, and modeling their organizations on the Canadian Manufacturer’s Association- the predominantly eastern European small farmer stuck to the well- worn grooves, their world bounded by the country store and local meeting hall (120).<sup>46</sup>

Reviewing *Democracy in Alberta*, Lipset (1954) offered that “there is just no sociological reason why prairie farmers or Canadians all have to support the same party (177).” Even if there was a homogenous class of independent commodity producers, or at the very least independent agricultural commodity producers, what incentive is there to vote for only one

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<sup>44</sup> Ultimately, the federal Liberal government chose the east-west division, rather than the north-south division of the territory. The subsequent Liberal gerrymandering in the new provinces biased against Southern Alberta severely dampened the power and influence of the ‘gentlemen ranchers’ in the province. As it was, by 1905, the political influence of the gentleman ranchers had begun to wane, they were now being outnumbered by new settlers.

<sup>45</sup> It was felt by many small subsistence farmers that the United Farmers of Alberta government represented the interests of the large producers. The decline of its radicalism has been oft cited as a reason for the decline of the UFA and the rise of Social Credit. The abandonment of small agriculture producers was also cited as a factor in the 1971 victory of the Progressive Conservatives. Lougheed’s first Minister of Agriculture and Deputy Premier, Hugh ‘Doc’ Horner, attributed PC success in rural Alberta to the lack of adequate Social Credit programs for the small agricultural producer.

<sup>46</sup> Monod also notes a degree of nativism in the difference of agriculture classes. “To progressive farmers, the marginal producer was a symbol of stagnancy, and was characterized as ‘personally impractical, unenterprising and unambitious with regard to wealth, ease and world advantage.’ They did not want ‘better food, better clothes or to do... [more] than the minimum of work.’ They were the ‘dirty, ignorant, garlic smelling, non-preferred Continentals,’ and lacking in a sense of industry, they were regarded as obstacles to the advance of commercial agriculture (120).”

political party?<sup>47</sup> Macpherson left unanswered questions governing the conditions that precluded the formation of another political party that could represent agricultural and other independent commodity producer interests.<sup>48</sup>

*b) Misinterpreting rural political support*

Building on Macpherson, some scholars (Elton and Goddard, 1979; Levesque and Norrie, 1979; Palmer and Palmer, 1976) misinterpreted the political coalition that was the impetus for Social Credit victory in 1935.<sup>49</sup> This led much of the scholarship to subsequently misinterpret the impetus for the PC victory in 1971. Finkel (1989) and Bell (1993) have demonstrated rather conclusively that Social Credit was not the sole result of the mobilization of a predominantly agricultural petite bourgeoisie. The independent commodity producer inhabitants of rural Alberta were divided over Social Credit, particularly after their ineffective first term, as evidenced by large rural support for opposition parties during the 1940 election (Ibid). The initial support for the Social Credit movement originated in Calgary, and upon winning power Social Credit comprised a heterogeneous political coalition of “reformers, including working-class social democrats, the unemployed, small business owners, and farmers placed in jeopardy by the Depression (Finkel, 1989: i).” The southern urban areas drew considerable Social Credit support in 1935, achieving 58 percent of the vote in Calgary, 56 percent in Lethbridge and 63 percent in Medicine Hat (Bell, 1993b). After the reorientation of Social Credit in 1944, the political coalition that sustained

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<sup>47</sup> Indeed many independent commodity producers in Alberta lost their independent status when the Canadian Wheat Board was granted monopoly selling powers in 1943.

<sup>48</sup> There are several possible structural-political answers to these questions. One is the idea that the malapportionment and gerrymandering of Social Credit strongholds, most highly concentrated in Southern Alberta, ensured longevity at the expense of the rural and urban areas elsewhere that opposed or were more resistant to Social Credit (Flanagan, 1979; Long, 1969; Serfaty, 1979).

<sup>49</sup> This set the stage for a misinterpretation for the political coalition that was the impetus for the Progressive Association also.

Social Credit was effectively no different than an orthodox Conservative cadre party in another Canadian province. This failure to consider consistent urban Social Credit support throughout its tenure led to the exaggeration of the PCs urban prowess in the 1971 election.<sup>50</sup> Bell observed that it is often overlooked that Social Credit won 47% of the votes in Edmonton and Calgary in 1971. Social Credit once again demonstrated their strength in the urban south winning a majority (53% over the PCs 39%) in Lethbridge and a plurality (49% over the PCs 31%) in Medicine Hat.

*c) Re-examining quasi-colonial status*

Macpherson's quasi-colonial explanation for the rise of Social Credit or the Conservatives has little supporting data. Bell (1993a) observes that Social Credit attributed Alberta's economic collapse during the Great Depression to global events and not the regional exploitation of Western Canada by the federal government. In fact, Marchildon (2009) observes that the period prior to the rise of Social Credit was cordial in terms of federal-provincial relations with a former Alberta MLA and Leader of the Opposition, Richard Bedford Bennett, serving as Prime Minister.<sup>51</sup> During the 1971 election campaign,

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<sup>50</sup> Only 25 of its 49 seats were won by the Conservatives in Edmonton and Calgary in 1971.

<sup>51</sup> The tenure of Mackenzie King immediately prior to Bennett's victory finally saw the transfer of control of public lands and natural resources to the province in 1930 with the *Constitution Act, 1930*. The relations between Premier Aberhart and Prime Minister Bennett were also cordial, with the former "blocking members in the federal wing of his own party from attempting to unseat Bennett, while at the same time encouraging a Social Credit candidate to oppose Mackenzie King...In an election radio broadcast, every provincial premier- with the exception of Aberhart- spoke out against Bennett on the eve of the Conservative's crushing defeat (Marchildon, 2009: 291)." The conflict between Alberta and the central government during the early Social Credit period was a response to a federal *Liberal* government, which saw few votes from the province and saw fit to challenge legally and financially dubious provincial Social Credit reforms, as opposed to provincial opposition to a *federal* government. These reforms worried many Liberal supporters, primarily large financial interests, in central Canada who felt that these could spread to the rest of Canada and ruin their bottom line.

Peter Lougheed pledged to improve relations between Alberta and the central government.<sup>52</sup> Moreover, there is very little data to suggest that provincial elections are frequently referendums on federal-provincial relations or a response to a quasi-colonial situation. Only with the 1975 and 1982 elections did the PCs benefit politically from provincial discontent with the federal government during the period 1971-1996. Those elections took place during, or immediately after, particularly nasty disputes over natural resources.

### *Macpherson's Legacy*

In spite of the subsequent scholarly criticisms of his work, there is no question that Macpherson made an immense contribution to the literature and the study of Alberta. Epp (2007) observes that Macpherson offered an “insightful conceptualization of plebiscitarian democracy and the ‘quasi-party system’ is still useful in making sense of the peculiar patterns of Alberta politics (143).” Elton and Goddard (1979) along with Levesque and Norrie (1979) tried to nuance what they felt were the problematic elements of Macpherson’s class analysis. As McCormick (1980) found, these scholars thought that “the class structure question can be by-passed, and some explanatory capacity be derived from the presence of a quasi-colonial sentiment of some precisely worded equivalent (86).” Dacks (1986) attempted to refine Macpherson’s thesis by giving it a modern-spin by arguing that “the alienation Albertans have felt towards national political institutions...and the inclination of Albertans to relate to provincial politics in terms of the interest they share in a single dominant commodity (187).” This perspective built on the work of scholars (Long and Quo, 1972; Palmer and Palmer, 1976), who felt that the 1971 election confirmed Macpherson’s thesis.

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<sup>52</sup> Prior to the end of his tenure, Ernest Manning was cautious not to create too much conflict lest it ruin his ambition to become a Social-Conservative Prime Minister of Canada.

The changing provincial economy saw petroleum replace agriculture as the predominant engine of Alberta's economy which led to a fragmentation of the once homogenous independent commodity producers and thus the end of the quasi-party system.

### Part Two: Structural Explanations

As the 1970s progressed, scholars became increasingly reliant on other structural and political explanations to account for the decline of Social Credit and the rise of the Conservatives. Long and Quo (1972) along with Palmer and Palmer (1976) thought the 1971 Conservative victory marked the end of the quasi-party system and the establishment of a two-party system.<sup>53</sup> Several other features stood out as a result of the 1971 election, including: a large (by Alberta standards) 26 member opposition in the 75-seat legislature, and the first time in provincial history that an opposition leader became Premier. These features demonstrate that the greater competitiveness of the 1971 elections was been exceptional. The stark attributes of the quasi-party system were again widely visible after 1975.

#### *The Modernity and Social Change Thesis*

Many saw the 1971 Conservative victory as the result of modernity and large-scale social change ushered into the province after the discovery of oil at Leduc in 1947. Palmer and Palmer (1976) argued that, "Social Credit, which was basically a rural, small town, and lower middle-class movement had little chance of surviving in a society which was not only increasingly urban and middle class but was also where urban issues has penetrated rural

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<sup>53</sup> Many scholars similarly misinterpreted the exceptional competitiveness of the 1993 election and even the relatively minor levels competitiveness in the 1986 and 1989 elections, as the beginnings of a two-party system in Alberta. Subsequent events once again demonstrated that the quasi-party system was still firmly intact.

areas...The Conservative victory was not based primarily on superior campaigning or on issues, but was more of an indication of provincial trends of urbanization, secularization, increasing geographical mobility and affluence (123-4).” Richards and Pratt (1979) argued that social change led to the creation of a regional bourgeoisie comprised of “owners and managers of Alberta-based corporations, urban upper-income professionals...senior provincial Conservative politicians and government bureaucrats (11).” This new bourgeoisie of ‘substance and considerable power’ facilitated the rise of the Progressive Conservatives and the end of Social Credit in Alberta. “Alberta’s large and growing urban middle classes, nurtured by twenty-five years of oil and gas development, acceded to political power in the provincial election of August 30, 1971 (Ibid, 148).” Despite being class-reductionist at times, the social change/modernity thesis, Pratt and Richard’s (1979) version in particular, received support from other scholars (Harrison 2005; Stewart & Archer, 2000; Tupper, 1992).

The social change/modernity thesis cannot fully explain the Conservative’s rise or its continued tenure. The theory does not account for why the urbanization and modernization of Alberta, which began in the 1950s, took until 1971 to cause the victory of a new political coalition.<sup>54</sup> Skeptical of purported wide-spread social change, Stevenson [1979] (2004) suggests there is little evidence to suggest an alteration in Alberta’s class structure: “Larry Pratt and John Richards have argued that the rise of a new bourgeoisie, represented by Premier Peter Lougheed’s Progressive Conservatives, led to the exacerbation of federal-provincial conflict. However, the present writer has suggested elsewhere that there was little

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<sup>54</sup> Why for example, did this social change not bring about ripe conditions for Peter Lougheed to defeat Ernest Manning in 1967? Can this be explained by some yet undiscovered event that brought about further modernization in Alberta during the period 1967 and 1971 inclusive?

real change in Alberta's class structure (87)." Bell (1993b) argues that the conventional structural view of large-scale social change was made only after Social Credit's defeat, which was viewed at the time as an unexpected upset. According to this study, traditional bases of Social Credit support did not collapse or evaporate because of social factors.<sup>55</sup> Building on Lipset's critique of Macpherson, what sociological explanations exist for explaining why this new urban class will consistently vote only for one party?<sup>56</sup> Nor does it account for the considerable rural support needed to win and retain power. Moreover, Richard and Pratt's bourgeoisie thesis would have greater explanatory power if it did not omit an important agrarian/rural component.

### *Conservative Political Culture*

Another predominant structural theoretical perspective is that Alberta is governed by a thoroughly conservative political culture. Stewart & Archer (2000) find that Alberta's "political culture can be described as alienated, conservative and populist (13)." Cooper and Kanji (2000) and others present similar arguments. The conservative nature of Alberta has been posited as an explanation for the success of the Progressive Conservatives, Social Credit, and the UFA. Wiseman (1981, 2007) attributes Alberta conservatism to the very large numbers of American immigrants to the province, who brought with them values of 'rugged individualism' that have permeated the political culture. Wiseman cites the historic presence of many prominent Americans in the UFA organization as a way to imply an

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<sup>55</sup> Rather the leadership skills of the Conservatives under Lougheed, the tacit support provided by Ernest Manning, and the presence of local issues, primarily in Edmonton, have greater academic purchase in explaining the rise of the PCs. This theory would have more purchase if it considered local rural issues that existed (i.e. declining farm net incomes to a degree not seen since the Great Depression and rural desires for natural gas heating etc.).

<sup>56</sup> Unfortunately, the social change and modernity thesis was conducted with little or no explicit reference to the broader comparative theories and methodologies of modernity and democracy (i.e. Lipset, 1959).

Americanized conservative continuity with the current domination by ‘right-wing’ political organizations in the province. This characterization of conservatism and its influence by American immigration poses several problems. Firstly, the UFA, Social Credit, and the Progressive Conservatives can hardly be viewed as exclusively ‘right-wing.’ All three political parties had significant amounts of left-wing and progressive policy platforms, particularly prior to winning office and early in their tenures.<sup>57</sup> Going beyond an examination of the crank monetary theories and brash tone of William Aberhart, Finkel’s (1989) classic work on Social Credit has highlighted the early movement’s many left-wing influences. In other words, political parties in Alberta were not elected as orthodox conservative parties but instead gained significant progressive and left-wing support. Indeed William Irvine and many Alberta UFA members provided an impetus for the creation of the CCF. In many respects the left-wing section of the UFA could be fairly viewed as a predecessor to the CCF. Second, it is highly reductionist to equate American immigration with the importation of homogenous conservative values or ‘rugged individualism.’ Many prominent American imports to Alberta, such as Henry Wise Wood and the Non-Partisan League, possessed radical and populist rather than conservative perspectives and temperaments.<sup>58</sup> Consider that the ‘cowboy culture’ of Alberta was initially more British

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<sup>57</sup> Finkel (1989) posits the thesis that “the early Social Credit is best understood as a loose coalition of reformers rather than as a single-minded (or mindless, as its detractors saw it) movement to tame financiers (4).” Early Social Credit was amenable to influences from the left as its membership was comprised of those that voted CCF and even communist federally. Aberhart appropriated the CCF mantra of ‘fifty big shots’ to describe who controlled the Canadian economy. In fact, early Social Credit was initially the bane of big business, which was disturbed by the leftist leanings of the Aberhart government. In particular, they were bothered by Social Credit’s considerations of nationalization, including the petroleum industry, which enjoyed strong support within the rank and file. The early Social Credit government proved highly interventionist, something that would not be seen again to any great extent until the victory of Peter Lougheed’s government which proved to have considerable activist policies.

<sup>58</sup> Many American imports were also first or second generation Americans that were still closely connected to their original homelands (i.e. Scandinavia) and had not yet assimilated. Also, consider that after the UFA won office in 1921 without a leader the natural choice was the Missourian Henry Wise

than American (4). Barrie (2006), in particular, has repudiated notions of homogenous conservatism providing empirical evidence from value-surveys that demonstrate only minor gaps between values espoused in Alberta and those avowed in the rest of Canada.<sup>59</sup> Other surveys have shown that, like most Canadians, the majority of Albertans, then as now, fall towards the centre of the political spectrum, rather than right of centre. The One Big Union and the Co-operative Commonwealth Federation (CCF) were founded in Calgary in 1919 and 1932 respectively. In retrospect, this should not be surprising. During the early history of Alberta, during a time when American immigrants were plentiful, a burgeoning labour movement existed in Alberta's cities as well as radical farm and miner movements in rural areas and towns. By the 1920s, Palmer and Palmer (1990) argue that "Alberta had become the most politically radical province in Canada (196)." Alberta's greater radicalism could be attributed to higher transportation cost, its more recent frontier experience ('with a debtor economy'), fewer Ontarians or Quebecers maintaining links to Canada's traditional political parties, and the presence of strong leadership like Henry Wise Wood and William Irvine. Moreover, Alberta is not as far to the right or Saskatchewan as far to the left as many assume.<sup>60</sup>

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Wood. He declined the Premiership out of concerns that the Alberta electorate would resent an American-born Premier (Pal, 1992).

<sup>59</sup> In fact, with respect to issues like gun control and abortion frequently NDP-voting Saskatchewan demonstrates values further to the right than Alberta.

<sup>60</sup> Edward Bell (2002) confirms Seymour Martin Lipset's analysis in *Agrarian Socialism* (1950) that the political agency of William Irvine and later Henry Wise Wood, the central figures in the decision of the UFA to contest office, led to the rise of the UFA in Alberta and that Saskatchewan Premier William M. Martin's political ability (1916-1922) prevented a Saskatchewan farmer's movement from gaining power in the 1920s. Premier Martin successfully mitigated the potential political threat posed by the Saskatchewan Grain Grower's (SGG) by calling an election before that organization had decided to contest office, or to create a political entity to do so, and by once again recruiting prominent leaders of that organization into provincial cabinet. Martin's Alberta counterpart, Premier Charles Stewart (1917-1921), was far less successful in co-opting or mitigating the threat posed by the UFA (and the organizational efforts of Henry Wise Wood and the NPL) allowing the UFA time to both commit to fielding candidates and sufficient time to successfully organize politically. Subsequently, his Liberal party went down into defeat in 1921 after governing since 1905. These acts created a certain path

### Part Three: Political Theories

Unsatisfied with the prevailing structural explanations of the unique nature of Alberta's political system, some scholars thought that political theories had greater academic purchase. Bell, Jansen, and Young (2007) argue: "It is sometimes said that in looking for structural explanations for Alberta party politics, Macpherson and others overlooked more mundane explanations for single-party dominance (29)." Laycock (1990) has also found class and structural approaches wanting, "None of them does justice to the historical specificity, cultural milieu, ideological complexity, or considerable achievement of the prairie experience with populist democracy (6)." This work will examine the following political theories: the strong/weak leadership dichotomy, the populist argument, and the Pinard theory. The first will consider the notion that Albertans respond particularly well to strong, rather than weak, leadership. The second argument is that provincial political organizations are successful when they can appeal to the masses. The third argument is that party fragmentation prevents the political success of opposition parties and that, when the governing party is finally defeated, it is unseated by an upstart political organization.

#### *Strong/Weak Leadership Dichotomy*

Some scholars have attributed the longevity of provincial governments to the leadership qualities, or 'strength' of Alberta Premiers. Bell, Jansen, and Young (2007)

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dependence that allowed the CCF to take power in Saskatchewan in 1944, but precluded a similar rise to power in Alberta given the close ties between it and the irredeemable UFA. The victory of Social Credit in 1935 in Alberta and the CCF in 1944 left indelible marks on their respective political cultures. If one favours Shefter's (1977, 1994) analysis that a professionalized civil service limits patronage and enhances democracy, the rise of the CCF may account for the more democratic and politically competitive nature of Saskatchewan, when contrasted with Alberta. The civil service reforms implemented by Saskatchewan Premier Tommy Douglas in the 1940s and subsequent Saskatchewan Premiers have not been replicated to as great an extent by their Alberta counterparts.

observe that several authors “stress the importance of ‘political’ explanations rather than structural causes, often claiming that there are weak ties between Albertan and their political parties, and that it was strong leadership that produced electoral success in the province (29).”<sup>61</sup> This notion of a strong/weak leadership dichotomy has been a frequent explanation for the quasi-party system (Archer, 1992; Pal, 1992; McCormick, 1980; Smith, 1972; Stewart & Archer, 2000). The presence of strong leadership in Premiers creates a cult of personality (Archer, 1992) and is able to reshape political culture (Pal, 1992). The strong/weak leadership dichotomy was posited as an explanation for the decline of Social Credit and the rise of the PCs. The strong leadership of Peter Lougheed was contrasted against the weak leadership of the incumbent Social Credit Premier Harry Strom (Archer, 1992; Bell, 1993; Serfaty, 1979; Pratt and Richards, 1979). Social Credit never recovered from the resignation of the ‘charismatic’ Ernest Manning, a leader of considerable strength and experience. However, no one predicted that Lougheed’s superior leadership style would win him the 1971 election until after it occurred.<sup>62</sup> Also, the scholarship failed to reconcile why the strong leadership of Lougheed did not result in a better showing against Ernest Manning in the 1967 election. Others attributed the weakness of the Alberta Liberal leadership as offering an opportunity for the opposition vote to finally coalesce with the Conservatives (Serfaty, 1979).<sup>63</sup> While historically the strong/weak leadership dichotomy

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<sup>61</sup> These authors cite Smith (1972), who argued that the “achievement of power comes...more directly from management of the vote by an efficient machine, from long-term public attachment to a leader, or from demagogic appeals that turn sudden changes of public feeling into public advantage (212-215).”

<sup>62</sup> This characterization was not well noted during the election campaign and it was predominantly made only after the 1971 election rather than during the period in which Strom served as Premier and Lougheed as the Leader of the Official Opposition. Right until the 1971 election results were released, Social Credit was confident that they would win, albeit with a reduced majority, and most PCs, including Peter Lougheed, that that their party would not prevail.

<sup>63</sup> For many years the provincial Liberal party was an extension of the federal Liberal Party. It served as a club for lawyers that wanted federal contracts, particularly for the Canadian Mortgage and Housing Corporation (CMHC). For many years only lawyers associated with the Liberal party would be authorized to process such transactions in the province of Alberta. These lawyers represented the core of

works well for some Premiers, such as Sifton, Brownlee, Manning, and Lougheed (post-1967) it does not for the vast majority of others.<sup>64</sup> The theory does not explain why governments are able to hold on to power while being led by ‘weak’ leaders or why occasional ‘strong’ leadership by the opposition fails. For this study period, strong leadership offers purchase for Lougheed, but not Getty or Klein, both of whom were eventually dispatched internally by the PC Association with varying degrees of embarrassment. Thus, the strong/weak provincial leadership dichotomy is not a sound explanation for the continued tenure of the PCs after the resignation of Peter Lougheed in 1996. The broader weakness of this point of view is that leadership strength is not independent of the length of tenure. Those scholars that support this dichotomy need to construct clear measures that may include, but should not be limited to, tenure of office.

Nevertheless, others have attributed the strong leadership shown by federal Conservative leader John Diefenbaker in the Canadian West for creating pre-conditions for a provincial Progressive Conservative victory (Palmer & Palmer, 1976). The ability of Diefenbaker, first as opposition leader then as Prime Minister and once again as opposition leader, to capture the vote in Canadian West through 1957-1967 seriously diminished the federal Social Credit organization in Alberta and eventually contributed to the decline of the provincial organization. This theory is not entirely satisfactory given that it cannot explain why the Progressive Conservatives were not successful sooner or why it prevailed after Diefenbaker had been removed as federal Conservative leader before the provincial party

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the provincial Liberal party. There was little incentive to knock on doors and get out voters as these core members joined for financial enrichment.

<sup>64</sup> For example, William Aberhart is frequently portrayed as a strong leader, even though he suffered from caucus and cabinet revolt. The Lieutenant Governor almost dismissed Aberhart on two occasions. The first came during the Caucus revolt of 1937, the second when the Premier came embroiled in a conflict with the Lieutenant Governor in the spring of 1938.

achieved power (Bell, 1993). This theory would have more purchase if it considered both the *rise* and *fall* of Diefenbaker as contributing to provincial Conservative success. First, Diefenbaker did indeed establish a Conservative brand in Alberta. However, there was initially no effective provincial leader to capitalize on it. Second, Diefenbaker influenced a number of nascent provincial politicians, including Peter Lougheed, who could capitalize on the Conservative brand. Third, a number of Alberta MPs loyal to Diefenbaker left federal politics after internal conflict within the federal organization had become severe and were available to provide the provincial organization with much needed expertise. The most important of these MPs was Hugh ‘Doc’ Horner, who offered Lougheed insights learned from Diefenbaker on how to capture the rural Alberta vote.<sup>65</sup> Fourth, the immense loyalty shown by ‘Diefenbaker’s Cowboys’ (a collection of predominately Alberta MPs) to Diefenbaker and their involvement with the renewed provincial organization led him to endorse Robert Dowling, a provincial PC candidate, in the vital 1969 Edson by-election (Horner, 1980). Significantly, this is the only occasion upon which Diefenbaker ever explicitly intervened in provincial politics during his federal career.<sup>66</sup> This victory in a hitherto Alberta Liberal seat against strong rivals and their efforts during the 1967-1971 Legislature provided cues to the electorate that there was a dominant Alberta opposition party and an effective “government in waiting.”

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<sup>65</sup> Horner learned the techniques of political clientelism from Diefenbaker.

<sup>66</sup> The subsequent Conservative victory was in part attributed to the Chief’s endorsement. Serving as the last by-election before 1971, the victory itself has been since regarded as a turning point for the provincial Conservatives providing much needed momentum into the general election.

### *The 'Populist' argument*

The reference to the importance of 'populist' Alberta governments earlier bears further analysis. It represents a political theory given that political elites make the conscious choice to adopt it. As an ideology, populism places great importance on distinguishing between the sentiments of the elites and the general citizenry. Under populism, political elites attempt to appeal directly to the general masses and pledge to consult them when making public policy decisions. Adopting Ernesto Laclau's discursive definition, Laycock (1990) argues that populism represents a dichotomy between the people and the powerful. Substantive populism means that the will of the powerful will be subverted when it contradicts that of the masses and that the latter rather than the former will consistently prevail. Building on this approach, the continuation of the quasi-party system (i.e. the continued tenure of Social Credit and Progressive Conservatives) suggests that political monopolies represented the predominant sources of power for some time and they long ago strayed from the people. Nevertheless, Conway (1978) argues that "populism, as a political movement in self-defense on part of a threatened agrarian petit-bourgeoisie, is what fundamentally characterized the CCF and Social Credit (124)." With populism being identified as an important element of historical political success in the Canadian West, many scholars continue to identify it as a factor to explain regime longevity in Alberta. The 'populist' assertion in the post-1945 period is made largely without empirical evidence and does not reconcile with the facts: that Alberta's voter turnout averaged 59.6% to 73.5% among other Canadian provinces during the study period.

It is necessary to distinguish between substantive populism and contrived, or faux, populism. With the former, constituent structures are established to allow citizens a more

direct role in public policy making after the election. Under the latter, political elites may simply ignore their populist promise to the electors after gaining or being returned to office. This work argues that Alberta may have indeed exhibited substantive populism in the pre-1945 period, but after that time populism was and has been contrived. Even if the presence of substantive populism in Alberta could be demonstrated, such populism still does not give an adequate explanation for the quasi-party system, given that populism is not unique to the province on the prairies. Saskatchewan has continued to maintain a two-party system while being governed by populist Premiers.<sup>67</sup> Although Alberta has clearly conducted legitimate populist political experiments, these experiments more appropriately describe its past than the study period. Therefore, populism is not an adequate tool for explaining the continued presence of the quasi-party system or the longevity of the Conservatives.

#### *Pinard Theory and Party Fragmentation*

Another political explanation speaks to the degree of party fragmentation that exists in the province. Building on Lipset (1954), Smith (2001) submits that historically half of Alberta votes for the government and the other half for the opposition. McCormick (1980) and Jansen (2004) found some generations later that votes are still fragmented between a divided opposition and can travel very easily from one opposition party to another in the period of an election cycle. Bell, Jansen, and Young (2007) posit that the Pinard Theory has more purchase than traditional agent and structure theories. The Pinard Theory offers that consistent opposition stagnation will give rise to opposition support transferring to a new or third party which is capable of defeating the government when grievance finally coalesces.

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<sup>67</sup> In fact, Alberta Premier Ralph Klein (1992-2006) clearly emulated the populism of Saskatchewan Premier Grant Devine (1982-1991).

This theory can describe the historic transfers of power prior to 1971 and even shed light on the ease with which opposition support can and does shift from the NDP to the Liberals in an election cycle to this day. The Pinard Theory has no predictive value given that it does not provide indications of when grievances and opposition support will finally coalesce into government defeat. The theory offers little explanation for why Alberta has seen many new third parties come and go without ever gaining power. It also generates confusion with respect to the 1971 transfer of power. Does one assess the PCs as a third, or new, party even though they served as the official opposition from 1967-1971 and placed second in the 1959 election? However, many of these ‘political’ explanations add to understanding of Alberta political culture, but in themselves do not adequately provide an explanation for continued one-party dominance in Alberta or why these characteristics are present in the first place.

*Getting closer: Reinterpreting rural Alberta in the 1971 election*

The social change thesis attributed some agent explanations to the rise of the Social Credit but essentially replaced the overstated efficacy of independent commodity producers with that of a new urban class. As with Social Credit, much of the scholarship overlooked or overstated the efficacy of elements that comprised the initial political coalition that brought them to power. Masson and LeSage Jr. (1994) correctly note that “contributing to Social Credit’s 1971 demise was its desertion of its rural support base in order to court a growing urban electorate (48).” Most scholarly accounts of the rise of the Progressive Conservatives, structural and political alike, omit the efforts of Peter Lougheed’s rural lieutenant Hugh ‘Doc’ Horner in acquiring the majority of rural support in the province. Quite simply, despite his vaunted leadership skills, Lougheed needed an intermediary to properly engage

and recruit rural Alberta.<sup>68</sup> Given the support the latter gave the former, the victory of the Progressive Conservatives was hardly a repudiation of rural Alberta. Electoral math dictated that the winner of the 1971 election had to win the majority of Alberta's seats outside of Edmonton and Calgary as those cities had only 29 out of 75 seats.<sup>69</sup> Despite being one of the most urban provinces in Canada, the specific malapportionment of boundaries between 1971 and 1996 dictated that roughly half the constituencies in Alberta were rural seats. By failing to consider the importance of rural Alberta to the rise of the Progressive Conservatives, scholars have omitted a key insight into understanding their continued tenure. The Macphersonite theories were complicit in this omission given that they did not consider rural Albertans as potential swing-voters. The assumption was made that rural Alberta was in fervent support of Social Credit, when only predominantly southern regions of rural Alberta were so inclined. While many contemporary scholars consider the importance of rural Alberta in sustaining the modern PCs, explanations for why rural Alberta switched from Social Credit to Progressive Conservative are severely lacking. Answering that question also explains why rural Alberta can be counted among the strongest supporters of the PC government. Moreover, giving pride of place to rural areas and by considering the various democratic quality biases employed the Conservative government will yield not only a novel theory, but a comparative turn to the study of Alberta.

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<sup>68</sup> Without the efforts of Hugh "Doc" Horner, or a similarly effective rural lieutenant, Lougheed may have never gained power.

<sup>69</sup> While much of the scholarship has focused on the modernization of the province, few have noted that the districting of electoral boundaries was slow to reflect this trend. The 1970 electoral boundary process only saw the addition of ten new urban seats, not an insignificant amount, but not enough for a strictly 'urban' party to win the 1971 election.

## *Conclusion*

Although this dissertation is built on the existing Alberta politics literature, we argue that the existing theories have limitations when seeking to explain Conservative successes from 1971-1996. Macphersonite and neo-Macphersonite theories with their homogenous class-based view of society and notions of quasi-colonial status are not sufficient in explaining this success. The modernity and social change thesis has its own limitations since it fails to account for why a changing Albertan society brought about political change in the 1970s, but not in the 1960s or earlier. Challenging notions of a homogeneous conservative political culture, Alberta's history is full of left-wing as well as right-wing influences. Many political theories are not fully adequate either. The strong/weak leadership dichotomy cannot explain why weak Premiers maintain tenure and at times it conflates longevity with individual political skill or strength, rather than as an element of the political system itself. The consideration of the populist argument leads to difficult questions when provincial voter turnout is compared with other Canadian jurisdictions and whether the populism itself is substantive or merely contrived. The Pinard Theory offers little predictive value and does not account for why so many third parties in Alberta never gain power. Fundamentally our position is that one must go beyond simply considering Alberta from a responsible government perspective. All regimes have democratic limitations and the interrogation of these features raise and hopefully answer important research questions on the nature of the longevity of ruling political coalitions. Classifying Alberta's ruling political coalition as a political monopoly lends itself for such study. By failing to focus on the democratic limitations of the Alberta regime, scholars have underestimated how perpetuation of bias contributes to the political monopoly. By ignoring rural Alberta after 1971, these scholars

have overlooked a major source of the Conservative success story, both during their rise to power and in the generation that followed.

## *Chapter Three: Rural/Agrarian Political Economics from the rise of the Progressive Conservatives to 1979.*

### *Introduction*

Many scholars examining Alberta often assume that, following the major discovery of oil in 1947, agriculture ceased to play a prominent role in provincial economic and political affairs. Challenging the notion that agriculture's importance was supplanted by petroleum development, this chapter will argue that rural and agrarian dynamics remained important factors in the rise and success of the Conservative organization in the 1970s. Without widespread rural support from central Alberta during the 1971 election, the Progressive Conservative organization would have at best won a razor-thin minority government and at worst lost the election to Social Credit.<sup>70</sup> This chapter will confirm a broader theme from comparative politics that economic exogenous shocks contribute to turnovers of long-serving governments (Huntington, 1991; Haggard & Kaufman, 1995). The coalescing of external economic and internal social-political factors resulted in strong Conservative support in rural areas during the 1971 election. Social Credit's attempt to transform itself into a more urban party not only failed, but wound up alienating many traditional rural supporters. The Progressive Conservative organization contested the 1971 election as both an urban and a rural party. A significant downturn in the provincial agricultural economy occurred immediately prior to the 1971 election. The economic downturn, in conjunction with political missteps by Social Credit and an effective

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<sup>70</sup> This notion leads to speculation whether the Alberta Social Credit League would have been able to renew itself. After all, the provincial Social Credit organization in British Columbia, but for a brief three year respite from 1972-75, governed the province nearly continuously from 1952-1991. In British Columbia, William Bennett the Younger replaced William Bennett the Elder much in the same way many Alberta Social Crediters envisioned Preston Manning as one day replacing his father Ernest as party leader and Premier, In the end, out of concerns of nepotism, Preston Manning decided not to contest leadership of Social Credit in 1968. After 1971, and particularly after 1975, there was hardly a Social Credit political organization remaining.

rural/agricultural political platform offered by the Conservative opposition, contributed to the victory of the latter in 1971. The subsequent consolidation of the rural/agrarian Conservative political network was facilitated by a boom in the agricultural economy, increased provincial supports to agricultural producers, and other rural residents, tight fiscal control over rural municipalities, and building relationships with provincial cattle producers.

### Part One: The Rise of the Conservatives

#### *Alberta after 1947: as a whole neither universally wealthy nor modern*

Many scholars have argued that the Conservative victory in 1971 reflected the increasing provincial modernity and wealth. However, these attributes were not universally and immediately apparent in the province after 1947. It is arguable that massive pools of oil and gas in rural Alberta provided the provincial treasury and predominately American multi-nationals with billions of dollars in revenue after 1947. However, this did not eliminate widespread poverty in rural and urban areas. Summarizing a presentation given by S.G. Peitchinis of the University of Calgary at the April 1969 Human Resources Research Council's Symposium, Ministerial Assistant John J. Barr observed that: "In several widely-used indicators of poverty, Alberta is much worse off than the trappings of affluence would appear to indicate...in three areas- households without installed baths, households without flush toilets, and households without piped-in-water - we are not only worse than B.C., we are worse than the national average...."<sup>71</sup> Among the provinces, Alberta "is only marginally better than Saskatchewan and Manitoba, just barely better than Quebec, and somewhat

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<sup>71</sup> Confidential Memorandum from John J. Barr, Ministerial Assistant Department of Education to Hon. R. C. Clark, Minister of Education. "Re: Areas of Government vulnerability." Dated April 11, 1969. PAA 2000.1302 Box 1 File 3 (1 of 2) (Note: Members of the political opposition had attended and would likely use these areas of vulnerability to attack the government. The proportion of population of those earning \$5,000 or less in Saskatchewan and Manitoba was 72%, 69% in Quebec, 68% in Alberta and 59% in British Columbia.).

worse than British Columbia (even after we make allowance for the higher cost of living, the sales tax, etc.),” when it came to the proportion of population with income of \$5,000 or less.<sup>72</sup> For many Albertans the benefits of modernity had not yet arrived by the late 1960s and early 1970s. Poverty remained a significant provincial issue.

### *The changing agricultural field and exogenous economic shocks*

Substantial post-war period changes in provincial agriculture had not universally benefitted agricultural producers. Skogstad (1979) observes:“(1) A sharp reduction in the number of farms and farmers; 2) An increase in the average farm size; 3) An overall increase-skewedly distributed-in the average capital value of farms; 4) An ever-widening gap between the incomes of owners of small farms as opposed to operators of medium-sized and large farms as some farms capitalized at a more intensive rate; 5) A recurring cost-price squeeze as the increases in the costs of supplies have outstripped rises in farm produce prices; and 6) As a result of the former phenomenon, a lag in average farm income behind off-farm income (230).” This post-war trend continued into the 1960s and 1970s. Between 1966 and 1971 the number of farms in Alberta declined 9.7 % from 69,411 to 62,702 at the same time the average acreage rose by just over one percent from 48,982,875 to 49,506,287.<sup>73</sup> On the whole, the wealth of well-to-do agricultural producers continued to improve while the fortunes of more marginal agricultural producers continued to suffer. For many smaller agricultural producers Social Credit government’s programs and policies were

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<sup>72</sup> Ibid.

<sup>73</sup>“Alberta Farm size increases.” *Farm Trends*. July 1972. p. 8. (Note: This statistic only reflects the amount of individuals engaged in or reliant on direct agricultural production and not those employed in agricultural support fields or Alberta’s considerable agricultural processing industry).

not satisfactory and this played a significant role in the outcome of the 1971 provincial election.

International market pressure caused a significant agricultural depression on the Canadian Prairies in the late 1960s and early 1970s.<sup>74</sup> During this period, provincial net farm incomes were among the lowest continuous levels since the dustbowls of the Great Depression.<sup>75</sup> During this period, wheat, feed grain, oilseeds, beef, and pork accounted for approximately 80 to 90 % of total farm cash receipts in Western Canada.<sup>76</sup> The collapse of international wheat markets certainly contributed to the provincial decline in agriculture. A year prior to the watershed 1971 election, grain producing farms accounted for 32.5 % of total provincial farms that sold over \$2,500 worth of agricultural goods sold annually.<sup>77</sup> The last good sales year for Alberta wheat had come in 1966-67. Thereafter, a total of 410 million bushels (11,161,076,550kg) of Alberta wheat remained unused and in storage with provincial wheat production exceeding utilization by 88.7, 186.4, and 135.0 million bushels

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<sup>74</sup> In contrast to agriculture in Eastern Canada, which supplies a primarily domestic market, agricultural producers on the Canadian Prairies have traditionally been international exporters. From an early stage, Canadian agricultural producers have been more 'globalized' and thus more vulnerable to international agricultural commodity fluctuations.

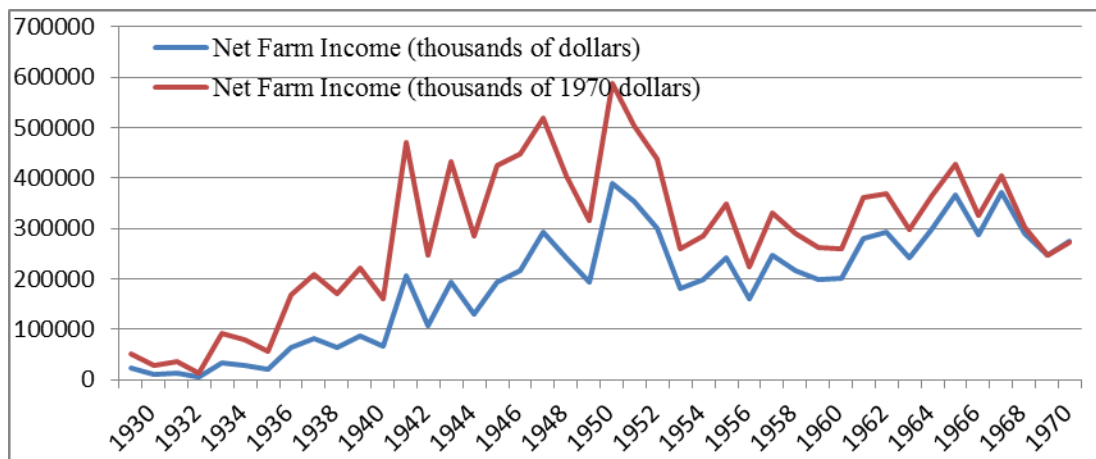
<sup>75</sup> Statistics Canada defines net farm income as the "annual measure of income returned to the operators of agricultural businesses from the production of agricultural commodities." (Source: <http://www.statcan.gc.ca/cgi-bin/imdb/p2SV.pl?Function=getSurvey&SDDS=3473&lang=en&db=imdb&adm=8&dis=2>).

<sup>76</sup> "1971 Unifarm Brief to Provincial Government." *Farm Trends*. November 1971. p. 10.

<sup>77</sup> Walker, E. David. *Alberta Farm Market Analysis: The 1970-71 Crop Year*. September 2, 1970. p. 1 David Walker, a provincial marketing economist with Alberta Agriculture noted that the provincial wheat outlook was expected to improve for 1970-71 in light of increased exports, particularly into Europe. Though Operation LIFT had halved provincial wheat acreage total wheat production for 1970-71 was estimated to be in the range of 350 million bushels. As predicted 1970-71 resulted in improved grain sales and the Conservative opposition argued this had not been achieved through Social Credit efforts The Conservatives stressed that: "The current improvement in grain sales should be recognized for what it is-a short-term windfall caused primarily by adverse climatic conditions in certain grain producing countries. Political parties and the farms themselves should communicate to the general public so that the public at large is not deceived into concluding that the long-term problems of Western Canadian agriculture are in any way solved." (Source: Alberta Progressive Conservative Party. NOW: New Direction for Alberta in the Seventies: The Platform of the Alberta Progressive Conservative Party and its candidates. Alberta Provincial Election 1971. p. 7).

for 1967-68, 1968-69 and 1969-1970.<sup>78</sup> With the exception of 1955, the Social Credit government had skilfully avoided calling elections during declines in the agricultural economy. Social Credit erred politically by not waiting for a prolonged improvement in the agricultural economy before calling the next election. This decision, in conjunction with a series of political missteps, and a rising Conservative organization with a good rural and agricultural platform, heavily contributed to the Social Credit government losing power in 1971.

Total Net Farm Income in Alberta 1930-1970<sup>79</sup>



### *Social Credit missteps*

The Social Credit government of the late 1960s was eager to expand its base into urban areas to meet the changing provincial demographics. Through these efforts, however, Social Credit neglected and alienated rural Alberta. The failure to provide public policy options that would slow the trend of urbanization and improve the quality of rural life, the implementation of the *Fuel Oil Tax Act*, and the refusal to provide all farm and ranch houses

<sup>78</sup> Walker, E. David. *Alberta Farm Market Analysis: The 1970-71 Crop Year*. September 2, 1970. p. 1.

<sup>79</sup> Leacy, F. H. *Historical Statistics of Canada 2<sup>nd</sup> Edition*. Ottawa: Minister of Supply and Services Canada, 1983. M119-128. The calculation into 1970 dollars was done by the author using the Bank of Canada inflation calculator.

with natural gas, were just some examples of Social Credit failing to properly engage with rural Albertans. With respect to urbanization, Premier Ernest Manning gave a speech to the Alberta Legislature in 1965 noting that within ten years 85 % of Alberta's population would reside in Edmonton and Calgary. Manning added that there was nothing the Social Credit government could do to stop this trend. This news came to the obvious discomfort of many rural residents wanting provincial programs supporting a good quality of rural life. After the 1967 election, the Progressive Conservatives began to offer a pro-active and balanced growth philosophy. Masson (1992) notes:

At the 1970 meeting of the Alberta Association of Municipal Districts and Counties (AAMD&C), Lougheed was warmly received when he argued that if the Conservatives formed the next government, growth would be balanced across the province. Edmonton and Calgary would not be allowed to grow at the expense of rural Alberta. Ray Farran writes that Lougheed's "oft repeated quote was 'better to have four Red Deers that everyone living in Edmonton and Calgary (170).'"

This message held considerable appeal to rural and agrarian Albertans and became a substantive element of the 1971 Conservative campaign: a campaign that benefitted from other Social Credit missteps.

Miscalculations by Social Credit on rural energy policy during the late 1960s and early 1970s caused many rural residents to lose confidence in the provincial government. In the spring of 1968, Social Credit caused considerable resentment among agricultural producers when it passed the *Fuel Oil Tax Act* which imposed a three-cent a gallon (0.799 cent/litre) tax increase on farm gasoline, or so-called "purple gas".<sup>80</sup> To provincial agricultural producers, already burdened by a faltering agricultural economy, the move by

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<sup>80</sup> Discounted farm gasoline is referred to as "purple gas" owing to the purple dye additive used to distinguish between and non-subsidized regular commercial gasoline. It should be noted that this would be equivalent to a \$ 4.97 increase per litre in 2010.

Social Credit represented a profound betrayal. The government had previously indicated to provincial agricultural groups that it was against such increases. Conservative Agriculture Critic Hugh Horner exploited the Social Credit gaff:

We stated our position clearly- the Conservative Opposition is opposed to the three-cent-a-gallon increase in tractor fuels, because it is merely an additional and harsh expense to the farmer that he cannot pass on to anyone else or assimilate in higher prices for his product. Three cents a gallon amounts to a 15 % increase, and this, along with increased auto and truck license fees serves to narrow the gap between a farmer's costs and the returns he receives for his goods. We feel this is discrimination against one of the most important industries in the province. As an alternative, we proposed eliminating the misuse of purple gasoline, by designating the definition of a 'truck' to apply to one-ton size or larger. Such a procedure would remove the purple gas exemption for half-tons and pick-ups used by people who are not, in fact, full-time farmers, and the additional revenues gained would in part cover the proposed three-cent increase.<sup>81</sup>

Widespread rural discontent forced the Social Credit government to amend the Legislation in 1969 and to propose a three-cent-a-litre rebate for agricultural producers effective June 1, 1969. In a subsequent opposition news release, Hugh Horner criticized the government's actions as disingenuous. Most agricultural fuel was used during the spring planting season. So, as of February 1970, despite spending \$27,000 in administration for the rebate program, the province had rebated only 2.5 %, or \$99,000 of the \$4,000,000, in fuel taxes collected from agricultural producers.<sup>82</sup> Clearly Social Credit's attempt to rectify its initial misstep proved insufficient to regain its former level of support among Alberta's farmers.

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<sup>81</sup> Progressive Conservative Association for Immediate Release. "Report from the Legislature By Dr. Hugh Horner, Conservative MLA for Lac Ste. Anne." Dated April 5, 1968. PAA 1972.59 Box 1 File 1. Horner also noted: "We also protested the tax increase as applied to transit buses and school buses operated by municipalities, because we feel it merely shifts the onus of taxation from provincial jurisdiction to the taxpayer."

<sup>82</sup> Statement by Dr. H.M Horner, MLA Lac Ste Anne. "Three Cents A Gallon on Farm Fuel." Circa 1970. PAA 1972.59 Box 1 File 5.

During this same period, Social Credit refused to implement a rural gas delivery infrastructure program. The government consistently maintained that providing every farm and ranch house with natural gas was impossible. This position chagrined Social Credit's own Highways Minister Gordon Taylor, who championed a rural gas delivery strategy in the Cabinet during the late 1960s and very early 1970s.<sup>83</sup> The rest of the Social Credit Cabinet proposed that rural residents without existing natural gas supplies be content with the less desirable propane supplies. Taylor later recounted the short-sightedness of this position, particularly in light of the stance adopted by the Conservatives:

In those days you had the gas-lines running out of the province all over the place exporting gas, but our own farmers were not getting any of it. There was a lot of strong feeling against it... Well, after the 1971 election we became the opposition with about 25 members. Our caucus decided to take a stand against everything Premier Lougheed was doing. My constituents had wanted and therefore liked – some of the things the new government was doing. Mr. Lougheed appointed a man by the name of Roy Farran [sic], who was put in charge of getting gas for farmers. They did exactly what I had asked our government to do. And it was popular, very popular. Today there's hardly a farm in Alberta that hasn't got gas. So it was not impossible.<sup>84</sup>

Peter Lougheed had shrewdly recognized the political implications of rural gasification early on, noting in 1969: "It appears to me that this [rural gasification] is going to become a very 'hot' political issue within the next two or three years, and for this reason, we certainly would appreciate the views of the private companies now involved as to this submission, and also their future planning."<sup>85</sup> Overall, the Conservative opposition was able to effectively capitalize on Social Credit missteps by presenting a more desirable public policy course

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<sup>83</sup> Taylor resigned over his displeasure of how Social Credit, in opposition, was handling rural gasification and other policies in the post-September 1971 period.

<sup>84</sup> Taylor, Gordon. "Interview: Gordon Taylor, MLA." *Canadian Parliamentary Review*. vol. 8 no. 3. 1985.

<sup>85</sup> Letter from Peter Lougheed, MLA to Mr. Peter Macdonnell. Dated February 14, 1969. PAA 1972.59 Box 1 File 7 Lougheed was building on a January 1969 Farmer's Union of Alberta submission to the Social Credit government on natural gas.

aimed at rural voters. This strategy was further exploited by the Conservatives in their 1970 agricultural and rural platform.

*Building a Conservative rural/agrarian platform*

The robust Conservative platform contributed immensely to its rural and agrarian support during the 1971 election campaign. Throughout the late 1960s, the Conservative political opposition literally and figuratively underlined Farmers Union of Alberta (FUA) and Alberta Federation of Agriculture (AFA) submissions and publications that were critical of Social Credit policies. The Conservative Official Opposition employed agrarian civil society criticisms to great effect against the Social Credit government during Question Period and through press releases. During January 16-18, 1970, the Conservatives formulated new rural and agrarian policy at the party's agricultural seminar at the Capri Motor Inn in Red Deer. While composing their new policy, the organization took into consideration the four distinct rural regions of Alberta (Southern, South-Central, North-Central and the Peace) and the heterogeneity of agricultural commodities (wheat, oilseeds, feed-grains, beef, hogs, livestock, special crops, and others).<sup>86</sup> The results of the discussions at the Capri Motor Inn were compiled by Hugh Horner who then authored the vigorous rural and agrarian proposals of the Conservatives' official party platform. The platform was arranged under three broader themes: "1. To assist in improving markets and prices; 2. To assist in controlling farmers' costs and in improving cash income; and 3. Protection of farmer's property rights."<sup>87</sup>

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<sup>86</sup>Ibid.

<sup>87</sup>Ibid.

Under the first theme of improving markets and prices, the Conservative rural platform focussed on the need for a *market emphasis* and increased provincial intervention in what was the constitutionally shared jurisdiction of agriculture. The Conservatives desired full provincial consultation prior to the implementation of federal agricultural programs, such as the politically disastrous Operation LIFT (Lower Inventory For Tomorrow) that, among other measures, encouraged provincial farmers not to produce crops and offered summer-fallow payments.<sup>88</sup> Less popular elements of the Conservative campaign included the opposition to national marketing legislation provided by the federal Bill C-176 and its proposal for provincial representation on the Canadian Wheat Board.<sup>89</sup> In the vein of enhancing the democracy of marketing boards, the 1971 platform included a provision to strongly support provincial marketing boards “provided they are truly representative and run by producers and individual farmers.”<sup>90</sup> Some other important proposals to improve ‘markets and prices’ included: a pledge to reduce transportation issues that worked against “the orderly and efficient distribution of Alberta’s agricultural products” and a recognition of the need for “regional policies and specific product policies.”<sup>91</sup> With respect to the latter, there

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<sup>88</sup> Summer-fallow is a practice by which a farmer’s field is left completely idle during the growing season. It was once thought that giving a field a ‘rest’ enhanced the productivity of the field and restored the nutrients of the soil. It was subsequently discovered that, though one year of summer-fallow may provide benefit over the course of just one season, long-term practice contributes to soil degradation, including soil organic matter depletion, moisture depletion and soil salinity, as well as leaving the field vulnerable to water and wind erosion (i.e. the entire topsoil can be swept away). Summer-fallow was believed to be a good agricultural practice until the 1960s when scientific study demonstrated otherwise. Operation LIFT paid farmers not to grow anything in a concerted effort to permanently reduce Canada’s food supply through the use of practices that would contribute to the destruction of their soil.

<sup>89</sup> These elements certainly were strongly opposed by a vocal minority with most criticism abating once cattle and hogs were exempted from the federal legislation. On the whole, however, the provincial agricultural producers at that time supported Bill C-176. Given the choice of reforming the Canadian Wheat Board, most grain producers preferred producer-elected CWB representatives over provincial representation.

<sup>90</sup> Alberta Progressive Conservative Party. NOW: New Direction for Alberta in the Seventies: The Platform of the Alberta Progressive Conservative Party and its candidates. Alberta Provincial Election 1971. p. 8.

<sup>91</sup> Ibid. p. 6-7.

were clearly different issues between agricultural activities in the South (i.e. more irrigation intensive) and in Peace River and between beef and grain producers.<sup>92</sup>

The second theme of the rural/agrarian platform proposed to control agricultural costs and improve cash income. One of the most significant proposals was to create a Development Credit Agency “to provide credit to non-commercial, low-income farmers. The evaluations of the success of the special Agency should be those loans and assistance which result in a farmer graduating to commercial credit terms.”<sup>93</sup> Proposals to improve farm credit also included the creation of a Federal-Provincial Agricultural Credit Board, developing an insured mortgage agency along the lines of the Canadian Mortgage and House Corporation (CMHC), restricting loans to Alberta residents, and stimulating the government-owned Alberta Treasury Branch along with private chartered banks to expand their provision of farm credit. Another important element was the pledge to expand “the provision for natural gas to Alberta farms at reasonable cost.”<sup>94</sup> In the vein of providing rural areas with efficient and sufficient energy sources, the Conservatives came out in favour of the provision of power at cost to farmers. Other elements of the second theme included the elimination of social service fees then included in farm property tax charges, reforming crop insurance, and attempts to coax farm equipment manufacturers to set up shop in Alberta to help reduce the costs of farm equipment.<sup>95</sup> The final element of this theme was “to cooperate with the

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<sup>92</sup> It must be noted that in later years there was too much emphasis on the differences of agricultural producers and too little emphasis on their similarities.

<sup>93</sup> Ibid. p. 12 (note: Once in power the Conservative government implemented this proposal and created the Agricultural Development Corporation (ADC)).

<sup>94</sup> Ibid.

<sup>95</sup> Alberta Progressive Conservative Party. NOW: New Direction for Alberta in the Seventies: The Platform of the Alberta Progressive Conservative Party and its candidates. Alberta Provincial Election 1971. p. 11.

membership of Alberta farm and ranch organizations in working towards the common goal of stability and improved cash incomes for Alberta farms and ranches.”<sup>96</sup>

The third theme of the 1971 rural platform dealt with the protection of farmer’s property rights. The Conservatives pledged to revise “right of entry” and expropriation procedures to ensure a “fair deal” and “adequate recognition of the rights” of surface owners in their dealings with energy and other developers.<sup>97</sup> Also important to farmers was the proposal to consolidate all matters concerning the expropriation and compensation for farm lands, rights of entry, off right-of-way damages, and reclamation under one tribunal or board to be placed under the jurisdiction of Alberta Agriculture.<sup>98</sup> Sufficient notice would have to be given to farmers prior to any expropriation or purchasing of land and by survey crews. Companies proposing larger projects affecting numerous landowners would have to submit to public meetings. In instances of expropriation, or other mandatory taking of land, the developing company would have to pay the cost of the landowners’ legal expenses, including the cost of expert witnesses.

#### *The 1971 Election*

On August 4, 1971 Hugh Horner issued a confidential memorandum to all rural Conservative candidates outlining suitable discussion points for the upcoming provincial election campaign. It was vital that candidates refer to the party platform, remain positive

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<sup>96</sup> Ibid. p. 12.

<sup>97</sup> Ibid. p. 7.

<sup>98</sup> Ibid. p. 10.

and “keep the opposition in line.”<sup>99</sup> Horner advised candidates to direct their supporters to pose questions that could be used as segues to the party platform instead of having supporters merely attack government members during the campaign.<sup>100</sup> The Progressive Conservative platform pledged to transform producer-run Marketing Boards into “selling boards, not just buying boards,” remove education costs from property tax, establish a strong power commission, repeal the horn tax, and implement a disaster act (i.e. for droughts and floods etc.).<sup>101</sup> A plan of attack against the Social Credit government was also evident. It was particularly important for Conservative candidates to: “Stress that the attitude of Social Credit to agricultural policy has been to shrug their shoulders and say there is nothing they can do about it. We say- it is a provincial responsibility and our policy is to try to do something about farm income.”<sup>102</sup> Social Credit was also vulnerable on provincial fronts: crop insurance, road construction, rural electricity, and a host of local and regionally specific issues, including rural telephone services. The provincial Social Credit organization was perceived to be sympathetic to the federal Liberal organization and weak with respect to defending provincial agricultural interests (i.e. Operation LIFT).<sup>103</sup> The NDP was not anticipated to be a significant threat in “most areas.”<sup>104</sup>

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<sup>99</sup> Letter from Hugh Horner, MLA to All Rural Candidates. “Re: Farm Forums.” Dated August 4, 1971. PAA 1972.59 Box 1 File 8. p. 1-2.

<sup>100</sup> Ibid. p. 1 (Note: This was consistent with the PC policy in opposition (1967 to 1971) to present itself as a government-in-waiting, rather than an opposition party that exclusively attacked the government.).

<sup>101</sup> Ibid. p. 1.

<sup>102</sup> Ibid. p. 1-2.

<sup>103</sup> The Liberal federal Agriculture Minister Bud Olson was a former Social Credit MP.

<sup>104</sup> In areas where the NDP could potentially split the anti-government vote, candidates were told to highlight that fact along with that party’s support for an even stronger version of Bill C-176 that would have resulted in “complete bureaucratic control of agriculture” by the federal government to the detriment of Alberta. (Source: Ibid. p. 2.).

*Victory! (With considerable rural support)*

The defeat of Social Credit in 1971 represented an upset rather than an inevitable event brought on by increasing provincial modernity and wealth. Scholars often miss that the Conservative organization was as much of a *rural* party as it was an *urban* party. The strategic value of electorally malapportioned rural seats made this duality a necessity. The Conservative organization had run predominately as an urban party in 1967 and lost badly. Thereafter, the political organization quickly recognized that, if it sought provincial political success, it had to present a stronger rural front. Moreover, considering the strictly urban label often assigned it by many scholars, the Progressive Conservatives did particularly well outside the cities in 1971. Of the 42 electoral seats outside Edmonton, Calgary, Lethbridge, Medicine Hat, and Red Deer the Conservatives won 23 to Social Credit's 18 and the NDP's single seat. Elton and Goddard (1979) observe that the Progressive Conservatives found greater support than Social Credit in cities (58% to 31%), towns (52% to 38%), and farms (63% to 26%). Contrasting various occupation types with partisan support, these same scholars found that Conservatives were more strongly supported by professionals/managers (67% to 27%), clerical/sales personnel (58% to 31%), skilled/unskilled labourers (58% to 32%), and most clearly in the agricultural field (67% to 21%). Only among retired individuals did Social Credit have greater support than the Conservatives (52% to 41%) (20).<sup>105</sup> In 1971, the Conservatives found greater success in rural areas located in the west and central areas of the province. Social Credit found greater success in the rural south, the

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<sup>105</sup> This data serves in contrast to Long and Quo's (1972) analysis of the 1967 provincial election in which Social Credit led the Conservatives in every occupational group: proprietor-managerial (48.0% to 28.0%), professional (40.0% to 35.6%), clerical (66.7% to 24.2%), agricultural (58.1% to 32.3%), skilled workers (64.3% to 14.6%), unskilled workers (48.4% to 22.6%), sales workers (46.7% to 33.3%), service workers (54.2% to 12.5%) and housewives (52.6% to 24.4%).

strongest element of its rural base, and the rural east.<sup>106</sup> The rural regions in which the Conservatives found greater support were areas traditionally more heavily settled by poorer immigrants who were not of Anglo-Saxon descent.

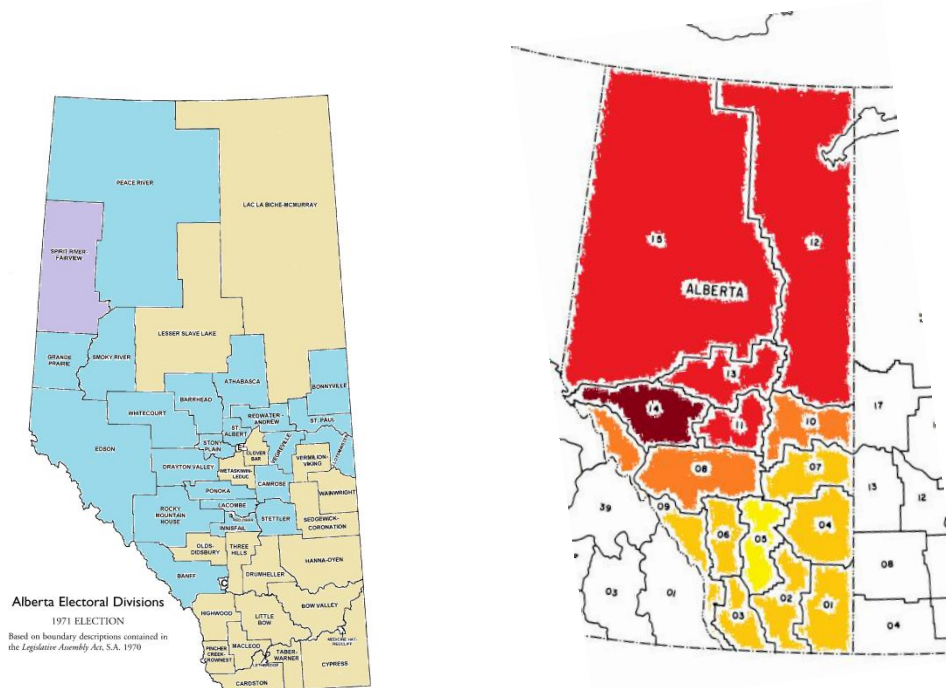
There was also an economic explanation for the different rural voting patterns in the 1971 provincial election. Conway and Stirling (1988) observe that McCrorie (1967), Conway (1979), and Lipset (1971) found that victorious political organizations on the Canadian Prairies rarely drew their support from small/marginal agricultural producers. Most support came instead from medium-sized agricultural producers. The Conservative victory in 1971 represented an occasion where a political organization drew its support from more marginal agricultural producers in addition to medium-sized agricultural producers. Immediately after the Conservative victory, Hugh Horner argued that it was the absence of programs for small and marginal agricultural producers that had contributed to the defeat of Social Credit.<sup>107</sup> An analysis contrasting areas of rural Conservative support with farm income in agricultural census divisions provides support for this hypothesis.

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<sup>106</sup>The Conservatives won in: Athabasca, Banff-Cochrane, Barrhead, Bonnyville, Camrose, Drayton Valley, Edson, Grande Prairie, Innisfail, Lacombe, Lloydminster, Peace River, Ponoka, Redwater-Andrew, Rocky Mountain House, Smoky River, St. Albert, St. Paul, Stettler, Stony Plain, Three Hills, Vegreville, and Whitecourt. Social Credit won in: Bow Valley, Cardston, Clover Bar, Cypress, Drumheller, Hanna-Oyen, Highwood, Lac La Biche, Lesser Slave Lake, Little Bow, Macleod, Olds-Didsbury, Pincher Creek, Sedgewick-Coronation, Taber Warner, Vermilion-Viking, Wainwright, and Wetaskiwin-Leduc. The NDP won a seat in Spirit River-Fairview.

<sup>107</sup> Farm Business. "Alberta's New Minister of Agriculture: 'Agriculture is a growth industry.'" *Farm Trends*. September 1971 p. 9 (Note: Ironically, Social Crediters had maintained that their agricultural programs had smaller agricultural operators in mind.).

## Electoral and Agricultural Census Division Maps of Alberta early 1970s



The map of Alberta above left represents the electoral distribution after the 1971 election: tan represents Social Credit, light blue the Progressive Conservatives, and purple the NDP. The map above right represents the percentage of agricultural producers per Canada census division selling less than \$5,000 worth of agricultural products. Light yellow represents an area where this percentage was less than 20% of the agricultural population, dark yellow between 20% and 30%, orange between 30% and 40%, red between 50% and 60%, and finally burgundy between 70% and 80%. The southern areas where Social Credit earned the most support represented areas with the smallest proportion of marginal agricultural producers. The two northern constituencies won by Social Credit represented areas with minimal agricultural production. With some exceptions, the political opposition clearly did better in areas with larger numbers of marginal agricultural producers.

### *Provincial Agricultural Economics in the 1970s*

While the new Conservative government pursued a number of public policy options to the benefit of agricultural producers, their subsequent political success throughout the 1970s was facilitated by an improved agricultural economy. The 1970s witnessed an overall improvement for agricultural commodities in the province, but also an unprecedented agricultural boom.<sup>108</sup> The prices of grain (i.e. wheat and canola) remained high for the remainder of the decade. In September 1973, H.H. Bryce, the Head of the Statistics Branch at Alberta Agriculture, wrote to the Deputy Minister Purnell observing that “farm cash income will exceed one billion dollars for the first time in the province’s history. This was a goal established in 1971 and we had not expected to attain it until 1975.”<sup>109</sup> There were of course, some exceptions. Considerable hardship was experienced by some hog and cow-calf producers in the province throughout the 1970s. Grain producers endured slower marketing years from 1975-1977 when a brief decline in the provincial agricultural economy occurred. By calling the 1975 election in March, before the agriculture decline was fully felt, the Conservative government escaped any electoral punishment. The Conservatives nearly accomplished a complete rout of the remaining Social Credit base in Southern Alberta. The agricultural boom experienced under the Conservatives may have also afforded the

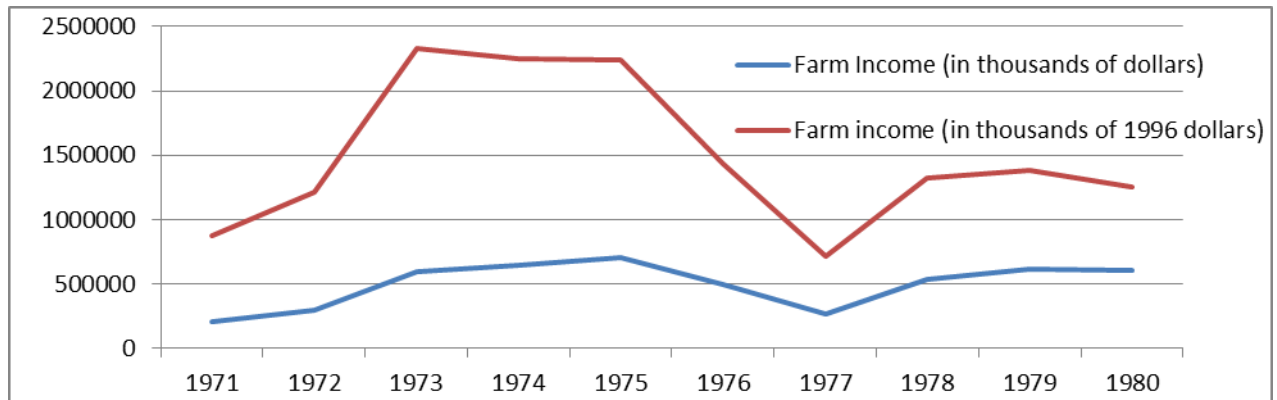
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<sup>108</sup> Despite this important success, Alberta’s agricultural economy did not perform as well as Saskatchewan’s for the 1973 crop year. In June 1974, Hugh Horner responded to two memos from Premier Lougheed questioning why Alberta agricultural production was behind the other Western Provinces. Horner wrote: “Primarily the increased production is related to the grains part of agriculture and climatic conditions in Alberta prevented us from reaching our full potential in 1973 and so our production lagged behind. However, I am impressed with the realized net farm income in Alberta and again, if we had a break from weather with regard to our grains in the North, we would have been in the same league as Saskatchewan.”(Source: Letter from Hugh M. Horner, Deputy Premier and Minister of Agriculture to Hon. Peter Lougheed, Q.C. “Your two Memos with Regard to Agricultural Statistics and the Question as to Why our Production Fell Behind the Other Western Provinces.” Dated June 18, 1974. PAA 2006.213 Box 20 File 344).

<sup>109</sup> Memorandum from H.H Bryce, Head, Statistics Branch, Marketing Division to Dr. G. R Purnell, Deputy Minister, Department of Agriculture. “Re: 1973 Alberta Farm Cash Receipts.” Dated September 14, 1973. PAA 2006.213 Box 19 File 322.

government agricultural producers' good will even had the election been held during the worst part of the brief decline.

Total Net Farm Income in Alberta 1970-1980<sup>110</sup>



*The contribution of agriculture to Alberta's economy in the 1970s*

Agriculture remained a vital sector of Alberta's economy during the 1970s. By no means had the petroleum industry supplanted agriculture as the predominant engine of the economy in rural areas. An exchange of correspondence between J.C. Anderson, President of the Calgary-based Anderson Exploration Ltd, and Grant Notley, the NDP Leader and MLA for the northern rural constituency of Spirit River-Fairview is instructive of the lack of long-term economic benefits provided by the petroleum industry to rural areas. In December 1971, Anderson wrote a letter chastising Notley's support for the National Energy Board's (NEB) decision to deny an export application by the Alberta and Southern Gas Company to sell additional volumes of natural gas to the United States. Andersen proposed that Notley could be "better informed, as there could be some detrimental effect on your own

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<sup>110</sup> Agriculture, Food and Rural Development, Market Analysis and Statistics Branch. [Agriculture Statistics Yearbook, 1993](#) & Agriculture and Rural Development, Economics and Competitiveness Division & Statistics and Data Development Branch. [Agriculture Statistics Yearbook 2008](#).

constituency of Spirit River-Fairview.”<sup>111</sup> At that time, the Spirit River-Fairview constituency was estimated to hold 141 billion cubic feet of natural gas in the Belloy Field and 1.075 trillion cubic feet in the Dunvegan Field.<sup>112</sup> Andersen observed that the majority, if not all, of any additional U.S. exports would come from the Spirit-River Dunvegan area. Notley responded the following month by noting that Andersen Exploration was backed by the Texas-based Alamo Petroleum and that he was familiar with the company forcing his constituents to “demand arbitration over your right of entry.”<sup>113</sup> More importantly, Notley distinguished between the short and long-term benefits provided to rural areas by the petroleum industry throughout the province:

In your letter, you mentioned the prosperity your investment has brought my constituency. Although I’ve never denied that the petroleum industry brings short term benefits, what about the long term implications? What happens after the oil wells have been drilled, the pipelines laid and the gas processing plants erected? One has only to talk to the legion of bankrupt businessman from communities like Turner Valley, Violet Grove, Lodgepole, Calmar, or Redwater, all magic names in the oil business, to find just how temporary the oil bonanza really is. Indeed, right here in our own riding, we have the example of the Worsley plant which is being phased out, along with the local employment it created. The real choice for Albertans is whether they are to take the short term or the long range point of view. Are we to be seduced by the prospects of a few jobs today, or are we determined to use our natural gas as part of a long range industrial program designed to create job producing secondary industries right here in our own province.<sup>114</sup>

In the post-1947 period, the impact of the petroleum industry on rural areas was predominately limited to short-term benefits. The long-term sources of rural employment were either directly related to agricultural production, or indirectly, through agricultural support services and processing. While the numbers of farmers and ranchers may have

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<sup>111</sup> Letter from J.C Anderson, President of Anderson Exploration to Mr. Grant Notley. “Re: National Energy Board Decision on Gas Export.” Dated December 29, 1971. PAA 1985.119 File 80

<sup>112</sup> Ibid.

<sup>113</sup> Letter from Grant Notley, MLA Spirit River-Fairview to J.C Anderson. Dated January 24, 1972. PAA 1985.119 File 80.

<sup>114</sup> Ibid.

decreased from the 1950s to the 1970s, the remaining farms were becoming increasingly more productive.<sup>115</sup>

The importance of agriculture to the provincial economy during the 1970s was not exclusive to rural areas. The Western Stock Growers' Association noted in their 1973 submission to the provincial government that: "The cattle industry alone accounts for 33% of the total farm receipts in Alberta. Agriculture is responsible for 65% of the total Alberta economy directly and indirectly."<sup>116</sup> During that same year agriculture accounted for 50% of Edmonton's economic activity.<sup>117</sup> The 1975 edition of *Agricultural Processing & Manufacturing Guide* produced by Alberta Agriculture argued that: "Agriculture is Alberta's most important single industry."<sup>118</sup> In 1976, some 500,000 Albertans were employed in the agricultural field.<sup>119</sup> Of that number only 100,000 were employed in direct agricultural production with the remainder employed in agricultural support services or processing.<sup>120</sup> In 1977, Premier Peter Lougheed wrote to Prime Minister Pierre Trudeau highlighting the importance of agriculture to Alberta: "I am sure that you are aware that while the oil and gas industry is the high profile economic activity in Alberta, our economy is still primarily agriculture based. In addition to producing over forty percent of Canada's beef cattle,

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<sup>115</sup> A farmer in the 1950s supported his family and 25 additional individuals, in the 1960s it had increased to 45 additional individuals and by the 1970s to 67 additional individuals. (Source: "Dr. Glen Purnell challenges Farmers to meet world's needs." *Farm Trends*. October-November 1973. p. 30)

<sup>116</sup> Western Stock Growers' Association Submission to Provincial Cabinet. Dated June 20, 1973. PAA 2006.213 Box 18 File 303 p.1.

<sup>117</sup> Ibid.

<sup>118</sup> Alberta. Dept. of Agriculture. Agricultural Processing Branch. *Agricultural Processing & Manufacturing Guide*. 1975

<sup>119</sup> "Agricultural importance emphasized." *Farm Trends*. September 1976. p. 5.

<sup>120</sup> Ibid.

Alberta on the average produces over one-third of Canada's grain crops..."<sup>121</sup> It is evident that agriculture remained a major economic driver for the province well after 1947.

## Part Two: Consolidating a rural political network

### *Fiscal Politics*

Malapportioned rural legislature seats were vital for the Conservative government to consolidate its power in the rural/agrarian areas by further developing its political network. The provincial government adopted both fiscal and political techniques to achieve this partisan goal. On the fiscal front, Tupper and Doern (1989) observe that, during the 1970s, the Conservatives often made provincial expenditures in rural areas based on the keen political sense of its rural lieutenant Hugh Horner:

During his first government (1971-75), Lougheed moved to strengthen his position in rural Alberta. And while Horner did not have a blank cheque, monies were made available for the building and upgrading of highways, the construction of provincial buildings and other structures including rural hospitals, the decentralization of provincial government offices, and the general improvement of rural facilities. Lougheed gave Horner considerable autonomy in the design and implementation of rural strategy and was particularly impressed by his skilful handling of expenditures on highway construction. The basic thrust of this strategy - to raise the political profile of the governing Conservatives through visible provincial government expenditures - seems to have been successful. By 1982 only three rural seats had eluded the Tory electoral machine (134).

Similarly, Wilson (1990) confirms that the Conservative government expanded rural support programs: "Alberta had always offered its southern ranchers cheap Crown-owned land as rented pastures but through the 1970s and 1980s, the subsidies increased. It began to offer cheap interest rates on loans, direct subsidies for cattlemen to counter higher feed grain prices caused by federal grain transportation policies and a variety of other incentive grants

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<sup>121</sup> Letter from Peter Lougheed, Premier of Alberta to Prime Minister Pierre Trudeau. Dated November 4, 1977. PAA 1992.519 Box 61 File 1599.

(195).” By 1978, the Conservative government had provided Alberta agricultural producers significant advantages over their Saskatchewan counterparts. The province provided numerous policies that its neighbouring province did not, including a \$200 million irrigation program (over ten years), no sales tax, government subsidized rural gas co-ops and grazing reserves, a weather modification program, provincially-funded agricultural research (\$10 million from the Heritage Trust Fund and annual \$2.5 million appropriations), provincial agricultural credit (\$300 million), and a predator loss program.<sup>122</sup> Although it is necessary to briefly consider the broad provincial supports to the rural/agrarian space, this work will focus on the provision of high-risk agricultural credit to provincial producers by the Agricultural Development Corporation (ADC). It will also consider the provincial management of rural municipalities and the decreasing ability of local governments to control their fiscal affairs. By limiting the fiscal capacity of local rural governments, the Conservatives limited local capacity to mount political challenges to provincial public policy. The Conservatives also sought to establish close ties with provincial cattle producers. It made good political sense for the provincial government to defer to this important commodity group on a number of public policy issues (i.e. the Canadian Wheat Board, the Statutory Rates, or the Crow) owing to cattle producers’ growing numbers and espousal of views ideologically aligned with Conservative values.

### *The Agricultural Development Corporation in the 1970s*

The creation of the Agricultural Development Corporation (ADC) by the Conservative government in 1972 solidified the government’s political fortunes in rural Alberta. Until its creation “the conventional approach to securing farm loans meant those

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<sup>122</sup>“Agricultural Benefits Comparison.” Dated March 22. 1978. PAA 1985.401 Box 94 File 1124.

farmers most urgently needing credit were likely to be found ineligible.”<sup>123</sup> The ADC represented a substantial expansion over the previous provincial farm loan agency and ADC was designed “to provide assistance where other sources, such as the Farm Credit Corporation and the chartered banks, cannot or will not loan money to producers.”<sup>124</sup> ADC funds were advanced to consolidate outstanding liabilities and maintain adequate operating capital such as: the purchase of land, agricultural implements and livestock; modifications to buildings on agricultural lands; and permanent improvements to the land or other purposes approved by the corporation.<sup>125</sup> The ADC was touted as a provincial effort that would help save the family farm and ranch.

Political factors were also at work. The provincial government provided financial support to the same marginal and medium sized producers that had been essential to their rural victories in 1971. Thus, it was important for the government initially to retain highly centralized control over the ADC to maintain the greatest political advantage. On paper the local development committees were expected to have much greater authority. In April 1973, G. C. Isberg, the Chairman of a local Agricultural Development Committee at Grand Prairie, wrote to W. McNary: “The Committee members have expressed concern and frustration on not having enough direct involvement in the actual functions of the Corporation. They request permission to review applications for loans as submitted prior to forwarding for approval or rejection and to review the reasons why some are rejected, if and when they

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<sup>123</sup> The Committee appointed to Review the Alberta Agricultural Development Corporation. “Options and Opportunities: Agricultural Finance in Alberta.” June 1987. p. I.

<sup>124</sup> Letter from C.D Radke, Executive Assistant to the Minister of Agriculture to Terry Meyer, Office of the Premier. “Draft reply for Premier’s signature, Attached letter from Mrs. B. Wilson, Fairview, Alberta.” Dated June 27, 1974. PAA 2006.213 Box 20 File 344.

<sup>125</sup> Ibid. p. I-II.

are.”<sup>126</sup> That same month Hugh Horner wrote to ADC Chair, Lorne Ordze, requesting that all loan requests denied by the organization be directly forwarded to Horner’s office.<sup>127</sup> There is also evidence of Horner directly intervening in the provision of loans, even if they had been previously rejected by the ADC board.<sup>128</sup> Only in August 1973 did Hugh Horner write to Deputy Minister of Agriculture Dr. G. R. Purnell asking that: “I think the time has now come to give Lorne Ordze full control of the Agricultural Development Corporation insofar as staff is concerned, as well as policy and loan direction.”<sup>129</sup> That same year, the Provincial Auditor addressed several concerns regarding the ADC:

4. a) Insufficient emphasis appears to be given to an individual’s actual financial results, projected cash flow and ability to repay a loan. b) Instances were noted where funds were released prior to the security being properly registered. c) In several instances loans were approved, notwithstanding comments in the file by Corporation employees advising that the application be rejected. d) In two instances after repeated rejections of loan application by the Board, the loans were approved without any information on file to indicate why the previous decisions were reversed.<sup>130</sup>

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<sup>126</sup> Letter from G.C Isberg, Chairman to Mr. W. Mc Nary. Dated April 16, 1973. PAA 2006.213 Box 19 File 321

<sup>127</sup> Letter from Hugh Horner, Minister to Dr. G. R Purnell. “Re: Agricultural Development Corporation Loans.” Dated August 13, 1973. PAA 2006.213 Box 19 File 365.

<sup>128</sup> In April 1973, Hugh Horner wrote to Lorne Ordze requesting that the ADC reconsider the loan application made by the 20 year old son of a prominent Edmonton businessman: “I have got another one here from Reg Layden and Paul Gregg [the 20 year old]-a joint application for \$66,000. I’m inclined to agree with them that inexperience shouldn’t be that big a factor, particularly when we are trying to get young people back on the farm and I would appreciate your Board having [another] look at this one.” (Source: Letter from Hugh Horner, Deputy Premier and Minister of Agriculture to Mr. L. Ordze, Chairman, Board of Directors, Agricultural Development Corporation. Dated April 27, 1973. PAA 2006.213 Box 19 File 321).

<sup>129</sup> Letter from Hugh Horner, Minister to Dr. G. R Purnell. “Re: Agricultural Development Corporation.” Dated August 14, 1973. PAA 2006.213 Box 19 File 365 PAA 2006.213 Box 19 File 365.

<sup>130</sup> Letter from D. W. Rogers Deputy Provincial Auditor to Mr. L. C Ordze, Chairman of the Alberta Agricultural Development Corporation. Dated September 12, 1973 p. 2 PAA 2006.213 Box 14 File 267 (Note: Deputy Minister of Agriculture, Dr. G. R. Purnell, noted in response to the auditor: “I would like to challenge the point made under Item 4, page 2. At least for (a), (c) and (d). It seems to me that these points are well beyond the scope of the Auditor’s role and are inappropriate. These are policy and management responsibilities.” Source: Letter from Dr. G.R. Purnell, Deputy Minister to D.W Rogers, Deputy Provincial Auditor. “Re: Audit of Agricultural Development Corporation. Dated September 21, 1973. PAA 2006.213 Box 14 File 267).

It appeared that political considerations held priority over financial considerations in the administration of the ADC. Hugh Horner later advised Deputy Provincial Auditor D. W. Rogers: “I am sure that you will also appreciate that our lending field is in the very high risk, that we are a salvage operation for agriculture, that the good loans have all been taken by the banks or Farm Credit Corporation and that our role is one to do so something about these other areas. I would want it known that we expect a degree of losses; as a matter of fact, if we don’t have a degree of losses, in my view, the Board is not doing its job.”<sup>131</sup>

*Provincial control over rural municipalities in the 1970s*

In its ongoing efforts to consolidate the government’s rural power, the Conservatives moved to control rural municipalities. In early 1971, still acting in their capacity as Official Opposition, the Conservatives had stated: “We believe the proper role of provincial government is guidance, advice and assistance to local government; not direction, control and restriction of their affairs.”<sup>132</sup> Once in power, the Conservative position changed. Masson (1992) notes: “Knowing that the key to keeping municipal policy aligned with provincial policy was control of municipal finances, he [Premier Lougheed] was careful to keep municipalities financially dependent (178).” From one local government perspective, the ascendancy of the Conservatives was a financial step backward from Social Credit governments that had shared one-third to one-half of provincial resource revenue with municipalities. Provincial control also limited the efficacy and responsiveness of rural municipal organizations throughout the study period, most prominently the Alberta Association of Municipal Districts and Counties (AAMD&C). Masson and Lesage (1994)

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<sup>131</sup> Letter from Hugh M. Horner, Deputy Premier and Minister of Agriculture. Dated September 24, 1973. p. 1-2 PAA 2006.213 Box 14 File 267.

<sup>132</sup> “Revenue-sharing: to solve these yearly handouts.” Edmonton Journal. April 20, 1978. p. A. 1.

observe that: “When the Tories were elected in 1971 municipal councils hoped that the policy of coupling oil revenue to municipal grants would be re-implemented. Premier Peter Lougheed, however, stated unequivocally in 1974 that he was opposed to ‘a portion of any given item of revenue [being] allocated to another level of government (345).’” Instead, Lesage and McMillan (2009) observe that:

Lougheed’s governments paid considerable attention to the development of the provincial administration’s capacity to control, guide, and aid the local authorities. Where largesse was possible, the province exercised it. Periodic efforts were made to lighten the financial burden of municipalities, and there was comprehensive review of municipal finances that resulted in a grant regime that sustained many small municipalities...the Tories were loath to initiate sweeping structural reforms to municipal government. Whether this penchant was attributable to some philosophic preference or to pragmatic politics is not clear (422).

This chapter will submit that the latter was consistent with the logic of the Conservative government to control rural and urban municipalities. Moreover, the largesse provided to rural municipalities was considerable and had a clear political impetus. Epp (2001) recounts that:

The Conservatives had appealed to rural and small-town voters on a promise to reverse depopulation and to raise their quality of life to a level equal to that in the cities. That meant improved roads, schools, hospitals; local access to government offices; and, not least, natural gas at reasonable rates...the government embarked on a program of capital construction whose red-brick legacy can still be seen-if not always utilized - throughout the province: hospitals, schools, seniors’ lodges, and provincial buildings (312).

Nevertheless, many rural municipalities were cognizant of the fact that they remained without substantive fiscal independence and subordinate to the province.

By the mid to late 1970s, urban and rural municipalities raised increasing demands that the provincial government implement revenue sharing. In March 1976, the Mayor of the

Town of Whitecourt wrote to Premier Lougheed about concerns that were becoming increasingly common in the more urbanized centres in rural Alberta:

We are faced with growth populations which will more than double our population within ten (10) years. This projection places our growth at approximately four (4) times the Provincial average. Our major service facilities, namely water supply and sewerage disposal, have reached a peak in capacity, and expansion must take place in a manner to ensure that ultimate use can be made of every part of our systems. Recent legislation for environmental control is proving very costly. The growth of our Town is brought about because of industrial development in our area. The growth causes problems with other facilities also-transportation, health care, education and recreation to name only a few...Decentralization of industrial development eases the pressure of the metropolitan areas, but only shifts the emphasis to smaller centres.<sup>133</sup>

For many municipalities the answer to such fiscal shortfalls was, in fact, the implementation of revenue sharing by the provincial government.<sup>134</sup> For the Alberta Urban Municipalities Association (AUMA) resource sharing was its primary public policy goal. On September 30, 1976, Hugh Horner provoked the ire of a number of provincial municipalities when he observed in a CBC interview that: "Municipalities are, if you like, children of the Province, and as such are not on an equal basis with the Province, and therefore the responsibility and power has to be with the elected Provincial Legislature, and negotiations have to take place from there...A possible increase in unconditional grants might be considered, but certainly not revenue sharing."<sup>135</sup> Days earlier Minister of Municipal Affairs Dick Johnson took a contradictory position when he assured local government politicians that revenue sharing was under active consideration by the provincial government. Angered by Horner's

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<sup>133</sup> Letter from J. M. G Dahl, Mayor of the Town of Whitecourt to Hon. Peter Lougheed. Dated March 2, 1976. PAA 1985.401 Box 214 File 2809 p. 1. (The Mayor improperly laid most of the blame for the situation with the federal government. However, it was not political advantageous to criticize the provincial government.)

<sup>134</sup> British Columbia adopted resource sharing with the municipalities in 1977 and Manitoba had done so the previous year.

<sup>135</sup> Alberta Urban Municipalities Association Resolution. October 1, 1976. PAA 1985.401 Box 76 File 882.

comments and the provincial obstinacy to revenue sharing, AUMA unanimously approved a resolution calling for resource sharing along with the following recommendations:

- R. 1. That the Government of Alberta approve in principle the sharing of its growth revenue sources –a) personal income tax; b) corporate income tax; and c) natural resource levies and other income with Alberta’s local governments.
- R. 2. That the allocation of funds derived from the sharing of revenues be primarily disbursed as unconditional revenue.
- R. 3. That the details for the implementation of the revenue sharing proposals be formulated through meetings held with provincial government representatives, the A.U.M.A and other relevant associations and parties.<sup>136</sup>

It should not be forgotten that AUMA represented more than the interests of the province’s ten cities. By 1977, many of AUMA’s other members, particularly 64 towns and 51 villages had indicated their support for the 1976 AUMA resolution and had passed resolutions of their own at the local government level.<sup>137</sup> AUMA had also indicated a desire to work with the AMD&C to lobby government to implement resource sharing for the benefit of all provincial municipalities both urban and rural.<sup>138</sup> Despite these concerted efforts, Alberta municipalities continued to unsuccessfully lobby the Lougheed government for resource sharing throughout the late 1970s. Nevertheless, in a move of political expediency just before the 1979 election, Lougheed shrewdly passed *The Municipal Debt Reduction Act*, which provided a \$500 per capita grant to the 349 municipalities and eight Métis colonies (Masson & Lesage, 1994: 346). In all, some \$648 million went toward paying down municipal debts and an additional \$383 million was dispersed in the form of unconditional grants. Masson (1992) finds that “almost every municipality eliminated its long-term debt and many, particularly in rural areas, were able to deposit and earn bank interest on a

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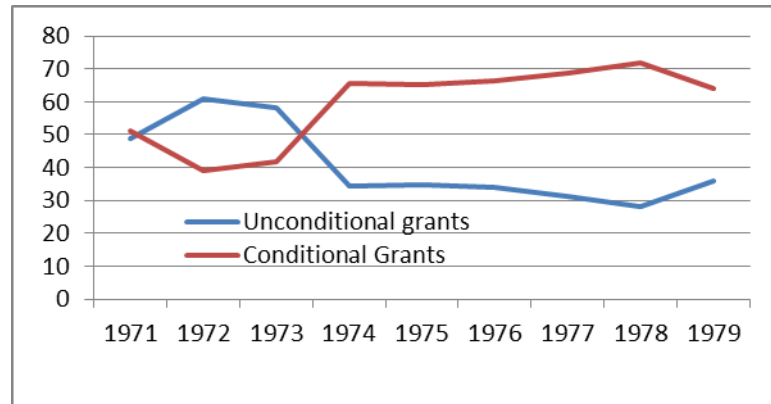
<sup>136</sup> Letter from Ed Ledger Alderman (Edmonton) and President of AUMA to The Hon. Peter Lougheed, Premier. Dated October 4, 1976. PAA 1985.401 Box 76 File 882.

<sup>137</sup> Letter from Ed Ledger Alderman (Edmonton) and President of AUMA to The Hon. Peter Lougheed, Premier. Dated September 12, 1977. PAA 1985.401 Box 76 File 883.

<sup>138</sup> Alberta Urban Municipalities Association Resolution. October 1, 1976. PAA 1985.401 Box 76 File 882.

substantial portion of their grants (35).” This measure alleviated, somewhat, municipal antipathy towards the provincial government. However, as shown below, the provincial government had, on the whole, reduced the percentage of unconditional grants to municipalities during the 1970s.

Percentage of Unconditional and Conditional Grants to Alberta Municipalities 1971-1979<sup>139</sup>



*The allegiance with cattle producers in the 1970s*

The close ties between the provincial government and cattle producers were an important factor in Conservatives rural network consolidation. The government was now closely allied with growing numbers of rural voters associated with the cattle industry. Hugh Horner very visibly promoted cattle producers’ interests, particularly the Alberta Cattle Commission (ACC). Wilson (1995) observes that:

The Conservatives set out to find a farm constituency to support their farm policy blasphemies that challenged the reigning theology of export oriented grain subsidies and federally-controlled grain marketing. Deputy Premier and Agriculture Minister Hugh Horner was given the job. He immediately began to encourage the province’s cattle producers to voice their opinions, giving them an audience and the legitimacy of government sympathy (65-66).

While Horner subsequently promoted a heterogeneous agricultural community, he was concerned over the fractured nature of the provincial cattle industry and thought the ACC

<sup>139</sup> Source: Masson, 1992: 180.

could rectify the situation: “While I don’t believe that we should be telling the cattleman what to do, I think we should give leadership in establishing a single commodity group. I would agree with you [Dr. Purnell] that this single commodity organization doesn’t necessarily have to be the Alberta Cattle Commission but there are some reasons why it should be.”<sup>140</sup> The political advantage of the close relationship was built on the fact that cattle production and producers were becoming increasingly important to the provincial agricultural economy. It was particularly important for the provincial government to appeal to the large numbers of cattle producers in southern Alberta that had voted for Social Credit in 1971. By the 1975 election, the Conservatives had also secured the support of these agricultural producers. With cattle producers in crisis for much of the 1970s, Skogstad (1987) observes that Alberta demanded that the federal government implement a stabilization plan and launched its own \$40 million program in 1976. This certainly facilitated goodwill from an increasingly important sector of the Conservative political network.

The close relationship of government with cattle producers yielded to economic rationales. In May 1972, Douglas Radke, the Secretary of the Agricultural Products Marketing Council (APMC) wrote a short treatise entitled *Principles of Comparative Advantage* recommending a provincial position on national marketing.<sup>141</sup> Radke drew an example where he compared beef and egg production costs between Alberta and Manitoba. An assumption was made that, because of the greater availability of feed and the other

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<sup>140</sup> Letter from Hugh Horner, Deputy Premier and Minister of Agriculture to Dr. G. R. Purnell, Deputy Minister. Dated January 26, 1972. PAA 2006.213 Box 12 File 2326.

<sup>141</sup> Attachment on Letter from Alan T. Cooke, of Cooke, Shandling & Company to the Honourable Dr. Hugh Horner, Minister of Agriculture. Dated July 5, 1971. PAA 2006.213 Box 12 File 216 p. 1.

fortunate attributes of the province, Alberta enjoyed an absolute advantage in the production of both commodities over Manitoba.<sup>142</sup> Radke observed that the profit margin for beef was higher than it was for eggs and if one were to barter beef for eggs “Alberta can ‘produce eggs in the feedlot’ more efficiently than she can ‘in the cage.’”<sup>143</sup> Thus, Alberta should sacrifice its share of national quotas for agricultural commodities that provided a smaller profit return than cattle, and for which there was no national quota system that could limit how much of that commodity the province could produce. In many respects, provincial public policy reflected this sentiment. Clear support for cattle interests was evident in the government position on the Canadian Wheat Board (CWB) and the statutory rates (the ‘Crow’), as will be examined in subsequent chapters.

### *Conclusion*

The defeat of Social Credit in 1971 was partially the result of agrarian and rural discontent. A rising Conservative opposition took advantage of an agricultural depression, political missteps by the governing party and benefitted from the keen political insights of Hugh ‘Doc’ Horner. The Conservatives successfully appealed to small to medium sized agricultural producers and other rural residents. In many instances, rural Alberta had lagged behind in gaining access to the material wealth and modern consumer comforts made available in the urban centres by revenue from the burgeoning petroleum industry. The Conservatives offered rural voters a bold vision that promised them the same standard of living, including health and social programs, as urban residents. This included the rural gasification program, improving agricultural credit from provincial government sources,

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<sup>142</sup> Ibid. p. 2.

<sup>143</sup> Ibid.

addressing surface rights concerns, more roads, schools, hospitals, and government buildings in rural areas. This campaign had great appeal in the western and central rural areas of the province and went a long way toward securing the Conservatives' victory in 1971. With agriculture remaining the predominant economic engine of rural Alberta, the Conservatives benefitted immensely from an almost unprecedented agricultural boom for much of the 1970s. Nevertheless, the Conservatives were not content to let their political fate rest on agricultural economic laurels alone. The government was eager to consolidate its political network in rural areas and set about implementing many of their rural promises. The Conservatives invested heavily in rural development and agriculture. The provision of low-cost agricultural credit endeared the government to many agricultural producers. The government also limited the fiscal capacity of local governments, making them subordinate and dependent upon the provincial treasury, and thereby limiting municipal dissent against provincial government policy. It also closely allied itself with provincial agricultural producers. While these were not the only actions of the government, this chapter has considered them as important and foundational contributions to the political success of the Progressive Conservatives for the remainder of the 1970s.

## **Chapter Four: Rural/Agrarian Political Economics 1980-1996.**

### *Introduction*

During the 1970s, the Conservative organization established an effective political and economic regime that helped vouchsafe its tenure of office. The government built upon this strategy during the 1980s and much of the 1990s. Agriculture continued to serve as an important economic and political constituency for the PCs. However, the agricultural boom of the 1970s gave way to worsening economic conditions. The 1980s saw the very worst economic conditions for agriculture since the Great Depression of the 1930s. Nevertheless, rural areas remained deeply loyal to the government in an era of increased political competition in urban ridings. Rural fiscal policy was conducted with great political, but certainly not economic, efficiency during this period. Wary that the severe agricultural crisis would sap support for the government, the Conservatives vastly increased levels of agricultural credit and other rural supports that totalled in the billions. The Conservative government limited provincial expenditure cuts to rural areas and issues as much as possible while making deep cuts to provincial spending in other areas. After all, malapportioned rural seats continued to provide the government considerable political advantage in the general elections. This continuing success was also the result of years of political and economic power consolidation in rural areas, the presence of strong rural lieutenants, and weak rural political opposition. The Getty period, in particular, became notorious for pork-barrel politics in rural areas. For fiscal and political reasons the provincial-municipal relationship eroded during that period and contributed to increased province-wide political competitiveness in 1989 and 1993. By the mid-1990s, evolving political and economic conditions forced a fundamental shift in Conservative rural policy. The continuing poor fiscal conditions and mounting debts of the 1990s meant that it was no longer economically

sustainable for the province to provide the large degree of rural social and economic programs that had existed for much of the 1970s and 1980s. The Conservatives also risked alienating urban areas, which had not been as shielded by government policy and spending from the downturn to the degree of rural constituencies. The electoral reforms of the 1990s also weakened the system of rural malapportionment that had existed in Alberta for decades.<sup>144</sup> Under Premier Klein, the Conservative government dismantled much of the rural regime that had been in place since 1971. Many voters in rural areas regarded such actions as a fundamental betrayal of the loyal Conservative base in a region that had given the government strong political support since its rise to power. They were not wrong.

*The continued importance of agriculture in the 1980s*

Agriculture remained an important part of the provincial economy throughout the 1980s. In 1981, Agriculture Minister Dallas Schmidt noted: “The total financial package being made available to Alberta’s farmers is second to none in our opinion and was put in place because of this Government’s commitment to agriculture which we recognize as the backbone of the Alberta economy.”<sup>145</sup> In 1985, Unifarm’s *Trends* confirmed such sentiments: “In terms of providing employment, of value of production, and of purchasing power agriculture is dominant in the province’s economy.”<sup>146</sup> The 1986 Agricultural census reported that 33,498 Alberta farms (58% of total provincial farms) produced \$1.4 billion in farm cash receipts for cattle and \$13,000,000 for calves.<sup>147</sup> According to the Alberta Cattle Commission, the provincial cattle industry had a multiplier effect of 6:1, meaning that its

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<sup>144</sup> This will be more widely addressed in a subsequent chapter.

<sup>145</sup> Letter from Dallas W. Schmidt, Minister of Agriculture to Mrs. Jessie H. Bowes. Dated August 28, 1981. PAA 1985.401 Box 314 File 3705 p. 1.

<sup>146</sup> “Land Use.” *Trends*. January 1985. p. 1.

<sup>147</sup> Alberta Cattle Commission. “A submission of the Alberta Cattle Commission to the Alberta Minister of Agriculture.” Dated May 29, 1989. PAA 1996.489 Box 7 File 43 p. 5.

producers alone contributed over \$6 billion annually to the provincial economy.<sup>148</sup> Labour force data from 1981 demonstrates the quantitative importance of agriculture at the local provincial rural constituency level (i.e. outside Calgary, Edmonton, Lethbridge, Medicine Hat, and Red Deer etc).<sup>149</sup> Certainly such data supports assertions that the administration of agricultural affairs had clear rural political implications at election time.

<b>1981 Census Canada Data on Labour Force Industry Divisions outside major urban centres in the province of Alberta<sup>1</sup></b>			
Electoral Constituency	% Employed in Agriculture	% Employed in Energy (Mines)	Largest Labour Source
Athabasca	25.0	4.6	Agriculture
Banff-Cochrane	6.9	5.7	Com, Bus & Pers
Barrhead	25.8	11.1	Agriculture
Bonnyville	8.7	4.6	Pub Admin & Def
Bow Valley	20.8	12.6	Agriculture
Camrose	24.1	3.2	Agriculture
Cardston	29.6	1.1	Agriculture
Chinook	40.1	5.9	Agriculture
Clover Bar	7.65	3.9	Com, Bus & Pers
Cypress	45.8	2.7	Agriculture
Drayton Valley	13.5	21.8	Mines
Drumheller	24.7	4.3	Agriculture
Edson	1.1	19.9	Com, Bus & Pers
Grande Prairie	9.7	5.4	Com, Bus & Pers
Highwood	14.6	5.2	Com, Bus & Pers
Innisfail	19.0	4.0	Primary Resource
Lac La Biche-McMurray	2.6	28.0	Mines
Lacombe	22.3	6.1	Com, Bus & Pers*
Lesser Slave Lake	6.4	9.1	Com, Bus & Pers
Little Bow	51.1	2.3	Agriculture
Lloydminster	22.7	9.7	Agriculture
Macleod	23.7	1.0	Com, Bus & Pers*
Olds-Didsbury	18.9	10.3	Com, Bus & Pers*
Peace River	14.5	5.37	Com, Bus & Pers*
Pincher Creek Crowsnest	11.7	18.5	Primary Resource
Ponoka	23.4	6.2	Primary Resource
Redwater Andrew	31.9	6.2	Agriculture
Rocky Mountain House	17.2	14.4	Primary Resource
St. Paul	18.9	3.9	Com, Bus & Pers*
Smoky River	29.4	6.3	Agriculture
Spirit River-Fairview	33.4	5.4	Agriculture
Stettler	28.7	8.2	Agriculture

<sup>148</sup> Ibid.

<sup>149</sup> The complete economic impact of agriculture in rural Alberta cannot be fully appreciated from the tables below. The agricultural labour classification used by Statistics Canada does not take into account agricultural processing and publically available census data on manufacturing did not distinguish between agricultural and non-agricultural manufacturing.

Stony Plain	6.5	5.1	Com, Bus & Pers
Taber Warner	24.6	3.3	Agriculture
Three Hills	23.1	4.6	Agriculture
Vegreville	30.1	5.1	Agriculture
Vermilion-Viking	27.5	4.3	Agriculture
Wainwright	26.9	6.5	Agriculture
Wetaskiwin-Leduc	12.1	7.1	Com, Bus & Pers*
Whitecourt	12.9	17.4	Primary Resource
<b>Average:</b>	<b>20.9</b>	<b>7.8</b>	
*Combined primary resource (agriculture and mining) outnumbers the largest single source of employment.			

*The provincial Agricultural economy and rural supports in the 1980s*

During the 1980s, the Alberta agricultural economy faced its worst collapse since the Great Depression. In 1983, Unifarm submitted to the provincial cabinet that agricultural operating costs had made it extremely difficult for producers. The organization predicted “that many farmers will find it difficult to obtain the cash to plant a crop this spring.”<sup>150</sup> Placing the agricultural downturn of the 1980s in historical context, Lee (1984) observes that:

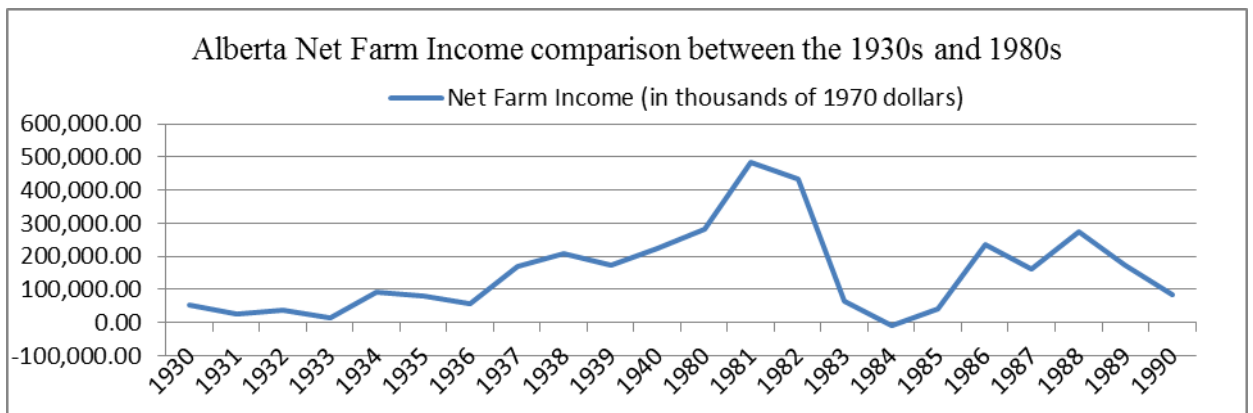
...the general economic well-being of the sector is under severe strain. Coupled with a severe drought in the South and Central Prairies in 1984, the general decline in commodity prices (with only a few products exempt), and the continued rise in in-put costs, along with the change in in-put mix largely towards the more in-puts, has led to a financial crunch more severe than any period for the past fifty years. The symptoms of this deteriorating economic situation show up in farm bankruptcies, forced sales and overdue mortgage payments, a severe decline in machines sales and a general malaise in the farm community (1).

Contrasting net farm income during this period and with that of the 1930s provides a clearer picture of the extent of the crisis. While provincial net farm income did not decline into negative digits during the Great Depression it did so during the agricultural collapse of the 1980s.<sup>151</sup> Tentative signs of recovery after 1984-1985 were thwarted by additional droughts

<sup>150</sup> “Unifarm Annual Brief.” *Trends*. March-April 1983. p. 2.

<sup>151</sup> *Trends* reported the following about the subsequent year: “Based on dollar values of the 1930’s, Alberta net farm income in 1985 is expected to compare with the level received by farmers during the

and the collapse of international grain prices in 1986. By that time, one-third of Alberta's agricultural producers were saddled with some \$6 billion in debt prompting concerns over whether farmers could afford to plant crops or feed livestock.<sup>152</sup> The latter half of the 1980s once again saw signs of improvement that were unfortunately followed by yet another economic slide that continued into the early 1990s. Alberta agricultural producers had experienced almost unprecedented boom during the 1970s only to experience some of the worst economic conditions ever during the 1980s. Inefficient agricultural practices during the 1970s continued to net profits, but these same inefficient practices resulted in losses during the collapse of the 1980s. The provincial government and federal governments contributed to agricultural inefficiencies by subsidizing these efforts during the 1970s and by readily providing agricultural credit during the 1980s.



The decline of the agricultural economy in the 1980s did not result in a collapse of rural support in Alberta. While agricultural economics were a factor in the defeat of Social Credit, history did not repeat itself for several reasons. Farm cash receipts remained fairly stable during the period, but agricultural input costs did skyrocket resulting in the collapse of

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great depression-\$41 million in 1985, compare to a 1931-40 average of \$37 million.”(Source: “Unifarm Presentation Addressed Agricultural Economic Problems.” *Trends*. February 1985. p. 1.).

<sup>152</sup> “Unifarm proposes recovery package.” *Trends*. March 1986. p. 1.

net farm income.<sup>153</sup> Chief among the culprits for increased agricultural operating costs were high energy prices, the declining Canadian dollar, and very high interest rates. All of these factors were primarily, if not exclusively, federal responsibilities.<sup>154</sup> In the summer of 1983, the Canadian Federation of Agriculture (CFA), including Unifarm, strongly condemned the federal government for ignoring the plight of agricultural producers and failing to implement the necessary measures to resolve the crisis and protect the family farm.<sup>155</sup> In August 1984, the CFA issued a statement with a list of policies that were desperately needed from the federal government in light of “intolerably high interest rates” including: restitution of the FCC as a supplier of long-term credit financed at affordable rates, national stabilization plans with floor prices, reduction of federal oil, gas, and fertilizer taxes, increasing agricultural research expenditures, a renewed national dairy policy, and reducing capital gains taxes on farm land by indexing the cost base instead of rising land prices caused by inflation.<sup>156</sup> Provincial governments were quick to point the finger at the federal government. Wilson (1990) observes that: “Bashing the federal government for neglect of its duty to farmers was also a common political tactic in many provinces (187).”<sup>157</sup> This was certainly true in Alberta. As late as 1987, Minister of Agriculture Ernie Isley lectured his Associate Minister Shirley Cripps on the importance of passing the buck to the traditional enemies of Alberta governments: “As Doc Horner used to say: ‘If you’re not prepared for a speech

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<sup>153</sup> *Ibid.*

<sup>154</sup> “Unifarm presentation addressed agricultural economic problems.” *Trends*. February 1985. p. 1

<sup>155</sup> “Government Ignoring Agriculture-CFA.” *Trends*. July-August 1983. p. 2. The CFA and its provincial members were particularly upset that the federal Minister of Finance had limited the Farm Credit Corporation’s private borrowing to \$250 million, less than half of what was requested by producers. (Source: *Ibid.*)

<sup>156</sup> “Need for commitment to major farm policies.” *Trends*. August 1984. p. 1.

<sup>157</sup> Wilson (1990) further observes: “The provinces claimed a right to have a say in national policy but when it came to paying, many seemed to expect a free ride. A typical and time-honoured provincial government tactic was to support their farmers when claims for more aid were being made, but then look to Ottawa to fulfil the demand...When the bills came in, though, Ottawa usually was the paymaster.” (187).

when speaking in rural Alberta - damn the Feds - and if you get tired of that-damn the banks.’ Remember, it was Doc who played a significant role in convincing Rural Alberta, and particularly Northern Rural Alberta, to support this government.”<sup>158</sup> A decade of successful rural consolidation efforts (to be examined in subsequent chapters) by the Conservatives also aided their efforts to trade on their reputation as a friend of agricultural producers as did their increased fiscal aid to producers. The provincial government was also particularly adept at promoting provincial support programs.

Mitigating the potential political damage from the provincial role in the agricultural crisis, the Alberta government increased supports to producers.<sup>159</sup> Citing the per capita funding to agricultural producers by provincial governments calculated by Skogstad, Wilson (1990) finds that by 1981, Alberta (\$4398) was second only to Quebec (\$6481) followed by British Columbia (\$3028) and then Ontario (\$2,280) (194). During this period, Alberta continued to provide its agricultural producers with the lowest fuel costs in the country. The average fuel price for farm implements and trucks was \$26.40 per litre in Alberta, \$38.26 in British Columbia, \$34.90 in Saskatchewan and \$33.60 in Manitoba.<sup>160</sup> Other Canadian

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<sup>158</sup> Letter from Ernie Isley, Minister to Honourable Shirley Cripps, Associate Minister of Agriculture. “ADC Review Committee Report.” Dated June 16, 1987. PAA 1996.489 Box 4 File 20. p. 1.

<sup>159</sup> Provincial efforts towards restoring the agricultural sector during the 1980s did not rise to the level of those directed towards the petroleum sector. During this period, Unifarm extensively lobbied the province for the implementation, continuation, and extension of provincial interest shielding programs for agriculture and later for provincial involvement in income stabilization programs. Unifarm was critical of the provincial government’s economic recovery efforts that focused heavily on the petroleum sector. Unifarm President Stan Bell argued that agriculture was at least equally important to the provincial economic recovery and questioned why such substantial provincial government subsidies (i.e. tax credits and royalty holidays) were going the petroleum industries, particularly in light of rising agricultural input costs that included high energy costs. (Source: “Unifarm seeks review of agricultural concerns.” *Trends*. November 1984. p. 3).

<sup>160</sup> Attachment to Letter from Dallas W. Schmidt, Minister Of Agriculture to Honourable Premier Lougheed. “Farm Fuel Costs.” Dated September 7, 1982. (PAA 1985.401 Box 196 File 2632) (Note: In the letter itself Schmidt noted to Lougheed: “Presently we are promoting the Alberta Farm Fuel Distribution Allowance with the slogan ‘Pull Ahead With Alberta Purple’ and accompanying documents.

provinces had separate fuel prices for farm implements and trucks with Ontario having \$33.30 per litre for the former and \$39.90 for the latter, Quebec respectively \$35.20 and \$48.20, New Brunswick \$37.10 and \$ 42.90, P.E.I \$38.80 and \$47.40, Nova Scotia \$34.20 and \$42.00, and Newfoundland \$39.00 and \$47.50.<sup>161</sup> The provincial government also greatly expanded the programs of the Agricultural Development Corporation.<sup>162</sup> Outstanding ranch and farm debt owed to provincial government sources rose dramatically and debt owed to federal government agencies declined. In 1981, agricultural debt to provincial sources surpassed debt owed to federal government sources for the first time. As the agricultural crisis deepened and then worsened, the Conservative government continued its attempts to stabilize the incomes of agricultural producers through the provision of inexpensive credit. The Conservatives had learned from the politically costly mistakes made by Social Credit during the late 1960s and very early 1970s of appearing not to assist agricultural producers in need. By serving as a lender of last resort, the province was able to secure the political loyalties of many agricultural producers unable to secure sufficient capital from other sources during a very severe agrarian crisis. By its fifteenth year of operation in 1987, the Agricultural Development Corporation had provided agricultural producers and agri-

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The promotion will be low key but, we feel, effective. The 32 cent/gallon (7 cent/litre) rebate may not be itself seem significant, however, if it is stated in terms of a percentage (19%) the impact is greater. This is a minor translation but we rarely refer to it on a percentage basis. The public seems to relate to percentage figures and this should not be an exception. The only disadvantage, of course, is that the percentage figure will decrease as fuel prices increase. In reference to the Alberta Farm Fuel Distribution Allowance, in addition to the advertising campaign, can be supplemented by out statements that Alberta farmers will, as they have in the past, enjoy the lowest fuel prices in Canada. Our preference to assisting farmers with input costs can be reiterated.”)

<sup>161</sup> Ibid. (Note: In 1981, Dallas Schmidt observed that: “Alberta farmers will also be in a position of having a significant competitive advantage over the period of the agreement with lower taxes, no gasoline tax and the Alberta Farm Fuel Transportation Allowance of 12 cents per gallon on gasoline, diesel and heating oil used in farming operations. This means the Alberta farmer will be in a preferred position with respect to energy costs with his competitors in other parts of Canada and throughout the world. This is true for both grain and livestock producers.” (Source: Dallas W. Schmidt, Minister of Agriculture to Mr. Bill Arsene. Dated October 26, 1981. PAA 1985.401 Box 314 File 3705 p. 1.).

<sup>162</sup> Letter from Hon. Dallas Schmidt, Minister of Agriculture to Mr. Jack A. Marsh. Dated October 10, 1980. PAA 195.401 Box 312 File 3677. p. 1 (Note: The expanded programs of the ADC resulted in a backlog of processing applications causing the entire process to double in length of time.).

business with \$2.5 billion in direct loans and loan guarantees.<sup>163</sup> By 1990, an additional \$2.5 billion dollars of private sector loans had been guaranteed by the provincial government under the Alberta Farm Credit Stability Program.<sup>164</sup>

There was also evidence of government political interference in the ADC during this period. A committee appointed by the government to review the role and mandate of the Alberta Agricultural Development Corporation found:

There is a perception in the industry that involvement by MLA's has taken place, both in the loan application and in the appeals process. The majority of borrowers as well as the ADC board, management and staff discourage such practices. The Committee submits that such involvement creates perceptions of favoritism, is unfair to the vast majority of borrowers and may create inconsistencies within ADC.<sup>165</sup>

The sale of lands seized by the ADC for non-payment of loans raised questions over whether government MLAs had an advantage over their opposition counterparts in saving their constituents' farms and ranches. In July 1989, R. A. Splane, President and Managing Director of the ADC, wrote to Agriculture Minister Ernie Isley advising that he had prepared

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<sup>163</sup> Committee appointed to review the role and mandate of the Alberta Agricultural Development Corporation. "Options and Opportunities: Agricultural Finance in Alberta. June 1987. p. 0-15.

<sup>164</sup> Letter from Dick Johnston, Provincial Treasurer to Mr. Donald Fullerton, Chairman and CEO, Canadian Imperial Bank of Commerce. "Re: Agricultural Lending in Alberta." Circa November 1990. PAA 1996.489 Box 10 File 62. p. 1-2. In the letter Johnston noted: "Our Government has, as I am sure you are aware, made a very substantial commitment to agricultural borrowers through the Alberta Farm Credit Stability Program (AFCSP) guarantee of loans made by financial institutions such as yours. Loans committed under this program for refinancing and capital purposes now amount to \$2.5 billion. At 2.875%, financial institutions receive a generous fee for administering this program. Indeed we have, on occasion, been criticized for bailing out the banks with this program. Our information is that the CIBC has, as of October 12, 1990, advanced \$325,763,272 on 3045 accounts under the auspices of the AFCSP; \$171,130,652 of which was to refinance loans already on the books. I think you will agree that our program has been a tremendous benefit to your institution."

<sup>165</sup> Committee appointed to review the role and mandate of the Alberta Agricultural Development Corporation. "Options and Opportunities: Agricultural Finance in Alberta." June 1987. p. 94 (Note: The review committee did not specifically mention government MLAs, but given the paucity of opposition MLAs, it should be assumed that it was the former rather than the latter interfering.).

a list of foreclosed lands situated by provincial constituency.<sup>166</sup> Using this list, Splane was preparing to draft memos to the appropriate MLAs “so they can advise us if they have any concerns.”<sup>167</sup> Splane specifically noted that one constituency was in an opposition riding. A subsequent notation in the margin indicates that the opposition member was NDP MLA Derek Fox and that the draft memo from Splane to Fox had been ordered voided. The ADC was not to solicit the opinions of opposition MLAs prior to the sale of the lands of their constituents.

The provision of extensive agricultural credit was not without economic risk. In November 1989, Liberal MLA Grant Mitchell observed that the Agricultural Development Corporation (ADC) was “absolutely and categorically bankrupt.”<sup>168</sup> Over the course of the ensuing decade, the ADC incurred a \$100 million deficit and another \$600 million in provincial cash injections - provided to the organization and subsequently loaned to agricultural producers - was now practically beyond recovery. Agriculture Minister Ernie Isley argued that the \$700 million cited by the opposition could not accurately be described as a loss since most of the money was used in farm interest relief programs.<sup>169</sup> Hundreds of millions of provincial taxpayer dollars were lost in rural areas that consistently returned government MLAs in great numbers.

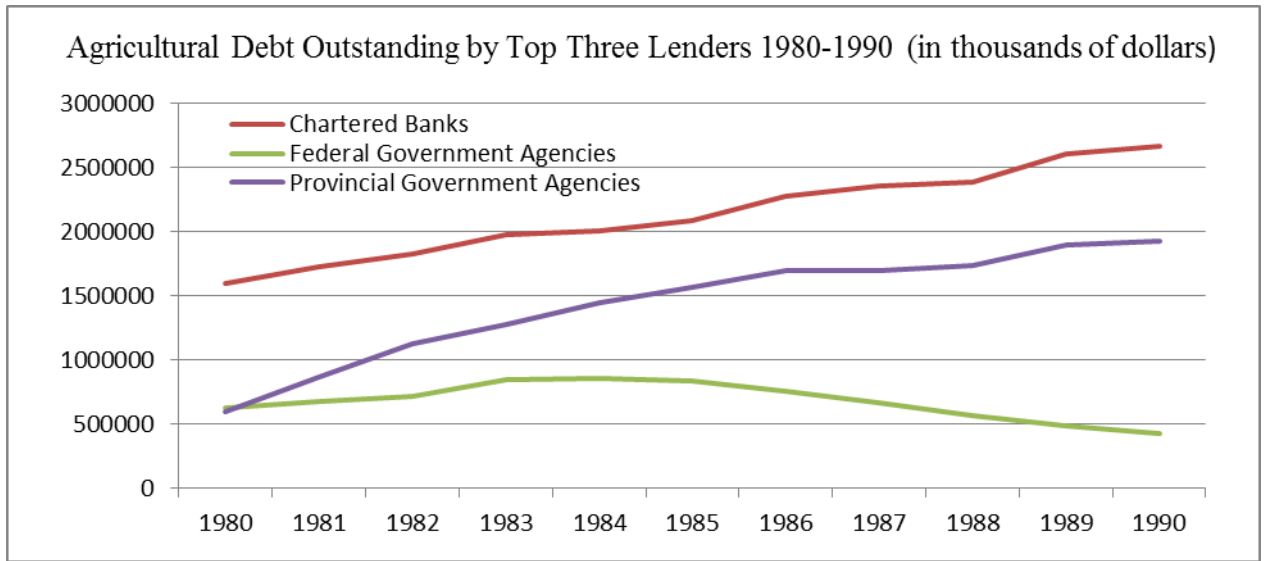
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<sup>166</sup> Letter from R. A. Splane, President & Managing Director to The Honourable Ernie Isley, Minister of Agriculture. “Sale of ADC land by Auction.” Dated July 14, 1989. PAA 1996.489 Box 4 File 20. p. 1.

<sup>167</sup> Ibid.

<sup>168</sup> Laghi, Brian. “Farm lender cost gov't \$700M, Grit MLA says: [Final Edition].” Edmonton Journal. Edmonton, Alta.: Nov 8, 1989. p. D8.

<sup>169</sup> Ibid.



(Source: Agriculture Statistics Yearbook 2008.)

### *No effective political opposition*

A viable political opposition may have been able to properly exploit the economic downturn in rural areas. Unfortunately, for rural Albertans there was very little political competition in rural areas. During the 1970s and 1980s, opposition parties had no rural lieutenant equivalent to the likes of Hugh ‘Doc’ Horner who could bring out rural voters in numbers. In later years, the political opposition contended with less formidable, but still effective Conservative rural lieutenants (i.e. Dallas Schmidt, Marv Moore, Al ‘Boomer’ Adair, and Ken Kowalski). While not quite the calibre of Horner, they were nevertheless formidable politicians. The rural and agrarian policy platforms offered by the opposition parties did not rise to the appeal of the 1971 Conservative platform. By and large, the predominantly urban based political opposition did not provide a credible plan to improve rural and agricultural life. Opposition parties were simply too small to compete on an equal footing with the rural Conservative machine. Social Credit, later the Representative Party, remained a spent and fractured political force in the 1980s. Former Social Credit MLAs (i.e. Walter Buck, Robert Clark, and Ray Speaker) who successfully contested constituencies did

so by virtue of their personal reputations as provincial representatives.<sup>170</sup> After the untimely and tragic death of party leader Grant Notley in 1984, the NDP won the subsequent 1985 by-election in the Spirit River-Fairview constituency only to lose it in the 1986 general election. The NDP was compensated for that loss with a victory in Athabasca-Lac La Biche by Leo Piquette and in Vegreville-Viking by Derrick Fox. In the 1989 general election the NDP returned Fox, and won a new rural victory in West Yellowhead with Jerry Doyle - although Piquette lost his seat. The Liberals made few inroads into rural Alberta during the 1980s save for the victory of their leader Nick Taylor in the rural seat of Westlock-Sturgeon in 1986 and again in 1989. It was only in the early 1990s that an opposition party made significant inroads into rural Alberta.

The increased urban political competition of the 1980s forced the government to act cautiously. For one, Jaques (2001) observed that significant victories in urban areas by opposition parties relieved Unifarm's role as the *de facto* rural political opposition:

In his farewell speech, Stan Bell referred frankly to the political climate that impacted on his struggle to hold Unifarm together. After the Alberta Progressive Conservative win in 1971, the Conservative government had been re-elected by majorities in 1975, 1979 and 1989, which left only six, then five, and then four seats held by opposition parties. Given this situation, Unifarm was sometimes perceived to be the farmers' parliament in opposition to the government. Stan found it to be a very uncomfortable position. He welcomed the results of the 1986 election that returned sixteen NDP members, four Liberals, and two Independents. He hoped this would relieve the pressure on Unifarm to be the watchdog for rural issues (286).

By virtue of the larger political opposition, debate increased in the provincial legislature on rural and agricultural affairs. Opposition debate led by the NDP was largely restricted to the legislature itself and failed to reach rural areas where the Conservatives continued to

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<sup>170</sup> Premier Don Getty subsequently recruited Ray Speaker into the provincial cabinet as a Conservative.

dominate. Under the leadership of Laurence Decore, the Alberta Liberals made gains in the very late 1980s and early 1990s. However, these efforts were not substantially rewarded until the 1993 election. Increased political competitiveness began in urban centres and followed later in rural areas. The government did not make significant budget cuts in rural and agricultural affairs despite the large debts and deficits incurred by the declining provincial treasury. In December 1989, Minister of Agriculture Ernie Isley and his Associate Minister Shirley McClellan jointly warned against civil servant reductions in Alberta Agriculture: “The political implications of these reductions in the Department’s manpower are expected to be severe. It will be perceived by the farming public that Agriculture is no longer the first economic priority of this government - a stated commitment on which we have delivered and which is reassuring to rural Albertans.”<sup>171</sup> Although cuts were eventually made to agricultural and rural affairs, rural areas were shielded in contrast to other regions and government departments during the 1980s.

### *Provincial control over rural municipalities in the 1980s*

The changing provincial economic and political situation of the 1980s altered relations between municipalities and the provincial government. Gone were the days when: “Premier Lougheed seduced large and small municipalities and local politicians of all political stripes with more than ample grants every year (Masson, 1992: 48).” The provincial treasury no longer overflowed and it was becoming increasingly difficult for the province to assuage municipal complaints and perpetuate their financial subordination. Continuing Masson (1992) argues:

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<sup>171</sup> Letter from Ernie Isley, Minister of Agriculture and Shirley McClellan, Associate Minister of Agriculture. “Agriculture’s 1990/91 Budget Target.” Dated November 14, 1989. PAA 1996.489 Box 41 File 443. p. 2.

As municipalities grew and became more important, the province met many of their fiscal needs but continued to limit their political power. When the province was financially flush in the 1970s and municipal governments were well funded, the municipalities accepted their subservient political role. But with the economic downturn in the 1980s, the government reduced its fiscal commitment to municipalities which strained the close relationship it had nurtured with them over the years (168).<sup>172</sup>

After the mid 1980s, provincial control over municipalities weakened considerably, owing to both the political and the continuing economic problems.

Assuming office on November 1, 1985, Premier Don Getty envisioned a fundamental reorientation of provincial-municipal relations. Distinguishing himself from his predecessor, Premier Getty favoured fewer strings, more local autonomy, and a much greater proportion of unconditional grants. Giving his first speech outside the provincial Legislature to the Alberta Association of Municipal Districts and Counties, the new Premier noted:

It's the very argument that we have had with the federal government, in which the federal government...should not, in flowing funds into Alberta, then impose conditions out of Ottawa on the province. Now the argument stands up in the next step: that the province should not impose conditions on municipalities. They are elected. They are representatives of their constituents. If they are doing things that are wrong, their constituents will change it (Masson and Lesage Jr., 1994: 37).

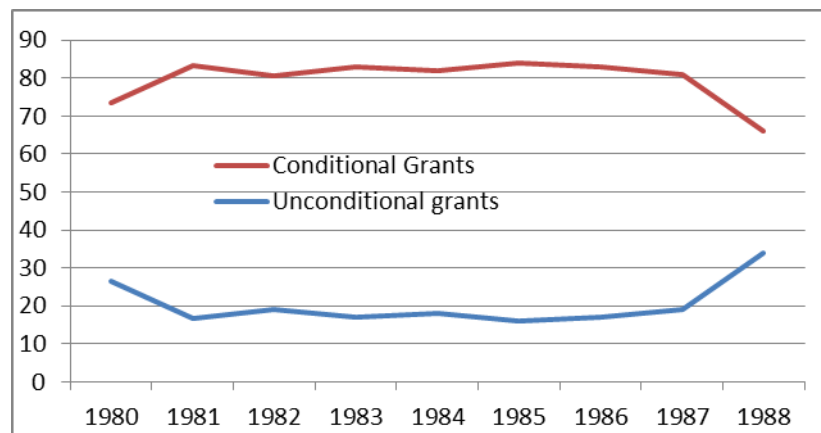
Despite Getty's own views on local autonomy, the relationship between the provincial government and the municipalities felt no very great improvement under his tenure. Lesage and McMillan (2009) observe: "With a decline in international energy prices that gained momentum in the mid-1980s, the Getty premiership (1985-1993) began what would be a gradual and sustained provincial disengagement from the municipal sector. While not

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<sup>172</sup> Masson (1992) also notes: "When the Conservative leadership passed to Don Getty, the relationship between the province and municipalities suffered even though Getty favoured giving the municipalities more autonomy. Getty was much less popular with municipal leaders than Lougheed because he had neither his predecessor's political acumen nor the fiscal resources to placate the municipalities (167)."

abandoning municipalities, the government did not sustain its level of guidance and assistance to them and ceased to build its bureaucratic capacity in the municipal areas (423).” With mounting provincial deficits, Getty found it difficult to provide substantial financial independence for municipalities. However, unconditional grants did rise substantially after 1988 when the province launched the Alberta Partnership Transfer (APT), which amalgamated the Municipal Police Assistance Grant, the Public Transit Operating Grant and the Municipal Assistance Grant into a single grant which municipalities could use for any purpose.

Percentage of Unconditional and Conditional Grants to Alberta Municipalities 1980-1988<sup>173</sup>



The Conservative government’s practice of partisan politics also contributed to the deterioration of provincial-municipal relations. Under long periods of rule by a single party, many municipal politicians in Alberta were reluctant to publicly espouse political affiliations opposed to those of the provincial government.<sup>174</sup> Lesage & McMillan (2009) observe that this political tradition continued after 1971: “One reason that a fiction of non-partisanship is often maintained is that municipal politicians wish to avoid Tory wrath or, more particularly

<sup>173</sup> (Source: Masson, 1992: 180.)

<sup>174</sup> This study recognizes that there is a tradition of non-partisanship in municipal government in Canada. However, given the traditional dominance by a single provincial party in Alberta, it is argued that partisan affiliations were suppressed to a greater degree, particularly in more rural areas, than in other Canadian jurisdictions.

avoid bringing it down on the municipality if not on themselves (418).” Thus, it is unrealistic to accept without question that: “During Lougheed’s administration, mayor and councillors who were members of opposition provincial parties openly criticized the premier and Tory policies without being penalized (Masson, 1992: 48).” That was truer of local politicians in major centres like Edmonton and Calgary than it was elsewhere. Masson, nevertheless, conveys the more open conditions for municipal dissent under the first decade of Lougheed’s tenure. As the 1980s progressed, however, the Conservative government increasingly relied on partisan political strategies to cajole municipal governments into supporting the provincial government. Epp (2001) describes a distinct period of rural municipal policy from 1982 to 1993:

It can be characterized by deficit budgets, by more desperate and more expensive attempts at diversification in the collapse of the energy sector, and perhaps above all by cruder forms of patronage extended to particular rural communities. Foremost among them was Stettler, which returned Don Getty to the legislature in a by-election after the new premier had been defeated in an Edmonton riding, and Barrhead, the Horner fiefdom inherited by Ken Kowalski (312-313).

Municipalities espousing strong support for the provincial government or with strong provincial lieutenants were rewarded. Masson (1992) observes that the punishment component of the new provincial strategy often overshadowed good public policy efforts (i.e. the APT):

A factor in the Tory’s declining political fortune is the inability of Getty’s government to work with municipal politicians of different political stripes. In the short run, Getty is able to penalize dissenting municipalities and politicians. Individuals can be snubbed and some grants can be reduced or withheld. But in the long run the two levels of government are interdependent...A party will probably fail if it alienates the electorate by castigating and punishing municipal political leaders. Don Getty’s basic political instinct in giving municipalities more discretion in spending and may shore up the Conservatives eroding political support. But this support may be lost unless he can deal with municipal politicians who do not embrace all his ideas (192).

Ultimately Getty's partisanship did not abate and his grand plans for municipal reform were shelved. Getty's legacy suffered from the fact that the credit for municipal reform he devised, but failed to deliver, was implemented by his successor Ralph Klein. Overall, Getty's tenure saw eroding relationships between the province and a number of municipalities. This friction certainly did not help the Conservative cause during the 1989 and 1993 provincial elections.

*The continued importance of agriculture in the 1990s*

Agriculture maintained its centrally important role in the broader rural Albertan economy during this same period. At the beginning of the 1990s, it was estimated that one-third of provincial employment was directly or indirectly related to agriculture.<sup>175</sup> In April 1992, Premier Don Getty wrote to a government backbencher, Barry McFarland:

Rural Alberta and urban Alberta as well is dependent on agriculture to a very large degree. It is difficult to have a strong economy if agriculture is suffering. It has been for this reason that our agricultural programs have been so aggressive and enduring. There have not only been the direct financial assistance programs that you described, but also programs to support and enhance infrastructure development for transportation, communication, health, recreation, and other services. Immense efforts have been undertaken to make rural Alberta an inviting place to live.<sup>176</sup>

Later that year, Unifarm President Hartmann Nagel stressed the continued importance of agriculture on the provincial economy and placed its 1991 production value at \$4.2 billion (not including processing), with producers contributing \$3.5 billion in farming expenses,

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<sup>175</sup> Letter from Bard Haddrell, Director Information Services Division (Alberta Agriculture) to Stan Schellenberg, Chairman, Planning Secretariat. "Alberta Agriculture Programs." Dated March 8, 1990. PAA 1996.489 Box 39 File 418.

<sup>176</sup> Letter from Don Getty, Premier of Alberta to Mr. Barry McFarland, MLA. Dated April 13, 1992. PAA 1998.922 Box 39 File 506. p. 1.

with a substantial percentage of that amount being spent in rural areas.<sup>177</sup> The combined agricultural and food industry employed 124,000 people, outnumbering the oil industry that employed 80,000 individuals, making agriculture the second largest employer after the retail sector.<sup>178</sup> However, direct employment in agricultural production declined over the previous decade.

<b>1991 Census Canada Data on Labour Force Industry Divisions outside major urban centres in the province of Alberta<sup>179</sup></b>			
<b>Electoral Constituency</b>	<b>% Employed in Agriculture</b>	<b>% Employed in Energy (Mines)</b>	<b>Largest Labour Source</b>
Airdrie-Rocky View	12.4	5.4	Agriculture
Athabasca-Wabasca	17.2	6.1	Agriculture
Banff-Cochrane	2.9	4.9	Retail
Barrhead-Westlock	25.8	5.9	Agriculture
Bonnyville-Cold Lake	8.1	7.9	Government
Cardston-Taber-Warner	28.6	3.3	Agriculture
Clover Bar-Fort Saskatchewan	6.9	2.6	Manufacturing
Cypress-Medicine Hat	22.2	4.7	Agriculture
Drayton Valley-Calmar	19.0	16.7	Agriculture
Drumheller-Chinook	34.3	4.6	Agriculture
Dunvegan	27.0	4.4	Agriculture
Fort McMurray	0.4	36.1	Mines
Grande Prairie-Smoky	10.1	10.2	Retail*
Grande Prairie-Wapiti	9.0	7.1	Retail*
Highwood	16.9	4.4	Agriculture
Innisfail-Sylvan Lake	19.2	6.0	Agriculture
Lac La Biche-St. Paul	15.7	5.4	Agriculture
Lacombe-Stettler	22.2	7.6	Agriculture
Leduc	9.3	6.4	Retail*
Lesser Slave Lake	6.4	7.5	Government*
Little Bow	34.9	1.4	Agriculture
Livingstone-MacLeod	16.7	0.7	Agriculture
Olds-Didsbury-Three Hills	26.7	6.9	Agriculture
Peace River	14.4	4.2	Agriculture
Ponoka Rimbey	27.9	4.6	Agriculture
Redwater	13.8	3.9	Agriculture
Spruce Grove-Sturgeon-St. Albert	4.1	1.9	Retail
Stony Plain	9.0	5.5	Retail
Strathmore-Brooks	24.0	8.9	Agriculture
Vegreville-Viking	26.6	2.5	Agriculture
Vermilion-Lloydminster	23.4	6.7	Agriculture
Wainwright	30.1	8.5	Agriculture
West Yellowhead	0.99	13.9	Mines

<sup>177</sup> "From the Legislature: Creating Tomorrow." *Trends*. November 1992. p. 1.

<sup>178</sup> Ibid.

<sup>179</sup> Alberta Treasury Dept. Statistics. Alberta Provincial Electoral Division Profiles. 1996.

Wetaskiwin-Camrose	9.0	2.9	Retail
Whitecourt-Ste. Anne	16.1	9.9	Agriculture
<b>Average:</b>	<b>16.9</b>	<b>6.8</b>	
*Combined primary resource (agriculture and mining) outnumbered the largest single source of employment.			

The continued practical importance of rural and agriculture affairs to provincial politics was demonstrated during the 1989 election. Ignoring the recession and mounting provincial deficits, Premier Don Getty promised a number of expensive rural proposals. The most notorious of these proposals was the pledge to pave all remaining rural secondary roads in the province by the end of the 1990s. With only 43% of provincial secondary roads already paved, the project was estimated to cost between \$1.5 and \$2 billion.<sup>180</sup> Committed to ensuring that provincial agricultural producers had the most competitive energy costs, Getty promised a \$23 million program to provide an agricultural diesel fuel subsidy of five cents a litre.<sup>181</sup> This measure was in addition to an existing nine cents a litre subsidy on gasoline for agricultural producers.<sup>182</sup> Provincial finances continued to be poor forcing the Premier to modify these programs slightly in the early 1990s. The importance of rural Alberta to Conservative fortunes was evident with the defeat of Premier Getty in Edmonton-Whitemud in the 1989 election. The Liberals had successfully contested the constituency by running well-known activist and former Edmonton City Councillor Percy Wickman. The Conservative party subsequently determined that the safest place to contest a by-election was in rural Alberta and the new Premier won a by-election in Stettler in May 1989. Despite sweeping Edmonton in 1971, the Conservatives of 1989 experienced difficulties electing even a Premier in that city.

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<sup>180</sup> Geddes, Ashley. "Promises, promises, promises." Calgary Herald. Calgary, Alta.: Jan 27, 1991. p. D6.

<sup>181</sup> "Getty promises open purse for voters." Vancouver Sun. Vancouver, B.C.: Mar 7, 1989. p. A7.

<sup>182</sup> Ibid.

*The agricultural economy and rural supports to the mid-1990s*

The early to mid-1990s saw many of the problems of the 1980s continue. However, there was optimism that the long economic trials faced by many agricultural producers would soon be over. In April 1992, Premier Getty observed that the situation was improving and the government supports had assisted producers during the decline:

...rural Alberta has gone through very difficult times over the past several years because of low market returns in the grains and oilseeds sector. We should bear in mind, however, that overall net realized income has been at reasonable levels. This overall situation is due to a buoyant red meats sector and very large public financial transfers, particularly to the grains and oilseeds sector.<sup>183</sup>

The decline of the agricultural economy certainly had lasting impressions. In November 1992, Unifarm President Hartmann Nagel noted that a bushel of wheat and a barrel of wheat had the same approximate market value in 1970.<sup>184</sup> By 1992, a bushel of wheat was worth \$2.50 and a barrel of oil \$21.<sup>185</sup> In March 1994, Unifarm President Roy Jensen observed that: “The long downturn in agricultural prices, particularly grain and oil seed, over the past ten years, has had its impact. The latest statistics reports that Canada now has the lowest food costs in the world as a percent of earned income.”<sup>186</sup> International trade wars had contributed significantly to the downturn in grain prices. However, the agricultural situation for the province of Alberta was expected to improve for the mid-1990s.

Alberta’s provincial agricultural economy changed significantly during the first generation of Conservative rule. This period saw a decline in wheat along with other grains

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<sup>183</sup> Letter from Don Getty, Premier of Alberta to Mr. Barry McFarland, MLA. Dated April 13, 1992. PAA 1998.922 Box 39 File 506. p. 1.

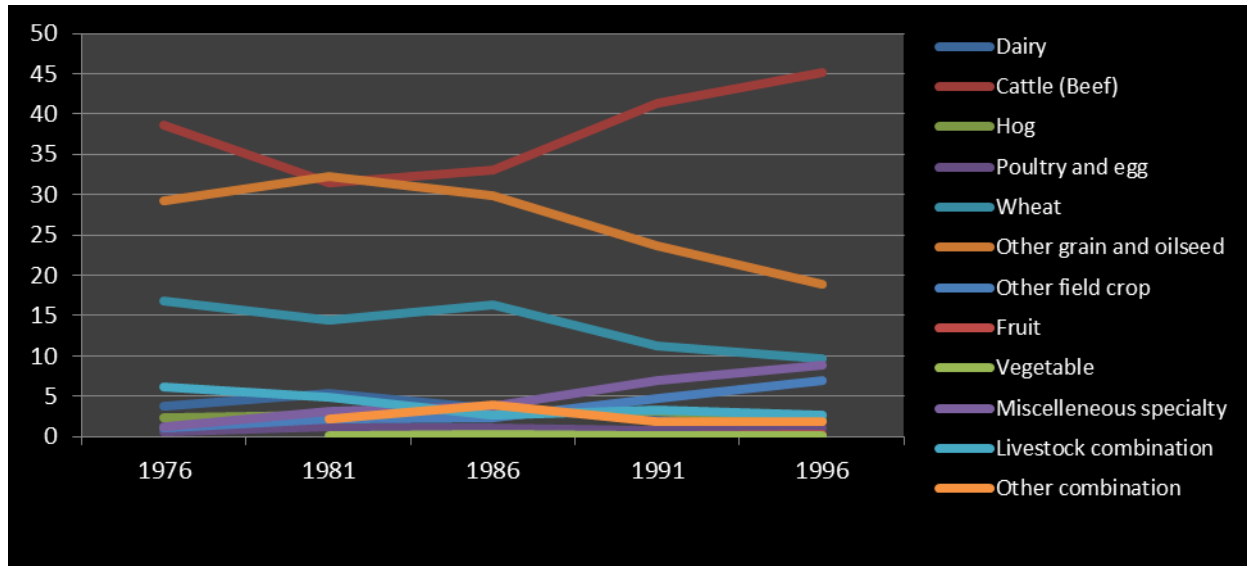
<sup>184</sup> “From the Legislature: Creating Tomorrow.” *Trends*. November 1992. p. 1.

<sup>185</sup> *Ibid.* (Note: Nagel added that much was made of the faltering oil and gas industry during the period, without adequate consideration of the dire situation faced by agricultural producers.).

<sup>186</sup> Jensen, Roy. “President’s Corner.” *Trends*. March 1994. p. 1.

and oilseeds and the impressive growth in beef cattle operations. During the 1970s, the Conservative government had shrewdly aligned themselves with provincial cattle producers on a number of significant public policy issues such as the statutory rates, the Canadian Wheat Board, and their opposition to income supports or stabilization programs.

% National share by provincial agricultural commodities 1976-1996



(Source: Agriculture Statistics Yearbook 2008.)

While Alberta's share of the national industry for pigs and sheep continued to decline, cattle grew steadily from 27.2% of the national share in 1970 to 38.1% in 1996 and 41.9% in 2000.<sup>187</sup> Often frustrated by with the federal government's allocation of provincial quotas for other agricultural commodities (i.e. dairy, eggs, and poultry) the provincial government responded by considerably improving its market share in a commodity without quota allocations. The provincial government also successfully fought several federal government attempts to implement national marketing for beef cattle. The declining numbers

<sup>187</sup> Alberta Agriculture and Rural Development, Economics and Competiveness Division, Statistics and Data Development Branch, Statistics and Data Development Branch. *Agricultural Statistics Yearbook 2008*. 34<sup>th</sup> Edition. July 2009. p. 71.

of provincial grain producers, particularly wheat, also brought about political changes. Among these changes was a decline of traditional agrarian radicalism and that of strong agrarian civil society mechanisms.

To perpetuate political power in the face of increasingly competitive urban ridings the Conservatives had to retain malapportioned rural seats. Towards this end, the Conservative government continued its extensive provision of accessible agricultural credit. During the early 1990s, the province had maintained “programs to provide the lowest input costs in Canada, credit at moderate cost, enhanced crop insurance, improved rural infrastructure, and farm management education.”<sup>188</sup> Many of these programs exhibited clear political motives and mutually benefited the government and agricultural producers. In September 1991, the Conservative government decided against completely reforming the Alberta Farm Fuel Distribution Allowance by imposing measures that would curtail abuses. They were reluctant to eliminate subsidies for road use or to eliminate fuel subsidies for ½ ton trucks. The rationale was simple: the removal of these subsidies would be “politically unwise” or “politically a hard sell,” “particularly in view of the depressed agriculture scene at present, especially in the grain sector.”<sup>189</sup>

Mounting deficits brought on by the economic decline 1980s and now the early 1990s necessitated cuts to provincial spending. At first

...for reasons of politics, ideology, and Tory common sense, the burden fell heaviest on the cities (especially Liberal Edmonton) and on the civil service.

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<sup>188</sup> Letter from Ernie Isley, Minister of Agriculture to Mr. Jack Swainson, 1<sup>st</sup> Vice-President, Unifarm. Dated May 8, 1990. PAA 1996.489 File 47.

<sup>189</sup> Letter from Tom Thurber, MLA to Honourable Don R. Getty, Premier of Alberta. “Re: Alberta Farm Fuel Distribution Allowance.” Dated September 26, 1991. PAA 1998.922 Box 40 File 518 p. 1.

In rural Alberta, however, the rod was spared. Hospitals were largely untouched and farm programs, while tinkered with, were not gutted (Wilson, 1995: 61).

The extremely fluid electoral climate prior to the 1993 provincial election made the Conservatives reluctant to make cuts in rural Alberta. Although rural Alberta represented only 25% of the population, it nevertheless held half of the seats in the provincial legislature. An energized and re-emerging Liberal party led by Laurence Decore posed a significant threat to the Conservative organization and, for the first time since 1971, there was no guarantee that the Conservatives would win an election. It was vital for the government not to alienate rural Alberta, which consistently returned government MLAs. The Conservatives won their seventh consecutive majority government and 51 seats in the 1993 provincial election. The Liberals led by Laurence Decore made tremendous overall gains by securing 32 seats. The Liberals made modest gains outside major urban centres, but for every rural seat won by the Liberals the Conservatives won four.<sup>190</sup> The government took most seats in Calgary and the Liberals completely swept Edmonton. Despite their electoral victory, the provincial government remained cautious about dismantling the subsidized socio-economic regime in rural Alberta.

One of its most visible symbols of the Conservatives' commitment to their rural base was their investment in the most ambitious network of rural hospitals in Canada. Throughout the Conservative rise to power in 1971, rural hospital site selection had been politically rather than medically driven. While provincial health care spending was being considerably

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<sup>190</sup> Much of the Liberals' success can be attributed to the leadership of Laurence Decore. In 1993, Decore had a much more impressive showing than Peter Lougheed in 1967. Unfortunately, for the Liberals, Decore was beset with health problems that forced his resignation in 1994. After Decore's resignation, the party was unable to find a leader of equal calibre and the number of Liberal seats declined to 18 in the 1997 provincial campaign.

reduced in urban areas, particularly Edmonton and Calgary, there was strong reluctance by the provincial government to make similar reductions in rural communities. In January 1994, for example, the province announced that major Edmonton hospitals would have to absorb a 30% budget cut.<sup>191</sup> At the same time, the province announced that decisions regarding over 100 rural hospitals would be left to government-appointed regional boards. Many rural hospitals were notorious for being underutilized. Of the province's 125 hospitals, 42 had occupancy rates under 50% and all but two of those were located in rural areas.<sup>192</sup> For example, residents of the town of Killam had 14 hospitals to choose from within an 80 kilometre radius (beds and occupancy rates in brackets): Daysland (31 beds, 85%), Galahad (38 beds, 57%), Castor (31 beds, 33%), Coronation (25 beds, 33%), Hardisty (20 beds, 49%), Wainwright (45 beds, 65%), Mannville (28 beds, 70%), Vegreville (70 beds, 69%), Tofield (37 beds, 76%), Camrose (117 beds, 70%), Killam (30 beds, 35%), Bashaw (28 beds, 33%), Stettler (50 beds, 69%), and Vermilion (54 beds, 77%).<sup>193</sup> At the Swan Hills Hospital food service staff had so little to do that they started up a cake decorating business.<sup>194</sup> Despite such ill-deployed rural medical resources coupled with severe cuts in urban centres, the province approved the construction of hospitals in Whitecourt and Westlock, the respective constituencies of powerful Tory rural lieutenants Peter Trynchy and Ken Kowalski.<sup>195</sup> As late as October 1994, provincial health minister Shirley McClellan indicated that rural hospitals might be relatively, or even completely, unscathed by the

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<sup>191</sup> Pedersen, Rick. "City hospitals bear brunt of cutbacks; Funding to fall by 30 per cent." *Edmonton Journal*. January 20, 1994. p. A1.

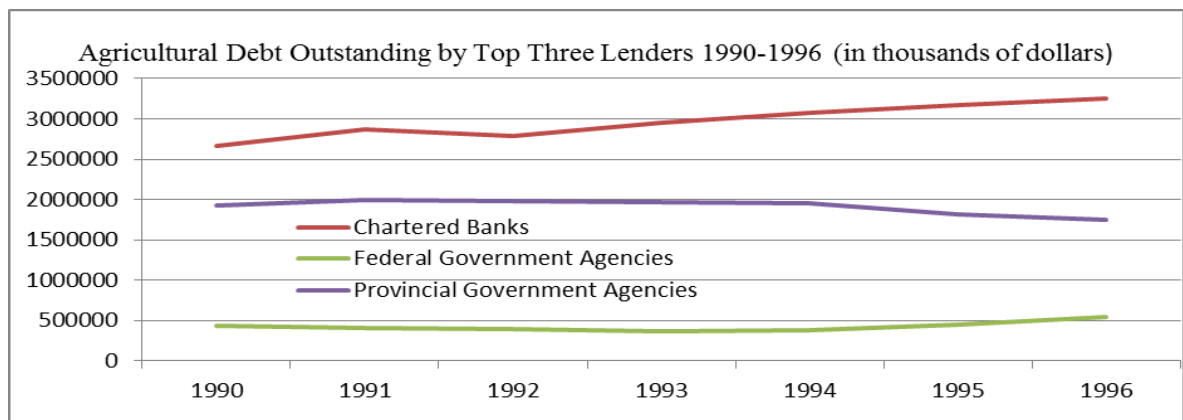
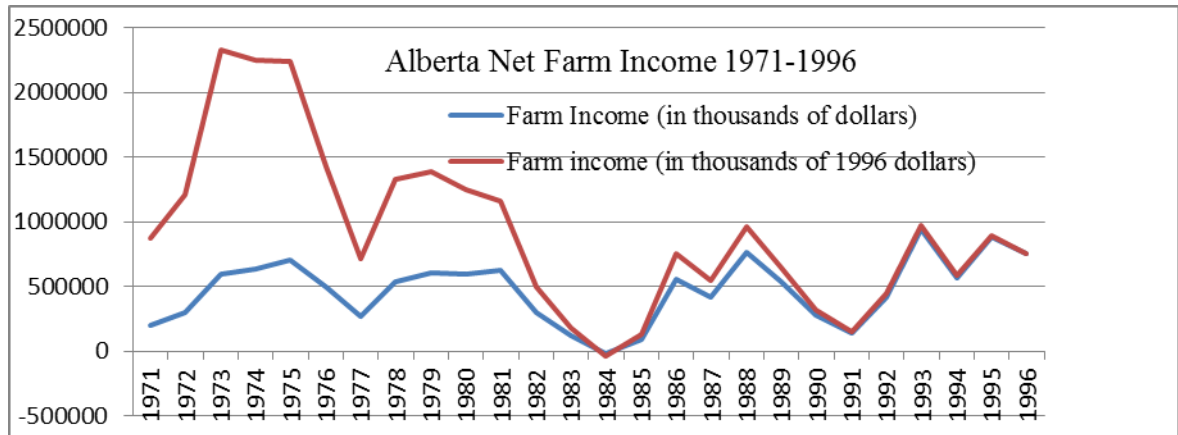
<sup>192</sup> Struzik, Ed. "Funding cuts may force hospital closures-administrators; The cutbacks to date." *Edmonton Journal*. October 9, 1993. p. A1.

<sup>193</sup> Aikenhead, Sherri. "Idle hospital wings, unused equipment." *Edmonton Journal*. Aug 22, 1993. p. E1.

<sup>194</sup> Aikenhead, Sherri. "Too many beds; Too few dollars; Swan Hills hospital has never been half full. Kitchen staff started a catering service while waiting for patients." *Edmonton Journal*. August 22, 1993. p. A1.

<sup>195</sup> Whitecourt was just 80 kilometres south of Swan Hills.

provincial health cuts.<sup>196</sup> Urban residents became increasingly frustrated that rural hospitals were supported for political motives when urban hospitals were being closed contrary to medical need. The Conservatives risked alienating their remaining urban supporters.



(Sources: Agriculture Statistics Yearbook, 2008)

### *The Betrayal of Rural Alberta*

For nearly twenty years, rural Albertans occupied an essential position in the Conservative political network. During this period, the provincial government rewarded their loyalty by heavily subsidizing high standards of economic and social life in rural Alberta.

<sup>196</sup> Meyer, Corky. "Rural areas treated better." Edmonton Journal. Oct 19, 1994. p. A13.

By the mid-1990s, the Conservatives found that it was neither politically nor economically sustainable to leave rural areas largely unscathed by funding cuts. With their smaller tax bases, rural municipalities were hardest hit by provincial municipal reforms. While provincial politicians used to boast that the littlest town in Alberta had a better sewer system than Montreal, such infrastructure required maintenance.<sup>197</sup> Lesage and McMillan (2009) observe that: “The Klein program of ‘fiscal responsibility’ and smaller government resulted in the revision and passage of ground-breaking, Getty-era draft legislation while the government concomitantly slashed its administrative and financial support to the municipal sector. Municipalities were freer in a *de jure* sense but also poorer and saddled with additional responsibilities either downloaded or offloaded by the province (423).” Similarly, Ramp and Koc (2001) found that:

Under Alberta’s *Municipal Government Act* (1995), municipalities had gained a significant increase in latitude in local and regional decision-making. This increased latitude was somewhat selective, in that it involved a centralization of fiscal and taxation power at the provincial level while downloading responsibility for regulatory and development decisions on municipalities, which in some cases lacked a strong provincial legislative framework, or sufficient fiscal, organizational or technical capacities, to make or enforce decisions effectively. In addition, the regionalization of provincial government services (as in the creation of regional health authorities), while intended to bring service delivery closer to the people and to increase efficiency by eliminating unnecessary bureaucracy and organizational duplication, was slow to deliver on its promise, leaving municipalities with the burden of ‘symptoms of a larger problem’ in the form of social issues like homelessness, poverty and gaps in health and social service delivery (62).

Moreover, while such reforms increased local autonomy, they did little to improve the fiscal conditions of provincial municipalities or the lives of rural residents.

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<sup>197</sup>Aikenhead, Sherri. “Rural hospitals: everything but patients; Patients still come before dollars at Bonnyville's health centre; Cutbacks are pushing packed city hospitals to the limit while rural hospitals are half empty. Can Alberta still afford the hospitals it built during the oil boom?” *Edmonton Journal*. August 22, 1993. p. E1.

By the mid-1990s, rural Albertans had felt the deep cuts in provincial spending including health, municipal affairs, and agriculture. Wilson (1995) observes that:

It was announced that hospitals will be closed, much to the consternation of a few rural residents who complained of being “betrayed” by the government that they so fervently elected only two years before. Meanwhile, schools also will be consolidated, with longer bus rides for some kids; farm program spending will plummet; and transfers to rural municipalities will be cut. Food banks, a major growth industry in urban life in Alberta for over ten years, have even made an appearance in some small towns. On top of this, from Ottawa came word that the annual \$560 million Western Grain Transportation Act subsidy, long a target for Alberta government complaints, will be ended this year. The certain result: higher shipping costs for the province’s grain farmers and much more pressure on the rural roads that will have to accommodate more grain trucking as rail lines are abandoned (61-62).

Using actual 1992/1993 expenditures as a base, the Ministry of Municipal Affairs predicted cuts of: 22.5% for 1993/1994, 43.62% for 1994/1995, 67.1% for 1995/1996, and 71.1% for 1996/1997 (Bruce, Kneebone and McKenzie: 2009, 3). Similarly, the budget of Ministry of Agriculture, Food and Rural Development suffered a decrease of 40.5% in 1993/1994 and 70.2% in 1994/1995 with further cuts forecasted at 64.0% for 1995/1996 and 62.5% for 1996/1997 (Ibid). Considering the cuts as a proportion of their budgets, the ministries of Agriculture and Municipal Affairs were among the hardest hit during the ‘Klein revolution’ deficit-busting era. Although rural Alberta appeared less enthusiastic than they had been of Lougheed or even Getty, rural voters continued to vote for him in 1997, 2001, and 2004. The resignation of Laurence Decore in 1994 had substantively ended the brief and rare and period of effective political opposition in Alberta.

The lack of political competitiveness made it difficult for rural Alberta to hold the provincial government accountable. A generation of Conservative power had sapped the political efficacy of independent agrarian civil society or meaningful political opponents.

Nevertheless, not all rural residents accepted the drastic cuts without complaint. In May 1996, Henia J. Martyniuk wrote what became a famous op-ed letter to the *Edmonton Journal*:

There is rape occurring in rural Alberta. Politicians and bureaucrats prefer the more polite term: restructuring, however, whether it is restructuring, reorganizing, rationalizing, or regionalizing, the outcome is the stripping of services, opportunities. The weapon? The pen stroke in some distant office. The method? One of two: either a direct cut; or the more insidious, but equally effective, erosion of a facility, service, agency or job. Essentially the government has mandated the consolidation of smaller jurisdictions into larger units with the intent to reduce duplication and save dollars. Members fight out among themselves just how funds will be allocated. Sounds convincing, given that words like “debt” and “deficit” strike fear in the conservative heart of every farmer, and fiscal economy and efficiency are a way of rural life. Consultation? The buzz word has merely come to mean: “We’ll listen politely while you express your community loyalties because it is politically correct. Then we’ll tell you what will happen. However, if you persist, we’ll give you just enough to silence you while we are doing what we have decided.” Convoluted and perfectly clear...Will Mr. Klein et al be re-elected in rural Alberta? Probably. Not because voters are satisfied, but because Albertans have learned that it is better to be a friend of government than an enemy. Even a wise old Liberal knows that; he is now in the Senate.<sup>198</sup>

Considering the tradition of radical democracy in Alberta during the 1920s and 1930s, Epp and Whitson (2001) lamented:

Why have people acquiesced in a patron-client relation with a provincial government that seems to have abandoned them? And what happens when the requisite skills of democratic participation and collective action are buried two generations deep in local memory? The long-term effect of this de-skilling, Epp argues, is to make rural people more vulnerable to the difficult choices posed by globalization, as their communities shrink and livelihoods are threatened (xxxi).

However, this rural “de-skilling” did not occur instantaneously and was not limited to political economics. The following chapters will detail how over a 25-year period the

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<sup>198</sup> Henia J. Martyniuk. “The rape of rural Alberta; Gov’t ignores impact of facility closures on small communities.” *Edmonton Journal*. May 21, 1996. p. A.15.

Conservative government employed democratic quality bias that resulted in the political “de-skilling” of rural Alberta.

### *Conclusion*

The Conservative government was confronted with numerous political and economic obstacles for much of the 1980s and into the mid-1990s. The agricultural economy saw its worst decline since the Great Depression of the 1930s and the provincial government was forced to increase its supports to provincial producers. While the political economy of provincial agriculture had changed since 1971, it continued as one of the most significant sources of rural employment. The continued electoral overrepresentation in rural areas necessitated that the government address rural economic concerns or face peril at the ballot box. At the same time, the vulnerability of the Conservative government, particularly during the late 1980s and early 1990s, cannot be overstated. This period saw emerging opposition, first from the NDP and then the Liberals who overran Edmonton, which had been a Tory stronghold for 15 years. The provincial government managed to generally assuage most provincial agricultural producers as evidenced by general election results throughout the 1980s and 1990s. By salvaging the support of Alberta’s remaining malapportioned rural ridings, the government managed to sustain their tenure of office in 1993. The provincial government had briefly considered continuing the same public policy of generous rural supports that it had for much of the 1970s and 1980s. However, these efforts were becoming political and economically unsustainable. Cuts to healthcare spending in urban areas, but not rural, were causing considerable urban resentment and the provincial government could not risk continuing to alienate urban Albertans. By 1993, electoral reforms had begun to weaken and would continue to weaken rural malapportionment. With these new economic and political realities taking hold, the province set about dismantling much of the entrenched

rural social supports in existence since 1971. Without any effective political opposition, rural Alberta found that it could do little to prevent these cuts or to retaliate against the government. In short, rural Alberta, while enjoying the political patronage of a seemingly farm-friendly government, had been “de-skilled” by that same government over the course of a single generation.

## **Chapter Five: The Grain Debates and the Alberta Grain**

### **Commission**

#### *Introduction*

By undertaking the deliberate and systematic undermining of agrarian civil society organizations and consolidating their power through equality, democratic unresponsiveness, vertical unaccountability, and participation bias, the Conservative government dominated provincial debates on national grain policy from 1971-1996. Believing that a free-market system would result in lower feed grain prices and greater profits for cattle producers, the provincial government called for the dismantling of the Canadian Wheat Board (CWB) and the Statutory Rates (a.k.a 'the Crow rates'). Indicative of the democratic unresponsiveness and vertical unaccountability of the government, this pursuit of greater free-market grain policies was opposed by the majority of agricultural producers - particularly grain producers. Nevertheless, through participation bias the provincial government purposively diminished the efficacy of this wide-spread opposition by creating institutions (i.e. Alberta Grain Commission (AGC)) and funding organizations that supported Conservative policies and actively discouraged opposition. The point cannot be overstated that the AGC, together with other organizations, were tools of the provincial government. Moreover, these extensive provincial promotional efforts created conflict among provincial producer groups and within Unifarm, Alberta's largest general farm organization. While debates over grain transportation were not the sole cause of fragmentation among Western Canadian general farm organizations in the 1980s, Lee (1984) argues that it was likely the 'straw that broke the camel's back (3-4).' It would be difficult to find another entity that contributed more to this division than the Conservative government in Alberta. It was essential for the Conservatives that independent agrarian civil society be unable to mount any effective challenge on any

significant issue, including the Statutory Rates and the CWB. After all, rural Alberta constituted a vital element of the political coalition of the Conservative organization. The provincial government was able to mitigate potential and widespread discontent by reshaping the political culture of agricultural producers. As Wilson (1995) notes:

Over the past twenty-five years, through careful use of the powers of access, influence, and public dollars, the Alberta government has helped create the farm lobby it wants. It is a lobby that argues in favour of reduced government support and regulation, more market freedom and greater access to American markets. It also believes in a weakening of long-standing national grain policies that favour central desk selling and “equal opportunity” grain marketing that Alberta governments have opposed as an impediment to entrepreneurial grain farmers, as well as the province’s livestock and processing sector (64).

Over the course of the study period, the resistance to Conservative policies steadily decreased. Provincial producers were successfully converted to the government’s position often because it was simpler to support the government than to antagonize it.

#### *Origins and role of the Statutory Rates (“the Crow”) debate*

Coleman (1988) certainly does not exaggerate when he describes the Crow debate as “perhaps the most intensive lobbying campaign on a non-Constitutional issue during the Trudeau years (113).” The Crow’s Nest Pass Agreement, or ‘the Crow,’ established in 1897, was an important element of the National Policy and the settlement of the Canadian West. The Crow was an agreement between the federal government and the Canadian Pacific Railway (CPR) that saw the government provide cash subsidies and tracts of land to expand CPR tracks from Southern Alberta to the rich mineral fields of south-eastern British Columbia through the Crow’s Nest Pass. In exchange, the CPR was to provide reduced freight rates to settlers moving west and grain moving east ‘in perpetuity (Epp, 2008).’ The

agreement was abrogated during the First World War, but subsequently reinstated during the early 1920s. Parliament passed new legislation in 1925 following a successful 1924 CPR Supreme Court challenge that saw a reduction in grain transportation service to 1897 levels (Jaques, 2001). The statutory rates would no longer be set through the Crow's Nest Agreement. Henceforth, Parliament would unilaterally set the statutory rates for all railways (including Canadian National) through statute.<sup>199</sup> The Statutory Rates legislation was subsequently amended to expand the number of agricultural products covered and the number of export ports including grain shipped to B.C. ports. Throughout this period, railways were still required to transport grain at 1897 prices. Horner et al. (1980) note: "The statutory rates probably equalled or exceeded variable costs until the early fifties. The Macpherson Royal Commission in 1958 estimated that the rates covered 91.5 percent of variable costs (214)." Until this point the railway companies had continued to make a profit, or break even, on grain transportation. Thereafter, there also arose an agricultural impetus for reform as many farmers felt the railways were not adequately investing in infrastructure (i.e. new hopper cars or improved grain handling terminals) leading to significant transportation problems.<sup>200</sup> By the 1970s, the railways claimed to be losing even more money and existing rail infrastructure had deteriorated even further placing even greater on government to reform grain transportation. These conditions sparked the modern Crow debate. There are many fine scholarly works mostly from the agriculture or public policy fields that have examined this debate (Coleman, 1988; Skogstad 1987, and Kroeger, 1999 etc.). This work will focus on the reaction of the Alberta Conservatives to their rural farm

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<sup>199</sup> Jaques (2001) argues that when the Statutory Rates legislation superseded the Crow the name should have perhaps been discarded (225).

<sup>200</sup> *Trends* reported in May 1994: "The Crow Rate controversy began more than two decades ago when the transportation system was in a rather dismal state. Rolling stock was in short supply, and in a generally poor condition."(Source: "Background: Another chapter in Crow saga." *Trends*. April/May 1994. p. 4).

producer constituents' views on the Crow from a democratic quality perspective. The government advocated the removal of the Statutory Rates to: allow for greater efficiency in rail service, stimulate the agricultural processing industry (i.e. livestock and oilseed), and remove the alleged disadvantage that discounted grain rates imposed on cattle producers.

### *Origins and role of the Canadian Wheat Board*

Since 1971, Conservative governments have maintained that the Canadian Wheat Board (CWB) was foisted upon Alberta agricultural producers by zealous federal governments. The historical record proves otherwise. Often concerned with the strategic implications of grain, the federal government's single-desk federal grain selling agency did not always further farmers' interests. Nevertheless, there was clearly agrarian demand for such an institution from the province. Epp (2008) argues that "small producer agrarianism in this country has mixed its Jeffersonian influences with a greater measure of social-democratic ones, which since the 1930s have assumed an important role for the state in counter-balancing corporate economic power through regulation and market instruments such as the Canadian Wheat Board (89)." Skogstad (2008) concisely describes the origins of the Canadian Wheat Board (CWB):

The mobilization of farm interests was also responsible for the creation of the Canadian Wheat Board. The Board began life as a temporary agency (1919-1921) and was restored under farm pressure in 1935, following the collapse of farmer-owned pools. The voluntary agency that Conservative Prime Minister Bennett created - and that competed with private grain traders to sell farmers' wheat - finally achieved the monopoly status farmers desired in 1943. Even then, the extension of the Wheat Board's powers to make it the single-desk seller for prairie wheat was not implemented in response to farmers' demands but rather to ensure sufficient supplies of grain to meet commitments to Britain and other allies. When the Board's monopoly was renewed and extended in the post-Second World War period, it was to fulfil commitments to wartime allies. The monopoly enjoyed widespread political support from

the other political parties, the Canadian Federation of Agriculture, the prairie wheat pools, and the three prairie provincial governments (47).<sup>201</sup>

Forbes (1985) observes that: “It is hard to imagine a regulatory agency more intertwined in the economic, social and political fabric of a region than the Wheat Board. Its goals under the *Canadian Wheat Board Act* are to provide equal access and a fair share of available export markets for wheat and other designated grains for producers in the prairie provinces and north-eastern British Columbia, to provide these grain producers with price stability and to market as much grain as possible at the best price that can be obtained (42).” Nevertheless, the provincial government opposed the Canadian Wheat Board for a number of reasons. By exhibiting social democratic and Jeffersonian influences, the CWB represented an affront to Conservative free-market ideology. Nevertheless, it is important to understand the economic ideology of the Conservatives as nuanced and at times contradictory. One must go beyond Skogstad’s (1987) notion that the provincial government’s ‘laissez-faire philosophy’ was primarily “committed to a competitive market, free of government inference (95).” Building on Pratt and Richards (1979), Tupper and Doern (1989) rightly observe that “Lougheed argued consistently that an active economic role for the provincial government was requisite to the achievement of a more diversified Alberta economy (126).”<sup>202</sup> Agriculture was no exception to the efforts to diversify the economy under Lougheed, Getty and Klein. Therefore, the Conservatives strongly advocated reliance on the free market when the result would lessen federal power (i.e. the Crow, CWB, and later free trade). In this vein, the province was not inclined to concede such a vital

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<sup>201</sup> Under the Lougheed and subsequent Conservative Premiers, the Conservatives purposefully downplayed the role of Richard Bennett, the first Canadian Prime Minister from Alberta, in creating a permanent CWB from provincial government accounts of the federal organization. The strong support offered by the Alberta UFA government for the CWB and later by John Diefenbaker, as a backbencher and later as Prime Minister, was also conveniently overlooked.

<sup>202</sup> Province-building was pursued simultaneously to rather vocal support for free-market values.

element of the agricultural economy (i.e. the grain trade) to the federal government without a fight. This resulted in frequent challenges to such a visible instrument of the federal grain power in Alberta. In addition, the province portrayed the CWB as thoroughly incompetent in serving the interests of Alberta grain producers, contributing to inefficiencies in the agricultural and transportation sectors, and imposing unnecessary burdens on cattle producers.

*A pursuit of democratic unresponsiveness and participation bias 1971-1979*

One of the chief instruments the new Conservative government used to champion its grain policy was the Alberta Grain Commission (AGC) established through Ministerial Order on March 27, 1972.<sup>203</sup> Wilson (1995) found that soon the AGC “promoted diversification, provincial power, erosion of the power of the Canadian Wheat Board, and changes to the Crow rate (66).” Although it claimed to represent the grassroots, the AGC was a select body chosen by the Minister of Agriculture that did not readily entertain outside influence.<sup>204</sup> While the CWB was undemocratic at times, it did at least allow producers to elect the CWB Advisory Committee, which had been previously appointed, after 1975. The CWB also held accountability meetings that allowed for communication between producers through their advisory representatives and the CWB Commissioners.<sup>205</sup> No such structure existed for the AGC. Moreover, when the Western Stock Growers’ Association (WSGA)

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<sup>203</sup> Pratt and Richards (1979) cite the creation of the Alberta Petroleum Marketing Commission (PMC) as an organization with broad powers designed to assert provincial control over natural resources at the expense of the federal government that the authors thought might take a very activist role. Although never enjoying the sweeping power of the PMC, the AGC, nevertheless, represented an agricultural counterpart designed to consolidate provincial power.

<sup>204</sup> The CWB shared some of these undemocratic features until democratic reforms were implemented in 1998.

<sup>205</sup> As of January 1, 1999, producers gained even more control over the Canadian Wheat Board. Producers today elect 10 of the 15 CWB Commissioners.

requested representation on the Alberta Grain Commission in April 1972, Agriculture Minister Horner responded that it was “far better for your Association to deal directly with the Grain Commission rather than having an individual represent you on that Commission.”<sup>206</sup> It was Horner’s public position that “the Commission should be independent of all of these Associations so that it could effectively deal with any or all of them.”<sup>207</sup> Horner’s motives, however, were more likely political. Horner certainly did not want any grassroots associations hindering the ability of the AGC to directly champion the government’s position. While Unifarm maintained a position that any change to the Statutory Rates had to be heavily “weighed in relation to the tremendous loss that would be inflicted on western grain producers,” the government continued to favour a position that benefited livestock producers on the Crow.<sup>208</sup> What resulted was the abandonment of the statutory rates to improve “railway service and lower feed costs for western feeders.”<sup>209</sup> Larsen (2005) argues that in addition to the AGC, the ACC was used as a government attack dog: “With its nose firmly in the cooperative tent, the ACC used compulsory check off money on each cow sold in Alberta to lobby and promote the idea that the Crow’s Nest Pass Freight Rate Agreement (a.k.a., ‘Crow Rate) put cattle feeders at a severe disadvantage (198).”

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<sup>206</sup> Darryl Carlson, Secretary-Manager of the Western Stock Growers’ Association argued that: “Livestock in Alberta account for a large portion of the disappearance of feed grains produced in Alberta. We therefore feel that the livestock industry should have a representative on the Alberta Grains Commission.” (Source: Letter from Darryl, Carlson, Secretary-Manager of the Western Stock Growers’ Association to Dr Hugh Horner, Minister of Agriculture. Dated April 4, 1972 PAA 2006.213 Box 10 File 178). Horner responded in Letter from Hugh Horner, Minister of Agriculture to Mr. Darryl Carlson, Secretary-Manager of the Western Stock Growers’ Association. Dated April 7, 1972. PAA 2006.213 Box 10 File 178.

<sup>207</sup> Ibid.

<sup>208</sup> Ibid.

<sup>209</sup> Lea, Dobson. “Viewpoint.” *Farm Trends*. April 1975. p. 2.

The AGC also directly challenged existing associational dynamics in the province and destabilized support for the retention of the Crow and the Canadian Wheat Board. Jaques (2001) sums up the views of Unifarm with respect to the AGC: “Unifarm members became wary of what they perceived to be the clandestine motives of the Alberta Grain Commission. Not only did commissioners act as though they represented well-accepted opinions of Alberta farmers, they appeared to be undermining the Canadian Wheat Board (212).” Unifarm and the Alberta Wheat Pool represented prominent, but not uncritical, supporters of the CWB. Noting that the organization also served as training ground for future Conservative politicians, Wilson (1995) confirms that “the AGC provided the government with an alternate voice to the Alberta Wheat Pool [the largest and most powerful member of Unifarm] (66).” The AGC also advised government funding for AWP rivals beginning in the 1970s, including the Palliser Wheat Growers Association (later the Western Canadian Wheat Growers’ Association) and the Western Canadian Barley Association (Wilson, 1995: 66). Omar Broughton, a high-ranking provincial agriculture civil servant and disillusioned former AWP executive, noted: “Policy-wise- e.g. the Crow Rate. Why should an out-of-control elevator company [the Alberta Wheat Pool] usurp the policy fields for such fine producer organizations as the Western Wheat Growers, Western Barley Growers and the Alberta Canola and Oat Growers Association is confusing.”<sup>210</sup> It is worth noting that Broughton ranked his loyalties in the following order: “1. The Party and the Government; 2. The Agricultural Industry of Alberta and this Government’s progressive policies; and 3. The Alberta Wheat Pool and my fellow members.”<sup>211</sup> It is unlikely Broughton was alone in his

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<sup>210</sup> Letter written by Omar J. Broughton. Dated May 1, 1990. PAA 1996.489 Box 7 File 45.

<sup>211</sup> Ibid.

views within the closed and government-dominated agricultural policy network that espoused such views.

While the AGC sought to challenge the Canadian Wheat Board (CWB), it also attempted to destabilize or co-opt the latter by becoming its partner. However, the AGC had little success in “negotiating some working room” for itself in relation to the federal board. In August 1972, the AGC’s offer to set the delivery quotas for all grain in the province was rebuffed with the arguments that the CWB could not delegate such authority and, even if it could, it would not trust the AGC to set equitable quotas.<sup>212</sup> The CWB Commissioners and officials adopted rather strident positions, believing it better to settle things in court than attempt to negotiate with the provincial body.<sup>213</sup> The CWB also declined a request by the AGC to halt the prosecutions against canola growers.<sup>214</sup> Canola had emerged in the late 1960s and early 1970s as a Cinderella crop in Western Canada and given the massive amounts produced (i.e. rising from 325,000 tons in the mid 1960s to 2,300,000 in 1971) the CWB intervened and placed the commodity under its jurisdiction and established quotas.<sup>215</sup> In response to producers’ violations of canola quotas, particularly over-delivery to crushing plants, the CWB adopted an aggressive course of prosecuting offending farmers. The provincial government attempted to capitalize politically on such actions and portray it as yet another reason why the CWB was not needed.<sup>216</sup> Overall, Unifarm felt that the position adopted by the provincial government was not reflective of Alberta farmers, as indicated by delegates at the Unifarm Convention, and that shortages at crushing plants had “much over-

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<sup>212</sup> Letter From John W. Channon, Chairman of the Alberta Grain Commission to Hugh Horner, Deputy Premier and Minister of Agriculture. Dated August 14, 1972. PAA 2006.213 Box 10 File 180. p. 1.

<sup>213</sup> Ibid.

<sup>214</sup> Ibid.

<sup>215</sup> Part of declassified CWB document 7-0133-06MC (01) in author’s possession. Circa 2006.

<sup>216</sup> This included the argument that the CWB quota was resulting in shortages at the crushing plants.

emphasized” a minor effect caused by the quota system.<sup>217</sup> The CWB subsequently held a plebiscite from December 3, 1973 to January 4, 1974, with canola producing CWB permit holders voting in favour of a free market system.<sup>218</sup> Under a free market canola system, and without monopoly powers over canola, the CWB prosecutions ceased. Unifarm was content with the decision. The organization believed in orderly marketing of agricultural produce, but only when supported by the majority of producers. Demonstrative of the general support for the organization by provincial canola producers, the Alberta Rapeseed Growers’ Association voted to join Unifarm in January 1974.<sup>219</sup>

By the end of 1973, the AGC was considering becoming a CWB agent and operating its own elevators.<sup>220</sup> This move would facilitate closer relations with the CWB and perhaps increased market intelligence for the grain agency. The establishment of AGC elevators would provide more seed drying and cleaning equipment, increased competition and feed grain reserves, enhanced service for canola producers, and allow commodities to be eventually fed into the # 2 terminal in Vancouver.<sup>221</sup> AGC Chairman Channon felt this proposal wrought more political disadvantages than advantages for the provincial government. Not only would it weaken the ability of the AGC to criticize or bring about

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<sup>217</sup>“Land Use, Feed Grains, Headline Annual Brief.” *Farm Trends*. February 1973. p. 6.

<sup>218</sup> Initially the CWB, under the instructions of Otto Lang (the Federal Minister responsible for the CWB), had merely wanted to conduct an opinion poll of canola producers and base a public policy decision on this alone. Strong opposition from groups, including Unifarm, to this proposal prompted the CWB plebiscite. (Source: “Unifarm balks at proposal for opinion poll on rapeseed marketing.” *Farm Trends*. July 1973. p. 5) Unifarm and the Alberta Rapeseed Growers’ Association were officially neutral on whether the CWB should maintain the monopoly on canola or whether canola should be opened to a free-market system. Both views were given space in *Farm Trends*. However, the prairie wheat pools were in favour of CWB control over canola and the Rapeseed Association of Canada was against.

<sup>219</sup> “Alberta Rapeseed Growers ask for Unifarm Commodity Membership.” *Farm Trends*. February 1974. p. 5

<sup>220</sup> Letter from John W. Channon, Chairman, Alberta Grain Commission to Dr. H.M Horner, Minister of Agriculture. Dated November 16, 1973. PAA 2006.213 Box 19 File 319. p. 1.

<sup>221</sup> *Ibid*.

changes to the CWB, it would violate the avowedly ‘free enterprise’ philosophy of the PC government.<sup>222</sup> Increased involvement with the CWB would be of little benefit to the AGC, the former was not likely to share additional market intelligence with the latter given its ‘clannish’ approach. Moreover, the federal organization had no money of its own (it purchased grain through loans obtained through banks) requiring the AGC to bear the financial burden of the proposal. Ensuring greater provincial feed grain reserves also proved problematic.<sup>223</sup> The Commissioners of the AGC collectively considered that the entire proposal “would be politically unpalatable, and could end in political suicide due to farmers’ backlash.”<sup>224</sup> Being appointed, rather than elected, the commissioners of the AGC could not speak on behalf of Alberta producers when offering political advice. Nevertheless, while the CWB was by no means universally hated by grain producers in the 1970s, open provincial government support for the CWB would cost the PC organization some of its strongest rural supporters and alienate the ever-growing power of cattle producers.

Some members of the agrarian community, long suspicious of the role of the AGC, began to openly criticize the organization and its interventions. In April 1977, Unifarm President Dobson Lea questioned the role of the Alberta Grain Commission and asked Agriculture Minister Marvin Moore to clarify its role. The official role of the AGC was to systematically examine the grain field, liaise with producer groups, and provide practical policy advice to the Minister of Agriculture. Dobson Lea argued that the AGC was far

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<sup>222</sup> Ibid. p. 2.

<sup>223</sup> Channon felt that cattle producers and feeder associations would be better suited than a government agency to operating elevators in order to adequately ensure feed grain reserves. Readily available stockpiles this might decrease the net income by depressing grain prices. Ibid. p. 2.

<sup>224</sup> Ibid.

exceeding its prescribed role and was “masquerading as a producer-representative group.”<sup>225</sup> The AGC had repeatedly given advice professing to be a producer group with support from the grassroots, when it was, in fact, a government-appointed advisory board. By doing so, the AGC bypassed a number of legitimate producer groups that were representative of grain producers (i.e. the Alberta Wheat Pool and Unifarm). Therefore, Lea went so far as to recommend that the AGC be dissolved if it did not abide by its term of reference. Unifarm members called for precisely that at their annual convention in January 1979, passing a resolution requesting that the provincial government dissolve the Alberta Grain Commission.<sup>226</sup> In response, the provincial Minister of Agriculture Marvin Moore promised to examine the AGC in terms of “usefulness” and stressed that he viewed “all motions passed by Unifarm with very serious consideration.”<sup>227</sup> However, the provincial government made no move to eliminate its chief weapon against the CWB and the champion of its position on grain transportation.

In spite of the strong positions of the provincial government and organizations such as the AGC, Unifarm maintained its support for the Canadian Wheat Board and the statutory grain rates. Nevertheless, Unifarm’s support did not preclude its criticism of the CWB. Reiterating its policy platform in October 1977, Unifarm noted: “We support the function and operation of the Canadian Wheat Board. However, we believe the CWB should be restructured to ensure that some of its members are directly responsible to the producers.”<sup>228</sup> At this point in time the actual board of the CWB was comprised of five commissioners -

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<sup>225</sup> “Unifarm president questions Grain Commission activities.” *Farm Trends*. April 1977. p. 3.

<sup>226</sup> “Farm Trends Convention Report.” *Farm Trends*. January 1979. p. 12.

<sup>227</sup> “AGC to be reviewed by Moore.” *Farm Trends*. January 1979. p. 10.

<sup>228</sup> “Unifarm Policy.” *Farm Trends*. October 1977. p. 13.

usually three civil servants and two academics with a background in economics - appointed without a fixed term and reporting directly to the Minister responsible for the CWB. Morriss (2007) notes that, at times, the Minister responsible for the CWB deliberately ignored the advice of the Board and pursued grain policy unilaterally, as Otto Lang had once done with the disastrous Operation LIFT.<sup>229</sup> Another CWB body occasionally ignored by both the Minister and the Board itself was the CWB advisory committee. Forbes (1985) describes the advisory committee as being: “composed of individuals elected by producers in each of the eleven areas served by the CWB, holds office for four years. The purpose of the committee is stated in the act [*Canada Wheat Board Act*] simply as ‘assisting the Board (42).’” As undemocratic as the operations of the CWB could be, the organization, unlike the AGC, at least attempted to directly involve producers by holding elections for advisory committee positions and thereby increasing the legitimacy of the agency. Offering further constructive criticism of the CWB, Unifarm also felt that the federal body should be more forthcoming with market information, change delivery quotas were necessary, and permit producers to deliver grain to the elevator of their choice (i.e. amending the Bracken formula).<sup>230</sup> The same month that Unifarm advanced constructive criticism of the CWB, it also reiterated its policy with respect to grain transportation. At this time it was noted that: “Unifarm supports the development of national transport policies that give support to a more economical and efficient grain handling and transportation system and secondary agricultural enterprises.”<sup>231</sup> Unifarm emphasized three proposed policy elements: 1) rates must remain statutory and

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<sup>229</sup> Lang’s actions against the board’s recommendations led to the Great Grain Robbery of 1972. The LIFT program encouraged Canadian farmers to take wheat acreage out of production. In 1971-72 the Soviet Union experienced a crop failure and their government was forced to purchase incredible volumes of grain from U.S farmers. Had grain farmers been producing as much acreage as just a few years earlier they would have experienced an excellent sales year.

<sup>230</sup> “Unifarm Policy.” *Farm Trends*. October 1977. p. 13-14.

<sup>231</sup> *Ibid.* p. 16.

altered only by an act of Parliament; 2) the benefits of the statutory rates must be neutral to ensure that no “particular region or class of agricultural producers” was unduly favoured; and 3) there needed to be incentives for an efficient grain handling and transportation system. These policy fundamentals, however, deviated substantially from that of the provincial government’s position on grain transportation.

The late 1970s saw support for the removal of the Crow Rate and anti-CWB sentiment grow within the Unifarm organization. Following the Alberta Cattle Commission’s joining Unifarm the provincial government had an ideological ally with respect to the statutory rates and the Canadian Wheat Board within the organization. For the first time since Unifarm undertook major debate on the Crow Rate reform, there was widespread division between grain and livestock interests within the organization.<sup>232</sup> Unifarm adopted the proposal espoused by the PFCA (Prairie Farm Commodity Alliance) that the transportation debate could be resolved through the implementation of a ‘Crow Benefit.’ As Skogstad (1987) notes: “The Coalition proposed an alternative to the Crow rate in the form of a ‘Crow benefit’ that would allow the railways to be paid the full cost of grain transport. Farmers would pay a statutory compensatory rate to the railways, and the federal government would give farmers a direct payment based on their seeded acreage to make up the difference between the higher transport rate and the Crow (130).” This debate provoked disagreement within the organization over whether federal government transportation subsidies should be paid to the railways companies or the grain producers. Grain interests favoured a pay-the-producer proposal. Livestock interests favoured a pay-the-railway

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<sup>232</sup> Unifarm’s annual cabinet submission to provincial government highlighted the divergent view on statutory rates that existed within. (Source: “Unifarm Annual Brief Presented to cabinet committee February 8<sup>th</sup>.” *Farm Trends*. February 1978. p. 3.).

solution. The new influence exerted by the Alberta Cattle Commission led Unifarm President Howard Falkenberg to examine more closely questions related to how the statutory rates impacted the livestock industry.<sup>233</sup> Livestock producers viewed the statutory rates as discriminatory as the rates allowed for higher grain prices than natural market forces would allow by enabling easier exports of grain resulting in higher domestic feed prices. By June 1978, Alberta Cattle Commission President Tom Thurber was arguing that: “Spokesmen from other farm organizations have launched an unnecessary and an unwarranted campaign against the Alberta Cattle Commission for its stand on transportation policies for Western Canada.”<sup>234</sup> Thurber further argued that “it is not the Commission’s intent to propagate that the livestock producer in Alberta is a separate entity existing free from ties with the grain industry. The Alberta livestock producer does not want cheap grain but wants fairly priced grain relative to his counter-part in the U.S.”<sup>235</sup> The differentiation between cheap and fairly priced feed was hotly contested between feed producers and consumers.

The release of the ACC commissioned MacEachern Report on June 12, 1978 provoked further controversy. Comparing barley costs relative to equivalent feed costs in major feed areas, such as Colorado and Iowa, the report argued that feeding costs were 30 cents per short hundredweight higher than those of American producers.<sup>236</sup> Increased feed costs resulting from the Crow were calculated to cost cow-calf producers on average \$21.5 million annually for barley alone and an additional \$15.6 million in added forage costs for a

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<sup>233</sup> Ibid.

<sup>234</sup> “Impact of statutory rate on livestock producer brought out at ACC meetings.” *Farm Trends*. June 1978. p. 14.

<sup>235</sup> Ibid.

<sup>236</sup> “Cattle Commission releases study on statutory rate impact: Alberta’s cattle industry losing \$37.1 million annually, states MacEachern report.” *Farm Trends*. July 1978. p. 8.

total of \$37.1 million.<sup>237</sup> If the effects on pork producers were counted, the sum would rise to \$39.1 million.<sup>238</sup> The ACC report also argued that the Crow rate had directly contributed to the relative reduction of provincial cattle and pork production by 10% and 8% respectively.<sup>239</sup> These percentages translated into a direct loss to the livestock industry ranging from \$59 to \$87 million and between \$446 million and \$491 million to the overall provincial economy.<sup>240</sup> Many grain producers greeted the MacEachern Report with scepticism. Using couched language in its reporting of the study the editors at *Farm Trends* included the caveat: “No attempt is made to assess the full impact of the rate as applied to grain shipments out of the prairies on the western or Alberta grain industry, nor analyze the impact of alternatives to the statutory crow rate, said the ACC.”<sup>241</sup> Others cited the fact that the Crow had, ultimately, a relatively small impact on the cattle industry compared to other factors. Horner *et al* (1980) argued that: “The major factor determining growth in beef production in western Canada through the eighties will neither be export markets nor statutory freight rates on grain. It will be the willingness of consumers to return to previous levels of consumption at prices that will cover the cost of producing beef in those quantities (287).”

Nevertheless, the government used the MacEachern Report along with the Anderson and Hendriks Report to justify their agricultural policies. Ken Larsen (2005) argues that the MacEachern Report “contained scant evidence,” but nevertheless “provided a sufficient pretext for the Alberta government to intensify its attacks on prairie grain farmers while

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<sup>237</sup> Ibid.

<sup>238</sup> Ibid.

<sup>239</sup> Ibid. p. 9.

<sup>240</sup> Ibid.

<sup>241</sup> “Cattle Commission releases study on statutory rate impact: Alberta’s cattle industry losing \$37.1 million annually, states MacEachern report.” *Farm Trends*. July 1978. p. 8.

building up the ranching industry (198).” Skogstad (1987) cites the Anderson and Hendriks study commissioned by the Alberta government and concluded that:

‘Preferential freight rates for the grain sector effectively bias development on the Prairies away from the other sectors of primary agriculture and related secondary industry.’ The two consultants concluded that a compensatory freight rate would result in an expansion of cattle herds and hog numbers by 5 and 10 per cent respectively. Further, while the compensatory freight rate would cost Alberta grain producers \$162 million, the possibility of increased grain sales and/or greater transportation efficiency would yield another \$190 million over twenty-five years, thus making Alberta ‘over the long run a clear winner (133).’

Ultimately, such reports were at best speculative rather than definitive and did not take into account existing subsidies provided to provincial cattle producers (i.e. generous grazing leases) in their calculations. Moreover, the explicit promotion of this point of view by the government fostered conflict within and among agricultural organizations. The discord within Unifarm was unprecedented as the organization had only recently adopted rules of procedure to ameliorate disputes between commodity interests within the organization.<sup>242</sup>

Relations between Unifarm and the provincial government worsened after the organization strongly rejected Peter Lougheed’s May 1978 proposal to appoint MLAs from Western Canada to the Canadian Wheat Board.<sup>243</sup> Newly-elected Unifarm President Howard Falkenberg argued that such a move was “totally unacceptable” as it would politicize the wheat board and create federal-provincial conflict to the detriment of prairie grain

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<sup>242</sup> “Steps toward resolution please Unifarm president.” *Farm Trends*. June 1978. p. 14.

<sup>243</sup> “Keep out of the wheat board Unifarm tells province.” *Farm Trends*. June 1978. p. 3. In addition, Lougheed had a caveat that provincial representation could only come from provinces that produced at least 20% of Canada’s grain. Overall, Lougheed’s position echoed one that he had expressed while in opposition on January 9, 1970: “It would appear that the Wheat Board would be significantly strengthened if the provincial governments of Alberta, Saskatchewan and Manitoba had a direct voice and say in the policies and the operation of the Wheat Board. In my view, the federal government would then be more responsive to the views of the western agricultural producers in the support accorded the Wheat Board in its efforts to stabilize and improve the grain markets.” (Source: Press Statement by Peter Lougheed from Winnipeg. Dated January 9, 1970. PAA 1972.59 Box 1 File 5 p.1.).

growers.<sup>244</sup> Provincial membership on the CWB was one of nine proposals of a broader provincial grain marketing strategy and Unifarm had no strong opposition to the other eight.<sup>245</sup> Unifarm reiterated that its member groups had always served as strong supporters of the Canadian Wheat Board and that Unifarm's predecessor had been instrumental in the creation of the original board in 1919. Unifarm's strong opposition to provincial representation on the CWB proved embarrassing to Lougheed and diluted his frequent charge that Prime Minister Trudeau's government was complacent with respect to grain marketing.<sup>246</sup> To compound the issue, Unifarm had "irked the [provincial] Cabinet" on grain marketing the previous year, when it openly sided with the federal government in a submission to the provincial cabinet. Unifarm had made it clear that trade and tariffs came under federal jurisdiction immediately prior to a provincial trade delegation to the Soviet Union, which subsequently attempted to increase grain sales through its own volition.<sup>247</sup> Moreover, Jaques (2001) notes that the 1978 CWB conflict came during a period of deterioration in the relationship between Unifarm and the provincial government. It was likely that the government had tired of being stymied by Unifarm.

Unifarm continued to espouse a position contrary to that of the provincial government. In December 1978, Unifarm's transportation committee released a five point policy in an attempt to resolve the statutory rate debate within the organization. The policy addressed: 1) deteriorating rail service; 2) non-competitive feed prices; 3) anomalies in the Statutory Rates; 4) disadvantages to rapeseed and flaxseed crushers; and 5) railway

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<sup>244</sup> "Keep out of the wheat board Unifarm tells province." *Farm Trends*. June 1978. p. 3.

<sup>245</sup> *Ibid.*

<sup>246</sup> "Prime Minister is complacent about grain marketing, charges Premier. Province wants new grain marketing plan." *Farm Trends*. June 1978. p. 4.

<sup>247</sup> "Moore concedes...trade a federal matter." *Farm Trends*. June 1977. p. 3.

performance and government commitment.<sup>248</sup> With respect to the first point, it was proposed that the federal government pay for the railway revenue shortfall (approximately \$200 million) with the federal government and grain producers sharing future increases.<sup>249</sup> With respect to non-competitive feed prices, Unifarm proposed that the CWB lower the asking price by taking into account transportation subsidies. There were a number of anomalies under the present grain handling and transportation system that Unifarm recommended be changed. One recommendation was the addition of rapeseed and flaxseed oil to the list of commodities eligible for the Statutory Rates.<sup>250</sup> Another suggestion was the elimination of higher commodity export rates for goods being shipped west compared to those being shipped east.<sup>251</sup> With respect to the issue of crushers being disadvantaged, Unifarm recommended that subsidies for flax and canola be reduced. Unifarm's position on the final proposal was that the government's commitment to capital investment and any revenue shortfalls for the railways should be codified in statute.<sup>252</sup> Despite its executives' noble efforts, the transportation policy was not adopted by the Unifarm annual convention in January 1979. The chief obstacle arose over the second item of the proposal concerning feed grain policy. Unifarm President Howard Falkenberg observed that, although only one element of the transportation policy was rejected, "delegates realized that it was a total program and that the lack of one section made the others unworkable."<sup>253</sup> Jaques (2001) notes that Unifarm transportation committee chair Hartman Nagel felt at the time that the internecine dispute over the statutory rates between livestock and grain interests could not be

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<sup>248</sup> "Transportation Committee Report." *Farm Trends*. December 1978. p. 12.

<sup>249</sup> *Ibid.* p. 13.

<sup>250</sup> *Ibid.*

<sup>251</sup> *Ibid.*

<sup>252</sup> *Ibid.* p. 14.

<sup>253</sup> Falkenberg, Howard. "Viewpoint." *Farm Trends*. January 1979. p. 2.

resolved.<sup>254</sup> Unifarm went into the 1980s not knowing if it could survive the debate over the statutory rates.

*A pursuit of democratic unresponsiveness and participation bias 1980-1996*

While Unifarm's transportation proposal at the 1979 annual convention had ended in failure, an amended proposal presented at the 1980 convention met with success. The 1980 delegates arrived at and approved a seven-part proposal having considered and amended the initial 1979 five-part proposal with an alternate three-part proposal from the floor. This proposal included the following changes to the *Western Grain Transportation Act* (WGTA):

- 1) Federal government to pick up the railway revenue shortfall at the time of implementation of the new policy, and grain producers and the federal government to share increases in rail rates in the future;
- 2) Canadian Wheat Board feed grain pricing formula be amended and a price support program for feed grains be established;
- 3) Other commodities be added to the statutory list;
- 4) There be equalization of freight rates on raw rapeseed and raw flaxseed and their processed products;
- 5) Assurance of railway performance and government commitment be guaranteed by statute;
- 6) The federal and provincial governments share the cost of maintaining an adequate supply of grain cars for Western Canada, and that the federal government provide funds for rehabilitation of uneconomic branchlines in Western Canada plus an allowance for depreciation to keep the lines in a state of good repair after rehabilitation is completed;
- and 7) The federal government continue to

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<sup>254</sup> A journal excerpt authored by Nagel's wife provided a good picture of the sentiments of the time: "January 11, 1979: The delegates, after a heated debate at which there were at times when we wondered if Unifarm would survive, turned down Part 2 of the transportation policy. It was a great disappointment to all directors and executives to say the least. It is back to the drawing board to get a proposal both grain and cattleman will agree upon. Hartmann is very disappointed but is relieved that at least Unifarm still exists. At this point a policy on which the grain and cattle people can agree upon seems very remote (Jaques, 2001: 242)."

be responsible for the fixed costs associated with branchlines.<sup>255</sup> In light of the recent transportation conflict many breathed a sigh of relief that Unifarm had survived. However, Wilf Plosz acknowledged that “the delegates again had tackled the transportation issue head on, and this time came up with a comprehensive policy that was passed without opposition when the vote was taken (although this was an indication of solidarity rather than total agreement).”<sup>256</sup> Unfortunately, subsequent developments proved those sighs of relief to be premature.

By August 1980, the ACC had withdrawn its support from Unifarm’s transportation policy over concerns that the January 1980 resolution. The feed grain section had been altered after it went to the Western Agricultural Conference (WAC).<sup>257</sup> The WAC accepted and adopted Unifarm’s seven-part transportation proposal as its own, excepting what it believed to be minor amendments to the feed grains section. Unifarm had proposed that any increases to the feed grain pricing formula be “shared”, whereas the WAC proposed that any increase would be “negotiated.”<sup>258</sup> With the WAC proposal negotiation would be achieved through the use of the corn-competitive formula to set the asking price for feed grains. The corn-competitive formula would be amended “so that the equivalent of a compensatory rate is applied in place of the statutory rate in arriving at the asking price.”<sup>259</sup> The ACC, however, felt the corn-competitive formula itself was discriminatory and that no amendment to the

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<sup>255</sup> “Convention Resolutions.” *Farm Trends*. January 1980. p. 16-17.

<sup>256</sup> Plosz, Wilf. “Tenth annual convention makes history.” *Farm Trends*. January 1980. p. 6

<sup>257</sup> The WAC was comprised of the United Grain Growers and three prairie general farm organizations, including Unifarm.

<sup>258</sup> “Unifarm seeks Ottawa response to grain transportation proposals.” *Farm Trends*. November 1980. p. 3.

<sup>259</sup> Falkenberg, Howard. “Viewpoint.” *Farm Trends*. August-September 1980. p. 2.

formula would redress this inequity.<sup>260</sup> There was a perception within the ACC that Unifarm had bowed to the pressure of Saskatchewan farmers who had a greater commodity stake in grains (Jaques, 2001). At the January 1981 annual convention Unifarm President Howard Falkenberg acknowledged that conflict persisted within the organization on transportation policy: “Although a majority of delegates have re-affirmed their support for payment to the railways, under the rules of procedure now incorporated in our constitution, it is hereby publically acknowledged that with [the] Unifarm framework, a significant minority takes the view that the benefit should be paid to the producer.”<sup>261</sup>

Further complicating circumstances surrounding these events was the Alberta government’s involvement with the Prairie Farm Commodity Alliance (PFCA) throughout this period. The PFCA was comprised of the Western Canadian Wheat Growers Association (WCWGA),<sup>262</sup> the Western Canadian Barley Growers (WCBG), the Canadian Cattleman’s Association (supported financially by the ACC) and other organizations hostile to the WAC position. The PFCA undertook forceful lobbying against the WAC position on the prairies and in Ottawa, where the final decision on the statutory rates rested. The PFCA argued that grain producers should pay a compensatory rate to the railways and the statutory rate should be provided to producers through an acreage payment. Despite its complexity and questions whether cattle producers (with large tracts of land) would also benefit from an acreage payment, this position was more consistent with the views of the Alberta government. Such ideological support of government views was reciprocated. Members of the PFCA such as the Saskatchewan-based WCWGA had received Alberta government funding since 1975 as

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<sup>260</sup> Ibid.

<sup>261</sup> “Conflict acknowledged.” *Farm Trends*. January 1981. p. 6.

<sup>262</sup> Formerly the Palliser Wheat Growers Association.

had the Alberta-based WCBG, formed in 1977 with the assistance and funding of the province (Larsen, 2005). Both organizations continued to receive government support, financial and ideological, thereafter. Citing a 1994 study conducted by Alf Petersen, a former rural economist at the University of Alberta, Larsen (2005) notes that, as of 1994, the Conservatives had cumulatively contributed \$800,000 to the WCWGA and \$600,000 to the WBGA.

At that time, it is possible Unifarm remained unaware of the full extent of the relationship between prominent PFCA members and the government. Nevertheless, Unifarm lobbied the province to champion the transportation position adopted by the majority of producer groups and general farm organizations that in turn represented “a vast majority” of agricultural producers on the prairies.<sup>263</sup> In correspondence to Premier Peter Lougheed during the fall of 1981, President Howard Falkenberg argued that strong provincial government support for the WAC position would facilitate resolution to what was becoming a long-standing and unresolved agricultural issue.<sup>264</sup> Ottawa maintained that it could not act to resolve the issue if Western Canada did not demonstrate some consensus on the issue. Falkenberg noted that there was agreement between the province and Unifarm and that the statutory rates were historically significant. He further maintained that, given federal support for other modes of transportation, any shortfalls impacting the railroads were a federal obligation.<sup>265</sup> In spite of this appeal, the provincial support that Falkenberg requested was

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<sup>263</sup> “President seeks provincial action on freight rate issue.” *Farm Trends*. October 1981. p. 3.

<sup>264</sup> *Ibid.*

<sup>265</sup> *Ibid.*

not forthcoming.<sup>266</sup> The province continued to support the pay-the-producer proposal despite Unifarm's assertions that most provincial agricultural producers preferred a pay-the-railway proposal. As noted from an Alberta Grain Commission strategic plan from the late 1980s: "The AGC has been a strong proponent of a change in the method of payment of the Crow Benefit under the Western Grain Transportation Agreement and has continuously promoted MOP change at all opportunities."<sup>267</sup>

The transportation dispute at the 1982 Unifarm annual convention had lasting repercussions that eventually resulted in the withdrawal of the Alberta Cattle Commission from the organization. While many thought the ACC had finally agreed to the Unifarm railway proposal, further controversy came to a head after the ACC reneged and proposed a convention resolution in support of paying the producer, instead of paying the railway. The resolution was promptly defeated because it would have substantially altered established Unifarm policy. Newly elected ACC President Sten Berg was angered over the defeat of the resolution. His ire, likely exacerbated by his own personal history with Unifarm, prompted Berg to announce the following day that the ACC would be withdrawing its delegates from the convention and that he would recommend to his members that the ACC withdraw from Unifarm.<sup>268</sup> Undeterred, President Howard Falkenberg indicated that Unifarm had negotiated with the ACC in good faith over the previous three years and would not renegotiate

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<sup>266</sup> In February 1982, the federal government announced that it would pay the railways and not the producers.

<sup>267</sup> Letter from Ken Beswick, Chairman of the Alberta Grain Commission to Hon. Ernie Isley, Minister of Agriculture. "Alberta Grain Commission-Strategic Plan." Dated September 27, 1989. PAA 1996.489 Box 10 File 62 p. 2.

<sup>268</sup> "Annual Unifarm Convention." *Farm Trends*. January-February 1982. p. 4. For Berg's previous history with Unifarm see chapter on agricultural marketing. Briefly, Sten Berg had been deposed as the Chairman of the Alberta Hog Producers Marketing Board by Unifarm loyalists nearly ten year earlier.

established Unifarm policy unless the majority of its members voted to do so.<sup>269</sup> The ensuing loss of the ACC would adversely affect Unifarm's finances, but Falkenberg noted that the organization had previously survived without the organization.<sup>270</sup> While present at the 1982 convention, provincial Minister of Agriculture Dallas Schmidt expressed a hope that the ACC and Unifarm would reconcile, but did not offer any suggestions on how this could be achieved.<sup>271</sup> By the end of 1982, the Alberta Cattle Commission had carried out its threat and withdrew from Unifarm. Unlike its counterparts in Saskatchewan and Manitoba, Unifarm did not collapse immediately, but suffered an agonizing slow decline that continued until the mid-1990s.<sup>272</sup>

Undaunted by the events of the 1982 annual convention, Unifarm reiterated its support for existing grain policy at the Western Agriculture Conference in Regina. At the meeting the WAC passed a resolution, with strong Unifarm support, to "re-affirm its prairie transportation policy package and urge the federal government to move quickly to resolve the issue, taking a comprehensive approach."<sup>273</sup> In addition, the WAC passed a resolution calling for the creation of a board of CWB directors elected by Western Canadian grain producers along the lines of a true producer controlled co-operative. Such a board was recommended to replace the advisory committee that existed at the time. The WAC stressed that the resolution was not intended to criticize the CWB, but rather to promote the view that

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<sup>269</sup> "Annual Unifarm Convention." *Farm Trends*. January-February 1982. p. 4.

<sup>270</sup> Ibid.

<sup>271</sup> Ibid.

<sup>272</sup> In many respects it might have been better for Alberta's agricultural producers if Unifarm had completely collapsed immediately.. Saskatchewan, and particularly Manitoba, subsequently created new and effective general farm organizations that are still in existence in 2010. Wipf (2007) affirms that, of the three contemporary provincial general farm organizations, the Alberta Wild Rose Agricultural Producers is the weakest.

<sup>273</sup> "WAC re-affirms policy." *Farm Trends*. January-February 1982. p. 6.

producers should have greater involvement in the operations of the board.<sup>274</sup> Overall, these views were consistent with Unifarm policy which is hardly surprising given its influence within the WAC and that Howard Falkenberg served as the president of both organizations. During this period, Unifarm “support[ed] the function and operation of the Canadian Wheat Board and believes it must have the authority to control the grain trade to an extent that enable it to carry out its mandate.”<sup>275</sup> However, at the same time, Unifarm was a persistent advocate in favour of increased democratization of the CWB, believing that the federal organization should be fundamentally accountable to producers.<sup>276</sup> In this vein, Unifarm passed a resolution at its 1983 annual convention that the federal *Canadian Wheat Board Act* be amended to make all CWB commissioners accountable to an executive elected by western Canadian grain producers.<sup>277</sup>

By the early 1980s, some Conservatives questioned the role of the AGC and proposed reforming the grain organization. In November 1983, Minister of Agriculture LeRoy Fjordbotten indicated to Premier Lougheed that the full-time chairman of the AGC could be replaced by a part-time chairmanship along the lines of the Agricultural Products Marketing Council.<sup>278</sup> This change would require a practicing farmer, rather than a civil servant, serving as chairman and leave the ‘administrative and procedural activities’ to civil servants.<sup>279</sup> The Minister thought there already was “sufficient expertise within the department,” and the commission was, in many cases, merely duplicating services provided

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<sup>274</sup> Ibid.

<sup>275</sup> “Unifarm Policy Goals (Revised January 1982).” *Farm Trends*. March-April 1982. p. 16.

<sup>276</sup> Ibid.

<sup>277</sup> “Convention resolutions.” *Trends*. January-February 1983. p. 3.

<sup>278</sup> Letter from LeRoy Fjordbotten, Minister of Agriculture to Peter Lougheed, Premier. Dated November 16, 1983. PAA 1985.401 Box 196 File 2633. p. 2.

<sup>279</sup> Ibid. p. 1-2.

by the ministry (i.e. technical background and assistance, communication links with producers, market information services).<sup>280</sup> This view was not unanimously shared within the PC caucus. Given the importance of increasing the marketing potential of Alberta grain, the government MLA for Lloydminster, J. E. ‘Bud’ Miller, stressed the need for a full-time chairman and one knowledgeable of marketing.<sup>281</sup> Duplication between the ministry and the commission could be resolved, for example, by completely transferring marketing information from the former to the latter.<sup>282</sup> In the end, either for practical or political reasons, Lougheed indicated to Fjordbotten in a subsequent Action Request that the Alberta Grain Commission should maintain a full-time commissioner.<sup>283</sup> This decision suggests that, to some extent, the AGC’s role was more political than functional.

The more livestock-intensive producing provinces of Alberta, B.C. and Manitoba, along with their PFCA allies, were successful in convincing the federal government to pass legislation that implemented a Crow Benefit in 1983.<sup>284</sup> After a bitter debate, the *Western Grain Transportation Act* (WGTA) was passed by the Canadian Parliament on November 14<sup>th</sup> and given Royal Assent on November 17<sup>th</sup> of that year. After a decade of seemingly constant consultations with stakeholders, provincial governments and two separate federal investigations (i.e. the Snavely Commission in 1976 and the Gilson Report in 1982), the federal government had finally acted. Citing the power of the Quebec agricultural lobby and

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<sup>280</sup> Ibid.

<sup>281</sup> Letter from J.E ‘Bud’ Miller, MLA (Lloydminster) to Peter Lougheed, Premier. Dated November 22, 1983. PAA 1985.401 Box 196 File 2633. p. 1-2.

<sup>282</sup> Ibid.

<sup>283</sup> Action Request from Peter Lougheed, Premier to LeRoy Fjordbotten, Minister of Agriculture. Dated February 24, 1984. PAA 1985.401 Box 196 File 2633.

<sup>284</sup> Letter from Ken Beswick, Chairman of the Alberta Grain Commission to Hon. Ernie Isley. “Prairie Pools Inc/Decima Research Survey of Farmer Attitude.” Dated May 24, 1989. PAA 1996.489 Box 10 File 62 p. 1.

the Prairie Wheat Pools, Forbes (1985) notes the federal government chose to ignore the recommendation made by Gilson - to pay 81% of any Crow Benefit to farmers and 19% to the railway – and instead decided to pay the railways the full 100%. Grain producers had won an important battle with the WTGA, but would inevitably lose the war. Ultimately, livestock interests and their supporters (i.e. the government of Alberta) would not be fully content until all forms of railway and grain farmer subsidies were completely eliminated. The WTGA was a short-term concession that only served inevitably to bring the federal position closer to that of the Alberta government. By moving away from a Crow Rate to a Crow benefit, the Method of Payment (MOP) of the WTGA could subsequently be altered to pay the producer quite easily. While some in the federal government might have hoped to have found a solution to a generation long conflict, the federal decision did little to end the debate. Subsequently, the debate revolved around changing the MOP of the WTGA.

This chapter has argued that, during the study period, the Conservative government of Alberta adopted a policy preference with respect to the Canadian Wheat Board that was contrary to views held by a majority of provincial agricultural producers. A Decima Research Survey entitled “Assessment of the Attitudes of the Prairie Farming Community” released on May 8, 1989 lends quantitative support for this argument. Evaluating the survey, AGC Chair Ken Beswick reported to provincial agriculture minister Ernie Isley that: “A large majority of farmers support the CWB, even in Alberta, although Alberta support is less than that from other provinces.”<sup>285</sup> At that time, the AGC was championing the removal of oats from Canadian Wheat Board jurisdiction. The survey reported that a majority of provincial producers, including those in Alberta, favoured the retention of oats under CWB

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<sup>285</sup> Ibid.

control.<sup>286</sup> Among prairie farmers, there was less support for CWB jurisdiction over canola, rye, and flax than over wheat, barley, and oats. Only in Alberta, and only with respect to canola, was there a plurality of farmers who believed that canola fell outside CWB jurisdiction.<sup>287</sup> Clearly, the AGC and the government espoused a position that was opposite that of a majority of Alberta producers. Challenging the efficacy of the agricultural extension services offered by the provincial government, Beswick noted: “It is disturbing that the survey finds that the organizations which best represents farmers’ interests to the federal Government are the various Provincial Wheat Pools. Disturbing, because, at least in Alberta, I would have expected the Provincial Government to be a more valued representative.”<sup>288</sup> The Decima survey had concluded that “any government relations activity should be undertaken by the pools as they have the greatest credibility among farmers and are representatives of the entire Prairie region.”<sup>289</sup> The sentiments expressed by Alberta producers in the survey illustrated that the AGC had failed in several elements of its mandate, namely to; “encourage progress towards a market oriented grain and oilseed industry,” “serve the agricultural community” and “encourage crop diversification in Alberta.”<sup>290</sup> The AGC’s failure on the first two elements was evidenced by continued

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<sup>286</sup> Prairie farmers were, however, critical of the CWB, or rather the lack of the federal government’s consultation with farmers before implementing major policy decisions with respect to grain. For example, although the majority of prairie producers supported the CWB decision to retain jurisdiction over oats, they did not condone the government having made the decision unilaterally and undemocratically.

<sup>287</sup> Canola, it should be remembered had remained outside of CWB jurisdiction since the plebiscite held in the 1970s.

<sup>288</sup> Letter from Ken Beswick, Chairman of the Alberta Grain Commission to Hon. Ernie Isley. “Prairie Pools Inc. Decima Research Survey of Farmer Attitude.” Dated May 24, 1989. PAA 1996.489 Box 10 File 62 p. 2.

<sup>289</sup> Ibid. Beswick contested this notion observing that Alberta Wheat Pool approval was at only 26%. While Beswick was certainly correct in his assessment that Alberta had a wider range of voices in the grain industry than other provinces, the AWP nevertheless had a plurality of support, ahead of the provincial government.

<sup>290</sup> Letter from Ken Beswick, Chairman of the Alberta Grain Commission to Hon. Ernie Isley, Minister of Agriculture. “Alberta Grain Commission-Strategic Plan.” Dated September 27, 1989. PAA 1996.489 Box 10 File 62 p. 2.

majority support for the CWB and plurality support for the AWP (a frequent critic of government grain policy). As well, the AGC was not wholly successful on the final mandate – crop diversification – either. The survey found that only 19% of Alberta’s farmers were involved with specialty crops compared to 34% in Saskatchewan and 44% in Manitoba.<sup>291</sup>

By the late 1980s and early 1990s questions about the role of the AGC and the need for organizational reform were once again being raised. On May 8, 1990, AGC Chair Ken Beswick wrote to Minister of Agriculture Ernie Isley with the observation that since being put in charge of the Planning Secretariat within Alberta Agriculture, he could no longer effectively run both that organization and the AGC.<sup>292</sup> The commission had previously considered four options: “1) Eliminate the Alberta Grain Commission; 2) Integrate the Commission with the Planning Secretariat; 3) Appoint a part-time Chairman (presumably a farmer); and 4) Appoint a new full-time Chairman.”<sup>293</sup> Conceding that there was duplication between the Planning Secretariat and the AGC, Beswick argued that:

Commissioners believe that the autonomy of the Commission should be maintained, and that an effective voice independent from the Department could only be achieved by the appointment of a new full-time Chairman. Our grain and oilseeds industry still needs an independent, grassroots body to provide advice to the Minister and to work on farmers’ behalf for policy change. This is the option respectfully recommended by the Commissioners at their meeting.<sup>294</sup>

In possession of the AGC chair’s May 8<sup>th</sup> letter, Assistant Deputy Minister (Planning & Development) C.D. Radke wrote to Deputy Minister H. B. McEwen delineating Beswick’s

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<sup>291</sup> Letter from Ken Beswick, Chairman of the Alberta Grain Commission to Hon. Ernie Isley. “Prairie Pools Inc/Decima Research Survey of Farmer Attitude.” Dated May 24, 1989. PAA 1996.489 Box 10 File 62 p. 2.

<sup>292</sup> Letter from Ken Beswick, Chairman of the Alberta Grain Commission to Hon. Ernie Isley, Minister of Agriculture. “Subject: Future of Alberta Grain Commission.” Dated May 8, 1990. PAA 1996.489 Box 10 File 62 p. 1.

<sup>293</sup> Ibid.

<sup>294</sup> Ibid. p. 2.

views from that of the Commission Beswick chaired.<sup>295</sup> According to Radke, he and Beswick agreed that AGC staff could be employed to better effect through integration with the Planning Secretariat resulting in an overall improvement of the capacity of the AGC. There was also concord between Beswick and Radke on the concept of grassroots: “Mr. Beswick and I are also in agreement that the kind of ‘grass roots’ advice provided by the public members of the Commission should also remain available to the Minister.”<sup>296</sup> The contradiction that AGC members could constitute the grassroots despite continuing to be appointed by the Minister, rather than elected by producers, persisted. In the same vein, there was apparently no contradiction in the proposal of the AGC to remain independent from the department, despite the fact that it would now employ Alberta agriculture employees.<sup>297</sup> On May 30, 1990, Assistant Deputy Minister C.D. Radke announced the Minister’s decision regarding changes at the AGC to Ken Beswick, “the new Alberta Grain Commission will become an advisory committee to the Minister, with the secretariat services being provided through the Planning Secretariat”. The AGC Chairmanship became a part-time post held by an agricultural producer.<sup>298</sup>

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<sup>295</sup> Radke noted: “Mr. Beswick and I have discussed this issue [the AGC], you should be aware that Mr. Beswick does not personally (or as Chairman of the Planning Secretariat) share the views of the majority of the Grain Commission members. His memo merely reported- as it should coming from the Chairman of the Alberta Grain Commission- the views of the Commission. (Source: Letter from C.D. Rake, Assistant Deputy Minister, Planning & Development to H.B. McEwan, Deputy Minister. “Alberta Grain Commission.” Dated May 9, 1990. PAA 1996.489 Box 10 File 62).

<sup>296</sup> Letter from C.D. Radke, Assistant Deputy Minister, Planning & Development to H.B. McEwan, Deputy Minister. “Alberta Grain Commission.” Dated May 9, 1990. PAA 1996.489 Box 10 File 62.

<sup>297</sup> Ibid.

<sup>298</sup> Letter from C.D. Radke, Assistant Deputy Minister, Planning & Development to Ken Beswick, Chairman, Planning Secretariat. “Alberta Grain Commission.” Dated May 30, 1990. PAA 1996.489 Box 10 File 62. However, by September 1990 (some six months after Beswick had been appointed to the dual role of Chairman of the Planning Secretariat and the Alberta Grain Commission) the government had failed to replace Ken Beswick as AGC Chairman. (Source: Letter from Ken Beswick, Chairman of the Alberta Grain Commission to Honourable Ernie Isley, Minister of Agriculture. “Alberta Grain Commission Reorganization.” Dated September 26, 1990. PAA 1996.489 Box 10 File 62 p. 1).

Through its interventions, the AGC had left lasting impressions in the prairie grain sector. In September 1990, Ken Beswick wrote to Minister Isley recounting a conversation with Jaquie Fernet, the chief policy advisor for the Western Wheat Growers Association:

She related to me her impression that the Winnipeg crowd of grain industry regulators, bureaucrats and general hangers-on are very conscious of Alberta's reactions to their actions and policies. Our historic activities have acted to keep Winnipeg on its toes and we have played the role of conscience, always informed and prepared to argue on farmers' behalf in an industry where commercial and aggressive farmers are viewed as nuisances. I am very pleased and proud to have played a part in maintaining that initiative.<sup>299</sup>

The AGC had indeed been the champion of the minority of commercially minded Alberta agricultural producers who did not favour the CWB. Fernet had also issued a warning that Alberta's influence over grain policy was waning. Beswick had attributed this fact to his burden of continuing to serve as both as Chair of the Planning Secretariat and the AGC. This dual role had resulted in the AGC missing chances to lobby that an Albertan, or at least someone ideologically allied with the Conservative provincial government, be appointed to the CWB in order to lower morale at the CWB. Beswick issued a *mea culpa* for this oversight but attributed it to his being overwhelmed by the demands of his dual role.<sup>300</sup> Thus, he encouraged the government to speed up the process in appointing his replacement and called on the province to regain "the initiative (from an Alberta perspective) in grain industry issues."<sup>301</sup> This goal, Beswick believed, could be achieved through greater cooperation between the Planning Secretariat and Economic Services staff in Alberta Agriculture, but that: "Nonetheless the Commission should maintain an independent point of view to provide grass-roots balance against Department perspectives."<sup>302</sup> Notwithstanding

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<sup>299</sup> Ibid.

<sup>300</sup> Ibid.

<sup>301</sup> Ibid. p. 2.

<sup>302</sup> Ibid.

oversights by the AGC during this period, the organization was ultimately successful on several fronts.

The lobbying efforts of the provincial government eventually resulted in a change of position on the Crow by Unifarm and the Alberta Wheat Pool. At the 1990 annual convention, Unifarm reversed its long-standing opposition to the government of Alberta's position on the Crow method of payment.<sup>303</sup> Delegates supported an Alberta Wheat Pool resolution to adopt the pay-the-producer proposal advocated by the Alberta/British Columbia government transportation task force.<sup>304</sup> The task force recommended that producers be compensated on the basis of arable land. The government of Alberta had reached out to the AWP and the task force "was assisted by members and staff of the Alberta Wheat Pool, who participated on a Steering Committee overseeing the work of the various working groups."<sup>305</sup> The change in Unifarm's position was perhaps a reflection of the fact that the modern grain transportation debate had persisted for over 20 years and desperately needed to be resolved one way or another. In 1992, Unifarm President Hartmann Nagel had expressed clear frustration on the continuing debate illustrative of the views of other agricultural producers throughout the Canadian Prairies. "Transportation," Nagel exclaimed, "Will we ever be rid of this problem?"<sup>306</sup> The Government of Alberta had spent much time and resources hoping to convince Alberta producers that the paying-the-railways option was not in their interests and, in the end, the Conservative efforts prevailed.

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<sup>303</sup> Alberta Agriculture did provide Unifarm with \$4,000 to help offset the costs of the 1990 annual convention. (Source: Letter from Ernie Isley, Minister of Agriculture to Ralph Jespersen, President of Unifarm. Dated March 19, 1990. PAA 1996.489 File 47).

<sup>304</sup> Unifarm 20<sup>th</sup> Annual Convention Official Program. "Managing in the 90's." January 8-11, 1990. p. 28.

<sup>305</sup> Alberta/British Columbia Task Force on the Method of Payment. "Alberta/British Columbia Pay-the-Producer Proposal: A Discussion Paper." Dated September 7, 1989. p. ii.

<sup>306</sup> Nagel, Hartmann. "President's Corner." *Trends*. June 1992. p. 1.

Organizations like Unifarm and the AWP likely changed their policy in the hope that it would foster goodwill from the provincial government. Writing to Alan Hyland, Chair of the Agriculture and Rural Affairs Caucus Committee, Agriculture Minister Ernie Isley noted that: “We are very pleased that Unifarm has supported the proposal to change the method of payment of the Crow Benefit to a producer payment.”<sup>307</sup> Unifarm did, however, want assurances that the change would not result in Alberta grain producers suffering any net income loss if the effect on the producer could be measured.<sup>308</sup> By this time, the provincial government and its allies had convinced the Conservative federal government to remove payment to the railways from subsequent consideration the MOP (Method of Payment) options for the WGTA.<sup>309</sup> There remained disagreement over whether producers should be compensated on the number of cultivated acres eligible for the Crow benefit, or whether all cultivated acres should be the basis for payments.<sup>310</sup> Unifarm initially favoured the former position but, by 1994, had switched its support to the latter.

As the federal government contemplated what to do, the Crow debate continued to drag on into the mid-1990s. A measure expected to finally resolve the WTGA debate was further delayed when the federal Conservative government lost the 1993 election. It took until 1996 before the federal Liberal government finally and decisively resolved the grain transportation issue. Skogstad (2008) notes that, although the Liberal government decided to

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<sup>307</sup> Letter from Ernie Isley, Minister of Agriculture to Alan Hyland, M.L.A the Chairman of the Agriculture and Rural Affairs Caucus Committee. “Unifarm Resolutions.” Dated July 24, 1990. PAA 1996.489 File 47 p. 2.

<sup>308</sup> “Environment, barley marketing, MOP, working relationship highlights of presentation to Standing Policy Committee.” *Trends*. February-March 1993. p. 3.

<sup>309</sup> “Unifarm meets with producer payment panel-outlines proposal for method of payment.” *Trends*. October 1993. p. 2.

<sup>310</sup> “Unifarm Crow position has evolved slowly.” *Trends*. April/May 1994. p. 4.

completely eliminate the payments to the railways as a way to diversify prairie agriculture, it did provide one last subsidy:

The Canadian government compensated farmers for the termination of the Crow benefit, providing them with a once-time payment of \$1.6 billion plus \$300 million for adjustment assistance. Agricultural economists argued that the true value of the lost subsidy was “three to four times that amount.” Although freight rates continued to be regulated after 1995, they rose in keeping with inflation, as did farmers’ grain shipping costs (83).

The elimination of transportation subsidies for grain farmers was a victory for the provincial Conservative government, but not all regarded it as such. Epp (2008) laments: “That year the federal government phased out the last vestiges of the historic Crow’s Nest Pass freight rate, leaving prairie grain farmers fully exposed to the cost of rail transportation—save for a substantial one-time payment— and thereafter less likely to grow wheat for export (169).” Continuing with his interpretation that all Western Canadians are ‘Treaty People,’ Epp (2008) notes: “In some circles still, it is not uncommon to hear farmers recall the Crow as “our treaty”, now “broken”, in language parallel to those treaties negotiated with the Cree and the Blackfoot and establishing the basic terms of communal existence and livelihood on the prairies (170).” While the federal government had certainly abandoned support for what many producers felt was one of the few “constitutional” concessions or privileges granted to Western Canadians, the government of Alberta of the post-1971 era shared considerable culpability.

As the 1990s progressed, provincial opposition to the Canadian Wheat Board heated up. During his tenure as Premier, Ralph Klein frequently declared that the CWB should be dismantled and the Canadian grain trade left to the free market. During the early 1990s, Unifarm strongly opposed this position, with President Roy Jensen arguing:

With an end to the CWB it is easy to see how it would be a great boom to the multi-national grain dealers. But at whose cost the farmers? We have asked the Premier to list the economic benefits gained by the average farmer if all marketing boards were dissolved.<sup>311</sup>

The organization believed that an urban Premier was placing his own ideological convictions ahead of the interests of provincial grain growers. After the prominent arrests of several farmers illegally selling their grain to the United States in 1996, Skogstad (2008) notes “the Alberta government was prepared to assist the anti-Wheat Board farmers to challenge federal authority (116).” However, the arrested farmers represented a very small minority among law-abiding provincial grain producers. Declaring their solidarity with the ‘victimized’ farmers and arguing that this activity was clear evidence of the overregulation by the CWB, the Klein government used this incident and future instances, particularly the arrest of farmers in 2002, to great political effect. The Alberta government was heavily involved in a *Charter* challenge launched by the Alberta Barley Commission, the Western Barley Growers Association, and twenty-one individual producers against the CWB in October 1993. After several appeals and millions of dollars in legal fees, this legal challenge was ultimately unsuccessful. After the collapse of Unifarm, the provincial government launched its own legal challenge of the CWB in *Alberta v. Canada (Wheat Board)* in October 1997, also unsuccessful. As Skogstad (2008) notes, the Federal Court of Canada dismissed the application because “the Alberta government did not have standing to request the review since it is not directly affected by the Board (289).”<sup>312</sup> Despite failing to convince the Canadian judiciary to dismantle the CWB, the provincial government had successfully converted many provincial producers to espouse their anti-CWB sentiment since 1971.

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<sup>311</sup> Jensen, Roy. “President’s Corner.” *Trends*. June 1994 p. 4.

<sup>312</sup> A scholarly work written by Bercuson and Cooper (1997) and funded by the Alberta Department of Agriculture for use in the case has subsequently become notorious for its politically astute choice of the historical record to the benefit of the provincial government (Jaques, 2001; Morris, 2007).

## *Conclusion*

Powell (2004) argues that: “Good luck or advantageous circumstances are not the same thing as systematic responsiveness. In a democracy, moreover, responsiveness cannot depend solely on the goodwill of policy makers (92).” Nevertheless, this result is precisely what occurred in Alberta with respect to the Statutory Rates and the CWB – one of the most significant agricultural public policy debates in Canada during the 20<sup>th</sup> Century.<sup>313</sup> In the post-1971 period, the Alberta government utilized bias against democratic responsiveness, participation, and vertical accountability to great advantage in their achieving their political goals. The Conservatives established a closed policy network through which it excluded the majority opinions of provincial producers and subverted the capacity of Unifarm, the Alberta Wheat Pool, and the CWB. Throughout the 1970s and 1980s, the province afforded a vocal minority a disproportionate amount of influence in determining grain policy. It deliberately allowed the interests of cattle producers to trump those of grain producers without first obtaining consent from provincial agricultural producers. By the early 1990s, the cost to groups such as the Unifarm and the Alberta Wheat Pool to continue to vigorously promote the retention of statutory payments to the railways, as opposed to the producer, had become too high. These groups withdrew their support for the Statutory Rates. It could be argued these groups were not as outspoken in support of the CWB as they had once been. The nature of the provincial political monopoly was such that it was better for provincial producers to suppress their opinions rather than challenge the Conservative government’s political orthodoxy.

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<sup>313</sup> Forbes (1985) notes: “The changes in the Crow’s Nest Pass occasioned the most important legislative debates on agriculture in this century... (93).”

## **Chapter Six: Surface Rights, Land Use and the Farmers' Advocate**

### *Introduction*

During the study period, the provincial Conservative government violated the surface rights of provincial agricultural producers by pursuing public policy that placed energy imperatives before agrarian interests. This process constituted a violation of the equality and freedom, or the civil economic rights, of provincial agricultural producers that were exacerbated by the employment of participation bias against the political opposition and independent civil society. This participation bias was a product of a broader strategy of control over state-citizen relations employed to consolidate the power of the provincial government. The Conservative government needed to prevent surface rights from becoming a ripe political issue that could cost it many of its deliberately malapportioned and overrepresented rural constituencies. By diminishing the traditional role of general farm organizations in mediating surface rights disputes, the Conservatives sought to heighten government control of relations between agricultural producers and the state through the creation of such entities as the Farmers' Advocate. The subsequent fragmenting of rural civil society, caused in part by government intervention, ensured that independent agrarian interests could not compel the government to exercise substantive vertical accountability and democratic responsiveness. Quite visibly constituting democratic unresponsiveness, the provincial government ignored the surface rights desired by agricultural producers. The nature of provincial legislation (i.e. *The Surface Rights Act*), in concert with other weak checks and balances, resulted in a thoroughly undesirable situation for agricultural producers. With rural residents unable to effectively challenge this system, the political cost

for various energy companies (i.e. oil, gas, power etc.) and government to impose their economic and political land interests to the detriment of rural citizens remained relatively low.<sup>314</sup> At the same time, the Conservative government skilfully framed the promotion of surface rights as an essential feature of their governance. In practice, however, the Conservatives continued, as had their Social Credit predecessors, to favour petroleum interests over agrarian interests.

### *Overview of Surface Rights*

The distinction between surface and sub-surface ownership is an elusive concept. A false assumption is often made that all Canadian agricultural producers benefit from the discoveries of oil or gas beneath their lands and that mineral ownership is automatically conferred with surface ownership rights. In some instances this is certainly the case, but in many others it is not. In Alberta the vast majority of subsurface and surface titles are severed and distinct legal entities.<sup>315</sup> On the whole, agricultural producers own the title to the surface lands, while the Crown in the right of the province owns the title to the minerals beneath and sells exploration and development rights to the highest bidder. Mineral (or subsurface) rights trump surface rights.<sup>316</sup> Developers trump farmers. If an agricultural producer refuses

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<sup>314</sup> In Alberta there are two types of property title, one title for surface ownership and another other for subsurface ownership. The nature of Alberta's land system is that subsurface owners are given greater legal precedence over surface owners. Subsurface owners can access and displace surface operations to access resources.

<sup>315</sup> Subsurface title becomes even more complex as one can own everything below the soil, or just the first 500m etc. Sometimes development requires that the various subsurface owners cooperate wherein each stakeholder owns a different depth of the subsurface property.

<sup>316</sup> An Alberta government publication produced in mid-1980s summarizes the position that has existed since 1947: "Under Alberta law, title to land does not mean that the landowner has exclusive control over his property. Most titles to land are made expressly subject to the rights of the owner of the minerals (e.g. oil and gas) beneath the surface of land. The mineral owner (operator) may enter the land surface to work and remove the minerals if he obtains the consent of the surface owner or obtains a right of entry order from the Surface Rights Board under the Surface Rights Act. In either case, the surface owner is to receive an entry fee before the operator enters the land surface (unless entry is for survey work only)." (Source: Alberta Energy and Natural Resources. "Surface Rights and the Land Agent: A Guide for

to sign a private contract with an energy developer for subsurface access, the developer can apply to the Surface Rights Board to set a rate of compensation payable to the agricultural producer. As a matter of law, surface owners cannot prevent development. In addition, infrastructure facilitating the transportation of energy (i.e. pipelines, power lines etc.) is given right of way privileges. The rationale for privilege of access, or technical expropriation, for energy ownership and interests is derived from common law (Barton & Roulston, 1983). English Kings were entitled to the minerals located beneath all lands. In Canada, the Crown's ownership of minerals was transferred to the provinces after Confederation. However, the federal government retained title over the mineral deposits in the former Northwest Territories and did not grant mineral ownership to Alberta, Manitoba, and Saskatchewan when they achieved provincehood. In fact, Alberta did not receive mineral rights until 1930 and only after concerted and vigorous lobbying of the federal government by Alberta UFA Premier John Edward Brownlee. Another historical circumstance dictated a peculiar system whereby settlement patterns on the Canadian Prairies determined whether surface and mineral title were linked or severed:

There is a difference in the proportion of freehold mineral rights in the various western provinces because regions were settled at different times, and the date after which mineral rights were no longer automatically granted to homesteaders varies from one province to another. British Columbia and Manitoba were settled earlier than Alberta and Saskatchewan and have a greater percentage of freehold rights. In Manitoba about 80% of the mineral rights are owned by individuals [compared to 1% in Alberta].<sup>317</sup>

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Landowners and Occupants Concerning Land Agents and Surface Rights Agencies.” Edmonton, 1985. p. 7.).

<sup>317</sup> “Surface and Mineral Rights.” *Newsletter: A Publication of the Alberta Surface Rights Federation*. February-March 1986. p. 2.

Alberta's late settlement, relative to the other Prairie Provinces, together with its more extensive petroleum development has resulted in Alberta experiencing widespread surface rights conflicts between industry and agriculture.

On the whole, Alberta agricultural producers did not oppose oil companies' access to farmland if fair compensation could be negotiated and if farm operations and lifestyle remained largely undisturbed. At any time, but particularly during declines in the agricultural economy, energy dollars represented a "very a welcome supplement to farm income."<sup>318</sup> A responsible and conscientious industry developer could arrange a mutually beneficial working relationship with an agricultural producer. Nevertheless, producers remained cautious over many issues when dealing with the petroleum sector and other industries. Any development on agricultural lands meant acreage taken out of production. Adverse effects from petroleum activities on the immediate and surrounding areas included, but were not limited to the 'noise, hydrocarbon fumes, toxic gases, polluted waters,' petroleum and brine leaks from the rig or the pipelines, decreasing water tables, the explosions of seismic testing, the construction of roads, increased municipal taxation, mental anguish, and resident relocation.<sup>319</sup> There was also the prospect of a well blowout with potentially lethal consequences, particularly leaks of poisonous, colourless hydrogen sulphide gas (so-called "sour gas" (H<sub>2</sub>S)). Land beneath transmission lines and their supports

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<sup>318</sup> Moulton, Gordon. "President's Report for 1985." *Newsletter: A Publication of the Alberta Surface Rights Federation*. February-March 1985. p. 1.

<sup>319</sup> Bugej, Alan (ed.). "The way I see it." *Newsletter: A Publication of the Alberta Surface Rights Federation*. August-September 1984. p. 3. Barton and Roulston (1983) observe that in *Dorin v. Dyco Petroleum Corp. (1980)*, 30 A.R 105 "the Court of Queen's Bench awarded a farmer \$7,500 for 'mental anguish,' suffered as a result of drilling operation on his land. In that case the well was being drilled close to the home, and the owners were found to have experiences continuous noise, noxious gas fumes, anxiety about water supplies, and pressure in having to cope with escaping cattle. It should be noted that the SRB regards 'mental anguish' as solely within the jurisdictions of the courts, and has not awarded any compensation expressly under that heading (33-34)."

were ripe for weed growth and such maintenance fell to the agricultural producer. After industry was finished with development there was no guarantee that the lands would be restored in that producers' lifetime.<sup>320</sup> The courts recognized a legal distinction between the reclamation of agricultural lands and their restoration.<sup>321</sup> Damages to agricultural lands beyond those admitted to by industry often involved prolonged and expensive legal efforts to receive adequate compensation. Obtaining such compensation was even more difficult for those producers who had entered into private agreements with industry instead of choosing an arbitration route to compensation. These are just some of the pitfalls associated with energy development that infuriated many agricultural producers.

The study of surface rights in Alberta is neglected in social science scholarship. Briefly examining surface rights in their classic work on Alberta politics, Pratt and Richards (1979) argue that the failure of a powerful indigenous entrepreneurial class to unite with populist farmers to resist the influence of external capital and their interests in the post-1947 period represented "one of the great puzzles of modern prairie development (156)."<sup>322</sup> Pratt and Richards (1979) reached this conclusion prematurely, citing only the memoirs of James H. Gray, a former editor of the *Farm and Ranch Review*, presented the historical record thus:

Albertans, however, were more Caspar Milquetoast than Texans when it came to asserting their rights. Instead of fighting for the oil under their land, they

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<sup>320</sup> For example, the Surface Rights Board noted in 1985: "In the Board's opinion even the most stringent and exacting reclamation work feasible fails to achieve full restoration of the damaged land to its previous state. There is inevitably some degree of residual damage which will have an effect on crop vigour for an indefinite period of years. Final restoration falls to the owner to achieve through good farming practices." (Source: "Surface Rights Board Decisions Review Decisions No. E188/85 and E189/85." *Newsletter: A Publication of the Alberta Surface Rights Federation*. August-September 1985. p. 4).

<sup>321</sup> "Reclaimed but not restored." *Newsletter: A Publication of the Alberta Surface Rights Federation*. February-March 1984. p. 3.

<sup>322</sup> The precisely opposite scenario had emerged in Texas at the turn of the 20th century where "farmers and ranchers had driven wildcatters from their land at the point of a gun, and then forced the state legislature to turn mineral rights over to surface owners (Pratt and Richards, 1979: 156)."

were content to accept the law as it stood and haggle with oil companies for an increase in the pittances they were offered for the use of ten-acre well sites, and later for the running of gathering lines and pipelines across their land...In some areas, the farmers barricaded access to their land until compensation claims were settled. The government then sided with the oil companies and passed the *Right-of-Entry Act*, which made it a criminal offense for farmers to bar their land to drilling rigs or seismic crews. The farmers accepted that order without even a whimper (157).

These accounts suggest that there was little resistance from provincial agricultural producers to provincial oil and gas development.<sup>323</sup> Examining additional sources, Lizee (2010) contests the notion that Alberta farmers did not protest their lack of surface rights by stating emphatically: “Simply put, Alberta farmers responded aggressively to the surface rights issue, but were betrayed by a provincial government [under Social Credit] focused myopically on establishing and nurturing an emergent petroleum industry (78).” This study will expand on this scholarship during the period 1971-1996. It will advance the argument that agrarian and rural protest against the surface rights policies of the provincial government did exist but was largely ignored or suppressed.

### Surface Rights in the 1970s

#### *Implementing the election platform?*

Initially, the Conservatives appeared quite sympathetic to the expansion, protection, and promotion of increased agrarian rights. Surface rights protection was a vital plank in their 1971 election platform; one that garnered considerable support from rural areas. The Social Credit government was particularly vulnerable on this issue given its history of favouring petroleum interests at the expense of the agricultural producer since 1947 (Lizee,

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<sup>323</sup> For example, the events in Texas transpired nearly half a century before surface rights disputes arose in Alberta and after 1905 when Alberta’s provincial status and its commitment to the rule of law secured by a robust judiciary. Would Alberta farmers and ranchers have responded in a similar fashion to their Texan counterparts had oil been discovered in Alberta in 1904 (particularly in the ranching areas of Southern Areas inhabited by many retired NWMP members)?

2010). Hugh Horner's August 4, 1971 election memo had urged all rural PC candidates to: "Hit hard at Social Credit failure to do anything about the farmer and surface rights - stress that we would put the Right-of-Entry Arbitration Board under the Department of Agriculture and set up a 'Farmers' Advocate' to assist the farmers in their disputes with oil companies-pipeline companies-power companies."<sup>324</sup> Once in power, the new government implemented their electoral platform. Horner made it clear that with respect to surface rights his sympathies lay with the rural and agrarian community.<sup>325</sup> These sentiments were initially supported with legislative action. In October 1971, the Conservatives quickly transferred jurisdiction for expropriation of farm lands from the Public Utilities Board to the Right of Entry Arbitration Board, with the latter now falling under the Department of Agriculture.<sup>326</sup> The new government also began drafting a *Surface Rights Act (SRA)* to replace the *Right of Entry Arbitration Act*. By November 1971, Horner noted that even the draft *SRA* represented "a very strong stand in relation to the rights of the farmer in this regard. We intend to implement our policy as outlined in our platform in relation to this."<sup>327</sup> At the same time, there were hints that the new Conservative government had practical administrative issues to consider and could not fundamentally alter the existing system. Legislative Counsel Glen Acorn commented on the draft legislation's provision that all existing compensation orders be reviewed was impractical. He wrote: "Since there are 16,000 producing wells in Alberta this is a formidable job; so formidable I am sure the Board cannot

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<sup>324</sup> Letter from Hugh Horner, MLA to All Rural Candidates. "Re: Farm Forums." Dated August 4, 1971. PAA 1972.59 Box 1 File 8. p. 1-2.

<sup>325</sup> Letter from Hugh Horner, Minister of Agriculture to Eileen D. Hoge, Secretary-Treasurer, Unifarm Local 54-19. Dated November 2, 1971. PAA 2006.213 Box 4 File 70. This is one of many letters to rural residents in which Horner conveys such sentiments.

<sup>326</sup> "Significant provincial accomplishments." *Farm Trends*. October 1971. p. 4.

<sup>327</sup> Letter from Hugh Horner, M.D. Deputy Minister and Minister of Agriculture to Mr. A. B. Pierce, Regional Co-ordinator, National Farmers Union. Dated November 30, 1971. PAA 2006.213 Box 3 File 256. This example represents of many private letters and public statements in which Horner clearly declared his loyalty to agricultural producers with respect to Surface Rights.

handle it.”<sup>328</sup> Additionally, Acorn suggested that in light of the fact that the Institute of Law Research and Reform at the University of Alberta had been studying expropriation, including surface rights, for the previous three years and would soon release a report, the government might want to “delay any major moves in this area until it has had the benefit of the Institute’s report.”<sup>329</sup> The government chose to proceed without the benefit of the Institute’s final recommendations. The government did, however, have the benefit of the report when it passed the *Expropriations Act* in 1974.

The *Surface Rights Act, 1972* represented the fulfilment of an important election promise and a protection of agrarian rights. Unifarm examined the draft *SRA* in early 1972 and applauded it as “an excellent piece of legislation.”<sup>330</sup> Compared to the old *Right of Entry Arbitration Act* it certainly appeared to be, but its excellence was measured against a very poor benchmark. The new legislation provided much needed improvements to protections for agricultural producers and addressed issues of concern that Unifarm had wrestled with for a number of years (i.e. such as those identified in its October 1971 brief to the new government).<sup>331</sup> Jaques (2001) observes that with the legislation:

A Surface Rights Board was established to deal with cases of expropriation of farmland for oil well sites, power and pipe line right-of-ways, highways, or other development. The legislation included the requirement that the

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<sup>328</sup> Letter from Glen W. Acorn, Legislative Counsel to the Hon. Dr. Hugh M. Horner, Minister of Agriculture. “Re: Proposed Right of Entry Arbitration Act, 1972.” Dated November 30, 1971. PAA 2006.213 Box 2 File 42. p. 2.

<sup>329</sup> Acorn reiterated his recommendation to delay completely new surface rights legislation in the closing of his letter: “You might consider postponing a complete rewrite of the Act and instead proceed only with amendments that can be made fairly readily and that do not involve a study of their consequences.” (Source: Ibid. p. 2.).

<sup>330</sup> Letter from W. D. Lea, President of Unifarm to Hon. Hugh Horner. Dated May 5, 1972. PAA 2006.213 Box 10 File 176. p. 1.

<sup>331</sup> The October 1971 brief on Surface Rights to the provincial government included, “The arbitration of all cases of expropriation of farm land by the Board, legislation to prevent trespassing, the allocation of cost of legal counsel, the prior payment for damages and the requirement that survey crews give notice before entering land.” (Source: “Thumbs up on Surface Rights Act.” *Farm Trends*. May 1972. p. 3.).

landowner's cost of defending property through legal counsel and expert witnesses be paid by the company attempting to acquire the land. Also included in the legislation were requirement that all cases of expropriation be heard by the Surface Rights Board and that survey crews give notice before entering someone's property (141).<sup>332</sup>

Under the new legislation surface access contracts entered after January 1, 1972 were subject to mandatory compensation reviews every five years. The *SRA* was not a perfect bill for agricultural producers and it did not fundamentally alter the existing provincial property system. Sub-surface rights continued to trump surface rights and it remained illegal for agricultural producers to deny industry access to their lands after right of entry had been granted by government. The Surface Rights Board therefore could neither decline any right of entry to developments previously approved by the Energy Resources Conservation Board nor could it propose any alterations to proposals.<sup>333</sup> Barton and Roulston (1983) note: "The real power to grant or refuse a right of entry lies with the Energy Resources Conservation Board (5)." Indeed, the power of the ERCB was immense as it regulated "the development of energy resources in Alberta. This includes issuing permits/approvals for oil and gas wells,

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<sup>332</sup> In later years, agricultural producers also found that industry was reluctant to fully compensate them for the payment of legal counsel and expert witnesses.

<sup>333</sup> Barton and Roulston (1983) describe the approval process of the ERCB: "A well licence must be obtained from the ERCB before an oil and gas well, or any preparatory work for it, is commenced. In dealing with a well licence application, the ERCB takes the interest of surface owners into account. It scrutinizes the need for a well, the well location, and the mitigation of damage. It imposes conditions or may even deny an application on the basis of safety hazards, the impact on the natural environment, the availability of alternative surface locations, and the economic impact on the surface. However, it is *rare* for the ERCB to refuse outright to grant a well licence, recognizing that, under the common law before the legislation, the applicant company would have been free to take the benefits of its expensively-obtained mineral rights. A refusal by the ERCB may be reviewed by the Cabinet (Barton & Roulston, 1983: 5-6)." One practical example occurred on April 10, 1972, when McCuaig Desrochers, counsel for Mr. and Mrs. Joseph Skorupski, wrote to Minister Horner requesting that he order Gulf Oil Canada Limited to move their pipeline east away from his client's property and closer to the corporate boundaries of Fort Saskatchewan. (Source: Letter from McCuaig Desrochers to Hugh M. Horner, Minister of Agriculture. Dated April 10, 1972. PAA 2006.213 Box 12 File 215). Horner's reply was that: "I'm sure you will understand that the Right of Entry Arbitration Board cannot act in opposition to what the Pipelines Division of the Energy Resources Conservation Board is doing. I would hope that you would get in touch with them immediately to see if representations can still be made." (Source: Letter from Hugh M. Horner, M.D. Deputy Premier and Minister of Agriculture to McCuaig Desrochers. "Re Yours of April 10<sup>th</sup> with Regard to Mr. & Mrs. Joseph Skorupski." Dated April 17, 1972 PAA 2006.213 Box 12 File 215).

pipelines and power lines as well as dealing with any resulting concerns of the surface owners (e.g. location of a well site or route of a pipeline, construction details, and safety) with the exception of the issue of compensation.”<sup>334</sup> While the ERCB took potential damages under consideration before approving developments, it was primarily a promoter of energy rather than agricultural development. The ERCB regulatory process did not involve substantive public consultation.<sup>335</sup>

The agrarian community had identified some important weaknesses to the proposed bill. Prior to the Act’s third reading in the Legislature, Unifarm suggested two possible changes before the bill reached third reading. Section 23(3a) allowed operators to bypass the Surface Rights Board and settle disputes directly in the courts. Unifarm argued that this provision placed agricultural producers “at a distinct disadvantage,” given that most companies retained lawyers, while farmers could not always do so given the prohibitive costs.<sup>336</sup> In the absence of a level legal playing field, Unifarm felt that decisions and compensation orders should be limited to the Surface Rights Board itself. The second suggestion dealt with the power of the board under section 37(2) of the proposed act to “review, amend, rescind, or re-hear orders,” being extended to events that occurred on or after January 1, 1972.<sup>337</sup> That the new board would not consider events that transpired before 1972 was certainly a legitimate concern, given the inequities of previous actions and decisions delivered by the old Right of Entry. Despite its sympathy for such a move, the

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<sup>334</sup> Alberta Energy and Natural Resources. “Surface Rights and the Land Agent: A Guide for Landowners and Occupants Concerning Land Agents and Surface Rights Agencies.” Edmonton, 1985. p. 6.

<sup>335</sup> ERCB statistics from 1984 give a rough sense of the consultation process during the study period, noting that, of the 127000 applications that year, only 0.3% of those were determined to require a hearing and only one-half of that miniscule number involved the public. (Source: “Intervenor costs review.” *Newsletter: A Publication of the Alberta Surface Rights Federation*. October-November 1985. p. 3.).

<sup>336</sup> *Ibid.*

<sup>337</sup> *Ibid.* p. 2.

government nevertheless argued that to “change the term of previous leases would be unethical in a legal sense,” and a breach of the sanctity of contracts.<sup>338</sup> This position was very inconsistent with Premier Lougheed’s cancelation of existing royalty agreements with private industry and his unilateral implementation of new royalties that provided better rates of return for the government not long thereafter. This irony was not lost on agricultural producers.<sup>339</sup>

The new Conservative government fulfilled another important election promise when it created the post of Farmers’ Advocate. Helmut P. Entrup, the Member Services Director of Unifarm, was appointed Alberta’s first Farmer’s Advocate by Ministerial Order on December 14, 1972.<sup>340</sup> Jaques (2001) argues that Horner “did not surreptitiously spirit Helmut Entrup away from Unifarm; he saw the importance of the work being done by Entrup and suggested to the Unifarm executive that the Agriculture Department was prepared to support the service within Unifarm or to set up a service under the department umbrella (142).” The primary responsibilities of the Farmer’s Advocate were to evaluate and resolve rural issues that arose as a result of federal and provincial legislation and

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<sup>338</sup> Letter From Hugh M. Horner, M.D., Deputy Premier and Minister of Agriculture to Mr. Michael Crozier of Bryan, Andrekson, Wilson, Ostry, Bryan, Boyer & Olsen (Barristers & Solicitors). Dated August 17, 1973. PAA 2006.213 Box 19 File 320.

<sup>339</sup> Al Opanavicius of St. Paul wrote to his MLA ‘Mick’ Flucker: “Prior to recent events a strong justification for not amending surface leases prior to January 1, 1972 was the fact that these were a legal and binding contract that could not be challenged unilaterally. However the proposed amendment to royalty schedules pretty well negates this argument. If the province can unilaterally cancel its royalty contracts then surely it could do the same on behalf of its citizens.” (Source: Letter from Al Opanavicius to Mr. A. I (Mick) Flucker, MLA. “Re Surface Leases on Oil and Gas Well Leases Signed prior to January 1, 1972. PAA 2006.213 Box 17 File 234. p. 1.).

<sup>340</sup> At the time of Entrup’s appointment, Provincial Agriculture Minister Hugh Horner noted: “I was specifically against having a lawyer fill this position although many of the problems will involve legalities. We wanted someone who could be familiar with the sorts of problems the farmers in the province have, who could deal effectively with them, and who would be able to direct them to the right place to find a solution if he could do it. I think we have that man in Helmut Entrup.”(Source: “Unifarm Loses Member Services Director: Province Gains Farmers’ Advocate. *Farm Trends*. January 1973 p. 5.). Despite Horner’s preferences, it is arguable that someone with greater legal experience may have been able to more effectively advise agricultural producers to challenge energy companies in court.

regulations.<sup>341</sup> Cy J. McAndrews, the Assistant Deputy Minister of Development in the Department of Agriculture, suggested that the new position be described to Unifarm as such:

The Farmers' Advocate will function in the full range of farmers concerns. He will advise on the rights and procedures available to farmers in the pursuit of their problems. To act as an ombudsman is not his role, thus he will not be an arbitrator. However, he is available to negotiate upon differences which may arise. The moral rights of individuals will be given priority consideration by the Farmers' Advocate. The legal right and access to legal procedure will be supported to the utmost of his capability. It is not within our capability nor our desire to replace the legal system or even to provide legal counsel. It would appear favourable [sic] to Unifarm to retain its role in member services by being the farmers' [sic] spokesman. It would not seem appropriate that this function be attempted by the Farmers' Advocate.<sup>342</sup>

Under these conditions, and given that Entrup was a prominent executive of Unifarm, many in the organization expressed their early support for the Farmers' Advocate. There were naysayers, however, who expressed misgivings that the traditional member service role of independent farmers' organization was now being usurped by government (Jaques, 2001). These misgivings subsequently proved fully justified. The government had negated an important reason to be a member of Unifarm. Unifarm's excellent membership service had now been eliminated. Ultimately, the Farmers' Advocate eventually became agricultural producers' *de facto* spokesman for on surface rights.

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<sup>341</sup> It was anticipated that the Farmer's Advocate's duties would include: "1) Examine Departmental files, municipal and county records, land titles, agreements and provincial statutes; 2) Inform governmental personnel of how agricultural statutes are being interpreted and applied by the farming public; 3) Recommend changes in existing legislation where such changes are deemed desirable; and 4) Refer individual farmers to the correct public or private agencies and advise rural residents of any procedural requirements that may be involved. (Source: Letter from John C. Calpas, Director of Extension Division to Hugh Horner, Minister of Agriculture. Dated December 14, 1972. PAA 2006.213 Box 12 File 232.) The creation of the position was justified by two basic rationales: "First, the continual increase in the volume of legislation makes it imperative that assistance be offered to individual rural residents who have difficulty in interpreting their rights and responsibilities under present government programs and policies. Second, the speaking engagements and seminars conducted by Mr. Cal Brandley, Crown Solicitor III in Extension, have generated an awareness among farmers of the implications of government legislation and necessitated the establishment of a responsive body within the Department to answer questions and handle problems emerging as a result of this awareness." (Source: Memorandum from John G. Calpas, Director, Extension Division to Hon. Dr. Hugh Horner, Minister of Agriculture. Dated December 14, 1972. PAA 2006.213 Box 12 File 232 (1 of 2). p. 1).

<sup>342</sup> Letter from C. J. McAndrews, Assistant Deputy Minister, Development to Dr. G. R. Purnell, Deputy Minister. Dated February 9, 1973. PAA 2006.213 Box 8 File 301.

*The government's disingenuous public persona revealed*

In spite of the new legislation and the continued efforts of Unifarm and the Farmers' Advocate, rural and agrarian positions vis-à-vis surface rights remained unsecured. Shortly after their election, the Conservative government began to exhibit the same affinities towards the oil industry that had prevailed under Social Credit. In October 1972, "an honourable disagreement" occurred between Surface Rights Board Chairman P.J. Skrypnyk and Minister Horner over the interpretation of the *Administrative Procedures Act (APA)*. As Chairman of the Surface Rights Board, a semi-judicial authority, Skrypnyk was of the view that "if one accepts the responsibility of deciding a dispute between two parties it is his duty to give the parties full reasons for his decisions and not just a few lines for each item of compensation you suggest."<sup>343</sup> Having previously written to Horner in March 1972, Skrypnyk had at that time cited Justice Allen of the Alberta Court of Appeal applauding the detailed findings of fact provided by the Surface Rights Board in the *Carswell* case. "When they (the Board) make detailed findings of fact," Skrypnyk wrote, "as they did in this case after viewing the area and hearing representations from both sides and render written reasons as extensive as they did in this case, I think their findings should not be lightly disturbed...The very informality of their proceedings may suite the type of case with which they are dealing better than formal court procedure."<sup>344</sup> This debate over the interpretation of the *APA* had historical significance. Until 1970, the Social Credit government had not required the SRB's predecessor, the Right of Entry Arbitration Board, to be bound by the

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<sup>343</sup> Letter from P. J. Skrypnyk, Chairman of the Surface Rights Board, to Hugh Horner, Minister of Agriculture. Dated October 4, 1972. PAA 2006.213 Box 12 File 215 p. 1.

<sup>344</sup> Letter from P. J. Skrypnyk, Chairman of the Surface Rights Board, to Hugh Horner, Minister of Agriculture. "Re: Caswell Appeal." Dated March 8, 1972. PAA 2006.213 Box 12 File 215 p. 2.

APA. Thus, that board did not need to provide written justifications for its rulings. That situation changed under the last Social Credit government of Premier Harry Strom when the board was made subject to the *Administrative Procedures Act* by Alberta Regulation 123/70 (O.C 693/70) and forced to issue detailed findings of fact with rulings.<sup>345</sup> With the SRB legally bound by the APA, Skrypnyk felt that a return to old Social Credit practices was inappropriate. The Chair also saw the need to maintain the trust of the agricultural producer: “It is largely because of full reasons for decisions having been given that the Board has gained a considerable degree of confidence from the farmers and their organizations, particularly Unifarm, and the oil and utility industries. It is significant that Unifarm is advocating the transfer of all expropriations of farm lands to this board.”<sup>346</sup> The Chair argued that the return to “scanty reasons” for judgements represented a “backward step”. This disagreement would cause his resignation effective November 15<sup>th</sup>, 1972.<sup>347</sup> Horner accepted the resignation and was adamant that “the Board must reorganize to be able to do an efficient up-to-date job and I think that can be done having regard to the *Administration Procedures Act* and a fairness on both sides.”<sup>348</sup> Implicit in Horner’s position was the assumption that a stringent and fully explanatory process would stall petroleum developments. This move was likely the result of a series of consultations with surface rights stakeholders by the Ministry of Agriculture in March 1972 and the lobbying efforts of the

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<sup>345</sup> Letter from J.D. McArthur, Chairman of the Surface Rights Board, to Mrs. Kathleen I. Taylor. Dated July 24, 1974. PAA 2006.213 Box 34 File 445. p. 1.

<sup>346</sup> Letter from P. J. Skrypnyk, Chairman of the Surface Rights Board, to Hugh Horner, Minister of Agriculture. Dated October 4, 1972. PAA 2006.213 Box 12 File 215 p. 3.

<sup>347</sup> Ibid. 4.

<sup>348</sup> Letter from Hugh Horner, Minister of Agriculture to P.J. Skrypnyk. Dated October 6, 1972. PAA 2006.213 Box 12 File 215. In accepting the resignation, Horner offered that Skrypnyk “be retained as a consultant at your present salary for the period of one year and ask that you give this some consideration.” (Source: *ibid.*) Skrypnyk also left diplomatically noting in his letter of resignation: “I should like to add that I very much appreciate the support you have given me and my fellow members of the Board and particularly your successful efforts in upgrading the salaries of the Board.” (Source: Letter from P. J. Skrypnyk, Chairman of the Surface Rights Board, to Hugh Horner, Minister of Agriculture. Dated October 4, 1972. PAA 2006.213 Box 12 File 215 p. 3.).

energy industry.<sup>349</sup> Energy companies had raised their concern on a number of issues, including: the transfer of surface rights responsibilities from the Ministry of Mines and Minerals to the Ministry of Agriculture; the possibility of retroactive review with respect to leases and expropriations; that the decisions offered by the proposed Surface Rights Board would set “precedence for future offers forcing agreements away from actual evaluation,” and that: “The historical results are agreements and awards at prices higher than land would trade between farmers.”<sup>350</sup> Energy interests attacked agricultural interests and the Surface Rights Board throughout the study period. Although the system was generally aligned in their favour, energy interests resented any residual avenues being left open to agrarian agents as unnecessary hindrances to maximizing energy profits.

Within a year of passing the new *Surface Rights Act*, the provincial government began to revoke some of the protections that the legislation afforded to agricultural producers. This retreat from its commitments represented a profound betrayal to farmers especially considering that, overall, the *SRA* had not noticeably redressed agrarian troubles with industry development. Even prior to drafting the legislation, the government had been lobbied by energy interests not to provide wholesale concessions to agricultural producers.<sup>351</sup>

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<sup>349</sup> Stakeholders included the Canadian Association of Petroleum Landmen, the American Right of Way Association, the Canadian Petroleum Association, the Independent Petroleum Association of Canada, the Alberta Land Surveyors, Unifarm, the National Farmers Union, and the Appraisal Institute of Canada (Edmonton Chapter).

<sup>350</sup> Letter from P. J. Skrypnyk, Chairman of the Surface Rights Board, to Hugh Horner, Minister of Agriculture. Dated October 4, 1972. PAA 2006.213 Box 12 File 215 p. 4.

<sup>351</sup> Douglas B. Clark of the Rover Land Company wrote with concern to Minister Horner in December 1971: “We are somewhat concerned about statements you made at the Unifarm Convention in Edmonton on December 8<sup>th</sup>, concerning amendments to surface rights legislation. As consultations in lessor-lessee relationships, we attended the convention as a good will gesture to open direct lines of communication on behalf of our clients. We believe that a close liaison has been all too lacking in the past between these two major industries, and our first corporate priority is to encourage closer co-operation between the two. Your stated endorsement of the Unifarm proposals and your declared willingness to change the acts and regulations to give effect to such proposals pose potential threats to establishing oil industry-farmer

Under continued pressure, and with plans to raise royalty fees, the government likely thought it advisable to provide industry with concessions at the expense of the agricultural producer.<sup>352</sup> Clearly the imperative to streamline processes to fast track petroleum developments was an important government consideration. The government gave Rusty Zander, a Conservative MLA from the predominately oil-producing region of Drayton Valley, Surface Rights responsibilities within the Conservative caucus.<sup>353</sup> Why the government would choose a government MLA from an oil-producing rural constituency rather than an agricultural constituency to administer surface rights remains unknown, but it does attract curiosity. The government's pro-industry bias was evident in Zander's letter to Hugh Horner in February 1973:

I know it is late for planning new amendments to the *Surface Rights Act*; however, we can now plan for the Fall Session. I have discussed this with the Chairman of the Board and he thinks it is a good idea and will help the Board in cleaning up cases more readily where damages exist outside the right-of-way where damages are less than \$1,000.00. It puts the farmer at a disadvantage where damages amount to less than say \$1,000.00. He has to get a lawyer at court costs could eat up anything he may get under this figure. Please tell me what you think of the idea.<sup>354</sup>

Under this proposal oil companies were, in effect, given license to damage agricultural property provided those damages did not exceed \$1000. Damages of up to \$1,000 in 1973

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relations until the nature of the amendments proposed by Unifarm are known.” (Source: Letter from Douglas B. Clark, Rover Land Co. Ltd. to the Honourable Dr. Hugh Horner, Deputy Premier & Agriculture Minister. Dated December 13, 1971. PAA 2006.213 Box 3 File 67 p. 1.). Looking to assuage such concerns, Horner replied that: “Our aim is exactly the same as yours, to have a close liaison between the oil industry and agriculture...” (Source: Letter from Hugh M. Horner to Mr. Douglas B. Clark, Rover Land Company Limited. Dated January 4, 1972. PAA 2006.213 Box 3 File 67).

<sup>352</sup> Indeed, this issue was a consideration during the drafting of the *SRA*, 1972. Legislative Counsel Glen Acorn had communicated to Hugh Horner that: “At a time when Crown royalty rates are under review it might be an inopportune time to increase the industry's land costs.” (Source: Letter from Glen W. Acorn, Legislative Counsel to the Hon. Dr. Hugh M. Horner, Minister of Agriculture. “Re: Proposed Right of Entry Arbitration Act, 1972.” Dated November 30, 1971. PAA 2006.213 Box 2 File 42 p. 2.).

<sup>353</sup> The appointment was noted in: Letter from Hugh Horner, Deputy Premier and Minister of Agriculture to Mr. N.S Thomson, Director of the Program Development Division (Alberta Agriculture). “Re: Right of Entry Arbitration Board.” Dated October 25, 1971. PAA 2006.213 Box 5 File 95.

<sup>354</sup> Letter from Rusty Zander, MLA, Drayton Valley to Hon. Dr. H. Horner, Minister of Agriculture. Dated February 20, 1973. PAA 2006.213 Box 14 File 262.

dollars are equivalent to damages of up to \$19,366.67 in 2010 dollars.<sup>355</sup> This cost represents a substantial figure for any producer then or now. It is questionable whether the first Chair of the Surface Rights Board, P.J. Skrypnyk, would have signed off on such a proposal. It would have been difficult for Skrypnyk's immediate successor to strongly disagree with any government proposal knowing the circumstances of his resignation. Moreover, given Horner's very public support of provincial agricultural producers' surface rights, one would have expected him to reject such a plan. This proved not to be the case. Just three days later Horner's Administrative Assistant, Art Rendfleisch, responded to Zander: "With reference to your memo of February 20<sup>th</sup> to Dr. Horner, re: amendments to the Surface Rights Act I might say that Dr. Horner approves of this and we have subsequently asked the Chairman of the Board to proceed with an Order-in-Council for the Fall Session."<sup>356</sup> The difference between the disingenuous public persona of the government and its private inclinations towards surface rights are abundantly clear. The order-in-council would not attract the public attention of an amendment of the *Surface Rights Act*. Orders-in-Council may even go unpublished in the *Alberta Gazette*, or anywhere else.<sup>357</sup>

An indication of the limited protection offered by the *SRA, 1972* can be seen from the letter written by Redwater farmer, Paul Stachniak to C. M. Leitch, Attorney General in September 1973.

In general, my complaint is that an Oil Company is permitted by law to enter onto my land, make demands as to the right of way etc. and I am compelled to agree. I am then told that I will reimbursed at the same rate that prevailed in

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<sup>355</sup> Using Bank of Canada online inflation calculator.

([http://www.bankofcanada.ca/en/rates/inflation\\_calc.html](http://www.bankofcanada.ca/en/rates/inflation_calc.html))

<sup>356</sup> Letter from Art Rendfleisch, Administrative Assistant to the Minister of Agriculture. Dated February 23, 1973. PAA 2006.213 Box 14 File 262.

<sup>357</sup> There is a joke that in Alberta there are more unpublished orders-in-councils than published ones.

the late “Forties” and early “Fifties” which my Father had to accept, despite the fact that rising costs have affected every area, not least of all farming. Then after they have ruined a strip of field, often made access to other fields virtually impossible, cut down a stand of trees and wastefully piled them in a hopeless tangle impossible to deal with, they do an absolute minimum of work to replace the soil properly and expect that to be acceptable. No thought appears to have been given by anyone involved, except the farmer who suffers, to the fact that it usually takes years of effort to bring the damaged land back to its original fertility and productive level. Someone once said “A man’s house is his castle” – presuming inviolability. He obviously never had to deal with an Oil Company, backed by Government legislation, which from the standpoint of affording any protection to the ordinary citizen land owner is both inept and ineffectual.<sup>358</sup>

During the 1971 campaign and while in Opposition the Conservatives had pledged to protect surface rights. By 1972, it was apparent to many producers that, in response to pressure from the energy sector, the government would provide only limited protection of their surface rights.

Although the matter lies slightly outside the scope of this work, it is nevertheless helpful to cite the refusal of the provincial government to pass *The Pipe Line Act* in 1974 as indicative of the broader philosophy on petroleum development under Premier Lougheed. The Energy Resources Conservation Board (ERCB) had requested quick passage of the legislation so it could achieve several aims. The first goal was to gain jurisdiction over the 5000 miles of then unregulated provincial flow lines that accounted for 58% of provincial oil spills in 1973. The second aim was to mandate that all secondary lines be tested prior to being made operational, not six months after. Thirdly, the ERCB sought to expedite approval of the rural gas distributions systems. The ERCB’s fourth aim was to re-test over 2000 existing pipelines to ensure their safety and establish a modern recordkeeping system to

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<sup>358</sup> Letter from Paul Stachniak to The Hon. C. M. Leitch, Attorney General. Dated September 28, 1973. PAA 85.401 Box 239 File 3006. p. 1-2.

track of all provincial pipelines. In conclusion, the ERCB wanted to gain jurisdiction over non oil and gas pipelines (particularly those carrying industrial alcohol, ammonia, chlorine, compressed air, chemical solutions, and high pressure water etc.).<sup>359</sup> In February 1974, the Vice-Chairman of the ERCB, Dr. Craig, wrote to W. D. Dickie, Minister of Mines and Minerals, concerned that the legislation had been bumped from the spring to the fall session of the Legislature: “We are seriously concerned with this development...I am taking the liberty of restating in this letter the principal reasons why the Board believes the proposed Act should be given Spring Session priority.”<sup>360</sup> On July 25, 1974, G. W. Govier, the Chairman of the ERCB, wrote to Dickie similarly concerned:

Vice Chairman Craig highlighted the reasons for urgency for a new Pipe Line Act in his letter to you of February 15, 1974. I attach a copy of this letter for convenience. Mr. Craig makes reference to six major areas of concern, all of which one way or another have a direct bearing on safety or environment contamination through possible pipe like breakage. In some of the areas mentioned the Board has absolutely no authority under the present Pipe Line Act and in other areas the Board’s authority is inadequate under today’s conditions. In the interest of public safety the Board has gone considerably beyond the power given to it in the present Pipe Line Act in its Informational Letter and in its field inspection and surveillance work but its legal position to do so is weak. An illustration of the importance of the whole matter is the recent serious accident resulting in three deaths as a consequence of the plowing into a high pressure gas line of Alberta Gas Trunk Line Co. Ltd. by a contractor engaged by the North Peace Gas Co-operative to install plastic pipe for rural gas service.<sup>361</sup>

Despite such pressing safety and environmental concerns, the Conservative government did not pass a new *Pipe Lines Act* until after the 1975 election.

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<sup>359</sup> Letter from D. R. Craig Vice-Chairman, Energy Resources Conservation Board to The Honourable W. D. Dickie, Q.C. Minister of Mines and Minerals. “The Pipeline Act.” Dated February 15, 1974. PAA 2006.213 Box 24 File 383. p. 1-3.

<sup>360</sup> Ibid. p. 1.

<sup>361</sup> Letter from G.W. Govier, Chairman of the Energy Resources Conservation Board to the Honourable W.D. Dickie, Minister of Mines and Minerals. “The Pipe Line Act.” Dated July 25, 1974. PAA 2006.213 Box 24 File 383 p. 1.

### *The decline of Unifarm as a surface rights advocate*

As the premiere general farm organization, Unifarm continued to promote the need for improved surface rights for the remainder of the 1970s. Acknowledging the importance of the oil and gas industry to the provincial economy, Unifarm, nevertheless, stressed in its December 1974 brief to the Surface Rights Board: “We must, however, insist that the industry respect farmers’ rights, as owners of the surface of the land, in its efforts to find and capture the mineral wealth of the province.”<sup>362</sup> During its 5<sup>th</sup> Annual Convention in 1975, Unifarm passed a resolution to extend the jurisdiction of the Surface Rights Board to consider private contracts under the *Expropriation Act*.<sup>363</sup> In its submission on land use to the Alberta Land Use Forum in March 1975, Unifarm took the position that “public progress and development” did take precedence over the rights of individual landowners, but agricultural producers “should not be required to suffer for the benefit of the public.”<sup>364</sup> These and other recommendations were given due consideration by the Land Use Forum, but were subsequently ignored by the provincial government. Ultimately, the Land Use Forum was more of a public relations exercise than a legitimate public policy mechanism or an attempt at substantive land use reform. Unifarm’s agrarian ideological position of greater surface rights and promotion of the preservation of agricultural lands did conflict at times with broader government economic goals. The organization questioned the proposed multiple pipeline corridors from the bitumen fields near Fort McMurray to processing facilities near Edmonton preferring other less land-intensive options.<sup>365</sup> This vigilance

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<sup>362</sup> “Brief presented to Surface Rights Board.” *Farm Trends*. December 1974. p. 12.

<sup>363</sup> “Special Report-Fifth Unifarm Convention. Surface Rights extend jurisdiction to private contracts.” January 1975. p. 8.

<sup>364</sup> “Unifarm’s Land Use brief emphasizes preservation of rural life-style, productivity.” *Farm Trends*. April 1975. p.4.

<sup>365</sup> “Time running out: energy corridor concern expressed by area farmers.” *Farm Trends*. May 1975. p. 7.

proved inconvenient to the government as the Syncrude development represented one of its pet projects. Another conflict came when the government expropriated 4,400 acres of prime farm land for the Red Deer dam in 1977. The controversy arose when the government ignored, not only Unifarm and local residents, but its own Environment Conservation Authority (ECA), which had recommended two other sites.<sup>366</sup> As Chalmers (1986) notes: “Instead, the Lougheed government kept its dam site and abolished the ECA (135).”<sup>367</sup>

The Conservative support for petroleum interests could have been counter-balanced by a well-financed and independent farm organization promoting surface rights. Not only could such organizations have served as stronger and better protectors; pooled and cooperative resources could provide members with legal counsel to argue for a more level playing field in conflicts with industrial and public development. By the late 1970s, the waning influence of Unifarm on surface rights advocacy and the continued inequitable situation for agricultural producers facilitated the proliferation of local surface groups. Barton and Roulston (1983) noted that:

Most companies are willing to work with Surface Rights Groups, but other simply prefer to deal with individual landowners...Surface Rights Groups are useful for negotiating with the companies about monetary compensation, but they carry out equally important work resolving difficulties about noise, weed

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<sup>366</sup> The construction of the Red River dam is a prominent example of Unifarm’s criticism of government actions and its frustration at the continued removal of farmland from production. In the mid-1970s, the provincial government’s Environment Conservation Authority (ECA), had been tasked to find a suitable place for construction of the Red Deer River dam. After a two-year investigation, which included a public consultation process, the ECA recommended against the construction of a dam at the Spruce View location and this recommendation was supported by local farmers and Unifarm. Despite this recommendation, the provincial environment minister, Dave Russell chose the Spruce View location. Unifarm President Dobson Lea viewed the decision as a fit of “arrogant disregard” of the consultation process by the minister. (Source: “A dam at Spruce View...what happened?” *Farm Trends*. July 1977 p. 6.).

<sup>367</sup> Chalmers (1986) notes: “It then created a new body, the Environmental Council of Alberta, with no power to investigate anything, except as directed by the Environment Minister. That body gives well-respected advice but remains, politically, a counterfeit of the ECA. Ever mindful of image, the Government even gave it the initials of the more democratic institutions it replaced (135).”

control, fencing, roads, reclamation and all other problems that create nuisance and inconvenience for landowners. To many owners, a reduction of these impacts is more important than compensation. Companies have often ignored these matters in their operating practices, but Surface Rights Groups are able to bring to bear more influence than an individual farmer, both in making sure that these matters are covered in surface leases, and then in taking them up with the operator if difficulties occur (16).

The *Surface Rights Act* had been a step in the right direction but in many respects did not go far enough in vouchsafing provincial producers from the ill effects of industrial activity to their land. While local surface rights groups enjoyed occasional success, there remained a clear need for a powerful provincial surface rights organization.

#### *The role of the Farmers' Advocate during the 1970s*

Government intervention was partially responsible for Unifarm's diminishing surface rights role over the course of the 1970s. The creation of the Farmers' Advocate had significantly displaced Unifarm from leading the surface rights debate at the same time that it consolidated the power of the government. Some individuals in Unifarm thought Entrup's efforts in championing surface rights as the Farmer's Advocate (i.e. organizing surface rights meetings) usurped the traditional role of independent farm organizations by trying to mediate what was legitimate rural discontent. While highlighting Unifarm mistakes, Jaques (2001) draws a similar conclusion:

...some organizations were not interested in being included in the Unifarm umbrella. They felt Unifarm was not aggressively adopting the collective bargaining process that was proving to be so successful across the province. Other groups have shied away because of Unifarm's preoccupation with the controversial issue of the Statutory Rates. In addition, Helmut Entrup in the farmers' advocate office was helping to set up surface rights groups, further interfering with Unifarm's goal of a provincial under the auspices of Unifarm. Eventually, the surface rights group set up their own federation (153).

Initially, Unifarm had tried to give the Farmer's Advocate some room to operate and therefore briefly withdrew from surface rights advocacy. Shortly thereafter it was decided that this retreat was a mistake and the organization reinstated surface rights services. The conclusion was that a government controlled institution could not replace the need for producer-controlled groups.

Unifarm had played a pivotal role in surface rights advocacy prior to the creation of the Farmers' Advocate. In his previous role as Director of Member Services for Unifarm, Entrup had noted: "In many cases the fact that a company or organization knows that *Unifarm* is involved is enough to prompt a quick settlement. Often legal matters are settled to everyone's satisfaction without coming to court, because companies will realize that that the farmer is getting guidance from *Unifarm*."<sup>368</sup> This reputation of success provided a tremendous incentive for agricultural producers to join the organization. When matters did go to court, Unifarm had been able to secure some important surface rights victories on the behalf of farmers, with *Alexander Petroleum vs. Carswell* in 1972 serving as an excellent example.<sup>369</sup> Carswell, a farmer from Consort, had refused an offer made by Alexander Petroleum for use of his land. The matter eventually made it to the district court, which sided with the oil company.<sup>370</sup> Carswell approached Unifarm and the organization was able to provide assistance in obtaining legal counsel to appeal the decision to the Supreme Court

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<sup>368</sup> "Unifarm aids individual members." *Farm Trends*. September 1972. p. 36.

<sup>369</sup> It was not until 1967 that agricultural producers could appeal the decisions of the Right of Entry Arbitration Board to the Courts. So, the ability for producers to challenge the decisions of the government was at that time a fairly recent phenomenon. (Source: Letter from P. J. Skrypyk, Chairman of the Board of Arbitration. "Re: Appeals from the decisions of the Board." Dated October 8, 1971. PAA 2006.213 Box 3 File 67. p. 2.).

<sup>370</sup> "Unifarm aids individual members." *Farm Trends*. September 1972. p. 35.

of Alberta, which subsequently overturned the decision of the district court.<sup>371</sup> Alexander Petroleum appealed to the Supreme Court of Canada, but the ruling of the provincial Supreme Court was upheld.<sup>372</sup> Thereafter, Unifarm continued to provide surface rights counsel through its member services branch and to offer surface rights seminars to agricultural producers through the Rural Education and Development Association (REDA).<sup>373</sup>

Displacing producer controlled and politically independent organizations from surface rights advocacy activities, the Farmers' Advocate proved a less-than-ideal replacement. This statement is not intended to imply that the office did little to attempt to assist farmers. Entrup regularly provoked the ire of petroleum interests with his considerable efforts on behalf of producers.<sup>374</sup> However, the Farmers' Advocate was ultimately responsible to the Minister of Agriculture and not to rural residents and agricultural producers. The post was not assigned any statutory powers and could not compel industry to any action. Successful outcomes were often predicated on the personal diplomatic skills of the Farmers' Advocate and the magnanimous attitudes of industry. Instead of creating an

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<sup>371</sup> Ibid.

<sup>372</sup> Ibid.

<sup>373</sup> "Successful Surface Rights Seminar." *Farm Trends*. March 1974. p. 9.

<sup>374</sup> For example, in January 1974, Gordon Raymond, President of Troy Oils wrote to Premier Lougheed to complain about the Farmers' Advocate: "It is incredible your Government could allow one of their civil servants to wander about irresponsibly uttering blatant lies and innuendoes about a professional group of people whose activities are controlled by a Government Act. Specifically the Landman's Licensing Act. Those of us in private enterprise and industry are responsible for and can control the activities of our employees. Quite obviously the Government, and specifically the Department of Agriculture cannot or will not or Mr. Entrup would no longer be a Government employee. Please note, we as taxpayers demand something far better of our Government and our civil servants than this type of stupidity." (Source: Gordon A. Raymond, President of Troy Oils Ltd. to the Hon. Peter Lougheed, Premier of the Province of Alberta. "Re: Department of Agriculture and Farmer's Advocate." Dated January 14, 1974. PAA 2006.213 Box 20 File 344.). Subsequent to this letter, Dr. Horner and Helmut Entrup met with the Canadian Association of Petroleum Landmen in Calgary "and many ruffled feathers have been smoothed." (Source: Letter from R. M. Finnerty, Executive Assistant to the Deputy Premier to Terry Meyer, Correspondence Writer and Office of the Premier. "Gordon A. Raymond, President, Troy Oils Limited, Calgary." Dated April 8, 1974. PAA 2006.213 Box 20 File 344.).

additional Officer of the Legislature with statutory authority, Horner felt that the Farmer's Advocate "would function best as a regular civil servant placed in our Extension Division."<sup>375</sup> However, when the position was created, the Farmers' Advocate was a contract employee and not technically a regular member of the civil service.<sup>376</sup> Nevertheless, the Farmers' Advocate had to contend with all the internal bureaucratic conflict and oversight of a regular civil servant. Entrup had been placed under Assistant Deputy Minister for Development C.J. McAndrews for administrative purposes and there was some ambiguity as to what precisely this organizational structure entailed. McAndrews was of the opinion that: "This includes the development of your terms of reference which, as you know, we are still working at, your office facilities and support, your salary and maintenance, and policy development proposals which relate to you."<sup>377</sup> Balking at what he viewed as too much administrative control given the importance of his position, Entrup went to the Minister. Horner, concerned over "the continuing battle" between Entrup and McAndrews stressed that the Farmers' Advocate required some 'flexibility' and may be better served if the position did not have to report to the ADM for Development.<sup>378</sup> The more significant question is why Entrup was expected to report to an ADM in the first place. This reporting scheme certainly implied that he had little more power than other directors employed by Alberta Agriculture that also reported to ADMs. Given the prominence of the Farmers'

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<sup>375</sup> Letter from Hugh Horner, Deputy Premier and Minister of Agriculture. Dated December 15, 1972. PAA 2006.213 Box 13 File 233.

<sup>376</sup> This employment status was noted by Deputy Minister Purnell in a letter to the Provincial Ombudsman, Randal Ivany in June 1974: "Although the person currently engaged in the position [Farmers' Advocate] is on contract rather than regular Civil Service appointment, he is to be considered a Civil Servant from your point of view." (Source: Letter from G.R. Purnell, Deputy Minister to Mr. Randall Ivany, Ombudsman. Dated June 28, 1974. PAA 2006.213).

<sup>377</sup> Letter from C. J. McAndrews to Helmut Entrup. Dated March 30, 1973. PAA 2006.213 Box 19 File 310.

<sup>378</sup> Letter from Hugh Horner to Dr. G. R. Purnell. "Re: Farmers' Advocate Position & Salary Reclassification." Dated April 19, 1973. PAA 2006.213 Box 19 File 310.

Advocate in the 1971 election platform, the position ultimately had a surprising lack of authority. In a comparison that signals the government's commitment to surface rights, Larsen (2005) observes that the Chairman of the Alberta Grain Commission was the equivalent of a Deputy Minister several ranks above the Farmers' Advocate. The Conservatives' challenge to federal grain policy, which was in fact supported by most provincial producers, was paramount to ensuring that its rural citizens were afforded adequate protections from the various long-term and ill effects of industrial development.

Another obstacle to the Farmers' Advocate's independence post was that the salary and performance bonuses of the office were contingent on the Minister of Agriculture's assessment of the Advocate's job performance.<sup>379</sup> The salary for the Farmers' Advocate was also significantly lower than other similar posts in the Ministry of Agriculture: the Chairmen of the Agricultural Development Corporation and Surface Rights Board, respectively earned \$32,500 and \$34,000, with individual members of the Surface Rights Board earning \$25,000, and the Chairmen of the Agriculture Products Marketing Council, Dairy Control Board and Feed Grains Commission \$26,500.<sup>380</sup> In April 1973, Horner raised the salary of the Farmers' Advocate to be within the '\$18,000 plus' range, just days after Entrup requested a salary of \$23,500.<sup>381</sup> Horner advised not long thereafter that the Chairman of the

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<sup>379</sup> The Minister of Manpower & Labour, A. E. Hohol, had established a methodology in determining salary adjustments for senior civil service officers that is illuminating of a general trend, "...our recommendations are based on fully satisfactory performance. No other standard could be assumed by our Committee. If observed performance is less than fully satisfactory the rate recommended should be reduced. Conversely, clearly outstanding service would be sufficient grounds for an increase of a high order." (Source: Letter from A. E. Hohol to Hon. Dr. H. M. Horner, Minister of Agriculture. Dated August 2, 1974. PAA 2006.213 Box 26 File 401).

<sup>380</sup> Letter from the Honourable A. E. Hohol, Labour Minister and Chairman of the Management Policy Committee to Hon. Hugh Horner, Minister of Agriculture. "Salary Adjustments for Deputy Ministers and Members of Crown Boards, Agencies, etc." Dated September 25, 1974. PAA 2006.213 Box 26 File 401.

<sup>381</sup> Letter from Hugh Horner, Minister of Agriculture to D. R. Purnell, Deputy Minister of Agriculture. "Re: Farmers' Advocate Position & Salary Reclassification." Dated April 19, 1973. PAA 2006.213 Box

Surface Rights Board's salary be raised to the \$34,000 range and the Deputy Minister be raised from the low to mid \$40,000 pay scale.<sup>382</sup> If pay was any indication of status and authority the Farmers' Advocate post ranked below that of other special positions employed by Alberta Agriculture.

Another factor that called into question the independence of the Farmers' Advocate was the close relationship it had with government. A month into his term in February 1973, Entrup indicated that: "From the very first day I took office, I have received letters, telephone calls and personal contacts; indications that the appointment of the Farmers' Advocate was a good move on the part of *our Government*."<sup>383</sup> That same month, Entrup dissuaded a number of farmers from marching on the Legislature to protest the dismal provincial surface rights record. Entrup instead suggested the farmers bring the matter to their MLA.<sup>384</sup> By March 1973, a frustrated Entrup complained:

Recently M.L.A.'s have also made use of this office by turning problems of their constituents over to this office. Besides the many requests for assistance from farmers who come to me directly this creates a workload, too much for one man to handle. Perhaps M.L.A.'s could instruct their constituents that every complaint or problem must come directly from farmers. If you would provide me with a memo that M.L.A.'s must first seek the approval of the Minister of Agriculture before a problem can be brought to my attention or you give me instruction that complaints and problems must be brought to my attention directly and preferably in writing, it would eliminate abuse of this office.<sup>385</sup>

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19 File 310. Also, Letter from Helmut Entrup, Farmers' Advocate of Alberta to the Honourable H. M. Horner, Minister of Agriculture. Dated April 6, 1973. PAA 2006.213 Box 19 File 310.

<sup>382</sup> Letter from Hon. Dr. Hugh Horner, Deputy Premier and Minister of Agriculture to Hon. Dr. A. E. Hohol, Chairman, Management Policy Committee. Dated September 13, 1974. PAA 2006.213 Box 26 File 401.

<sup>383</sup> Letter from Helmut P. Entrup, Farmers' Advocate of Alberta to Dr. Hugh Horner, Minister of Agriculture. Dated February 20, 1973. PAA 2006.213 Box 19 File 310. p. 1 (emphasis added by author)

<sup>384</sup> Letter from Helmut P. Entrup to Hon. Hugh Horner, Minister of Agriculture. Dated February 23, 1973. PAA 2006.213 Box 19 File 310 Ibid. p. 1.

<sup>385</sup> Letter from Helmut P. Entrup, Farmers' Advocate to Hon. Hugh Horner, Deputy Premier and Minister of Agriculture. Dated March 23, 1973. PAA 2006.213 Box 19 File 310.

This would not be the last time that a Farmers' Advocate would issue such concerns. However, one can also question the relationship of Helmut Entrup to Horner as the considerable loyalty shown to Horner exceeded what was expected from a contract staff worker, or even a dedicated civil servant. In July 1973, the *Edmonton Journal* attacked the secrecy of the Lougheed government over the Conservatives' failure to disclose the recipients of the Alberta Opportunity Company's financial support and whether Agriculture Development Corporation funds were being used to assist a farmer in Fairview in an infamous cause. Entrup wrote to the Minister that he intended to rebut the accusations with a letter of his own.<sup>386</sup> In the draft rebuttal letter Entrup noted that: "If the government and Dr. Horner use their influence to again give some hope to farmers and other citizens of Alberta and such negotiations with companies are carried out in confidence it is suggested that those companies involved have no objections for keeping it this way rather than having to face exposure to the general public. We believe that the people of Alberta will endorse the action our Minister has taken even if the Editor questions the secrecy of our minister."<sup>387</sup> Notwithstanding Entrup's support of government secrecy and pork-barrelling, Horner advised Entrup not to submit the letter to the *Edmonton Journal* preferring that Alberta Agriculture communication staff issue their own press release.<sup>388</sup> This example certainly raises questions as to whether the position of Farmers' Advocate was designed to help agricultural producers or promote the government in rural Alberta.

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<sup>386</sup> Letter from Helmut P. Entrup to Hon. Hugh Horner, Minister of Agriculture. Dated July 16, 1973. PAA 2006.213 Box 19 File 310 Ibid. p. 1.

<sup>387</sup> Ibid. p. 2.

<sup>388</sup> Letter from Hon. Hugh M. Horner, Deputy Premier and Minister of Agriculture to Helmut Entrup, Farmers' Advocate. Dated July 17, 1973. PAA 2006.213 Box 19 File 310.

The failure to provide greater authority, independence, and resources to surface rights regulatory structures allowed elements of democratic quality to suffer. Greater democratic quality could have been achieved had the government simply given surface rights responsibilities to the Provincial Ombudsmen, an office among the most prominent independent provincial horizontal accountability mechanisms.

### Surface Rights 1980-1996

#### *The fracturing Surface Rights movement*

The Surface Rights movement continued to weaken during the 1980s. The founding of the Alberta Surface Rights Federation (ASRF) in June 1980 added an additional critic of government surface rights policy.<sup>389</sup> The creation of the ASRF had been facilitated as Jaques (2001) observes, “with crucial help from Helmut Entrup and the office of the farmer’s advocate. Entrup provided encouragement and much needed funding to finance organizational meetings as well as ongoing annual conventions (153).”<sup>390</sup> Surface rights had long remained a subject of interest for Unifarm in the 1980s and 1990s as the organization sought to consolidate its position. As Jaques (2001) argues: “Unifarm stood to increase its membership and reputation if it could be seen as the co-ordinating force behind the burgeoning surface rights activity (Ibid.). During the 1980s, surface rights advocacy remained prominent among Unifarm’s briefs to government and a regular feature of its *Farm Trends* publication which provided advice to agricultural producers on dealing with energy

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<sup>389</sup>At its founding convention it passed a resolution, which read: “This meeting go on record as not being satisfied with the operation and decisions of the Surface Rights Board. Also that we request that landowners have more input into decisions by government affecting their operations. Further that this association notify government that we are not satisfied with the people in the Land Reclamation Council and their operation.” (Source: Organizational Meeting of a Provincial Association of Surface Rights Groups held on June 23, 1980 in Stettler, Alberta. PAA 1985.401 Box 312 File 3677 p. 4.).

<sup>390</sup> It was curious why Entrup saw the need to facilitate the creation of yet another group that would compete with the premiere general farm organization, Unifarm, on such an important agrarian issue.

companies. However, there was no single, powerful provincial surface rights group. Instead, there existed a multiplicity of less powerful organizations including the Alberta Surface Rights Federation (ASRF), the Alberta Cattle Commission, and Unifarm. Akin to Unifarm, the ASRF experienced financial difficulties and fundraising problems.<sup>391</sup> Notwithstanding the added competition posed by fellow surface groups, the recruiting and membership maintenance proved difficult, especially during the slowdown of the oil industry in the 1980s:

A lack of activity breeds indifference, and indifference breeds apathy. Many landowners when not confronted with immediate problems regarding their Surface Rights tend to concentrate their efforts and finances in other areas. This of course creates problems for organizations such as ours. We must not allow this indifference to affect the farmer support of what I feel to be worthwhile organizations such as the Federation.<sup>392</sup>

Moreover, provincial agricultural producers were left with two poorly funded major surface rights groups, namely, the ASRF and Unifarm. The Alberta Cattle Commission was well-funded, but even its efficacy in surface rights advocacy paled in comparison with the petroleum lobby's competing promotional resources.

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<sup>391</sup> "Funding of the Federations activities is causing some concern. All Federation work up to now have been carried out on a voluntary basis with only some direct expenses paid to Directors either from the Federation funds or from those of their associations. To ensure that Federation's activities be continued and expanded and highly motivated people be available to sit on the various delegations and committees, new sources of funds must become available. The Board of the Federation is giving this matter serious consideration. The funding of the Federation activities for 1983 is to come from the \$10.00 per member to be collected by the local groups." (Source: Bugej, Alban (ed.). *Newsletter: A Publication of the Alberta Surface Rights Federation*. February-March 1983. p. 1.).

<sup>392</sup> Moulton, Gordon. "President's report for 1983." *Newsletter: A Publication of the Alberta Surface Rights Federation*. February-March 1983. p. 1.

### *Proposing changes to the Surface Rights Act*

The provincial government announced the creation of a Select Legislative Committee in 1980 to examine Surface Rights.<sup>393</sup> In August 1980, Minister of Agriculture Dallas Schmidt noted that the creation of the committee was a result of government awareness “of some concern in rural Alberta with what the legislation embodies in *The Surface Rights Act*, particularly in regard to compensation matters.”<sup>394</sup> While initially commending the creation of a government committee to review surface rights, Unifarm found that existing procedures were skewed in favour of the energy industry and therefore weakened the possibility of meaningful negotiations between energy interests and agricultural producers.<sup>395</sup> Unifarm also issued concerns about the lack of technical agricultural expertise of the provincially-licensed land agents who negotiated leases and who served on the Surface Rights Board itself.<sup>396</sup> The placement of the Surface Rights Board under the auspices of Alberta Agriculture was of little use if agricultural realities were not under constant consideration during the regulatory process. Unifarm also argued that the 48 hours agricultural producers were given to consider private offers from energy companies, prior to the issuance of a government approved right-of-entry order, was thoroughly unsuitable and should be

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<sup>393</sup> “Surface Rights a long-term interest of Unifarm.” *Farm Trends*. October 1980. p. 2.

<sup>394</sup> Letter from Dallas Schmidt, Minister of Agriculture to Mr. G. Moulton, Acting Secretary-Treasurer, Alberta Surface Rights Association. Dated August 27, 1980. PAA 1985.401 Box 312 File 3677 p. 1.

<sup>395</sup> “Unifarm presents surface rights brief to legislative committee.” *Farm Trends*. October 1980. p. 3. Jacques (2001) notes the government was impressed with the knowledge of Unifarm members, who included many recommendations and criticisms in Unifarm’s brief to the committee.

<sup>396</sup> Land agents, or more commonly known as Landmen, were agents of industries authorized to negotiate on their behalf to acquire surface access. Barton and Roulston (1983) noted that: “A landman must be licensed under the *Land Agents Licensing Act*, and must comply with certain provisions set out in the Act for the protection of landowners in the negotiation of surface leases. A landman must leave with the landowner a copy of the company’s proposed agreement, with the Landman’s name and business address endorsed on it, for 48 hours (excluding holidays) before resuming negotiations. However, it should not be assumed that failure to comply with these provisions will invalidate any lease or easement that the owner signs(7).” “Unifarm presents surface rights brief to legislative committee.” *Farm Trends*. October 1980. p. 3.

extended to 14 days.<sup>397</sup> The existing policy of well sites' and power lines' locations also required alteration. Well sites would be less invasive to agricultural producers if they were moved away from the middle of a quarter section of land. It was argued that pipelines and power lines should be placed on areas of little agricultural value and, failing that, along property lines, and that alternate routes should be planned.<sup>398</sup> Furthermore, Unifarm also issued concerns about land reclamation efforts and recommended that land being used for a sub-surface lease or right-of-ways development be evaluated at its actual property value with periodic updates that would include payment adjustments in line with the increase in property value. By the summer of 1981, at least one of Unifarm's surface rights goals was realized after the Energy Resources Conservation Board (ERCB) agreed to change the target area for oil wells to the north-east corner of the quarter-section, though gas wells would remain in the middle of the quarter section.<sup>399</sup>

The provincial government released an interim report of the Select Legislative Committee on Surface Rights in March 1982. The ASRF, in addition to Unifarm, saw many "good points" to the committee's report.<sup>400</sup> Although distinct from its own recommendation on the subject, Unifarm was comfortable with the recommendation that expropriated land would require an upfront payment prior to negotiation. It was also content with the

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<sup>397</sup> Ibid.

<sup>398</sup> Ibid.

<sup>399</sup> "Unifarm lauds well spacing decision." *Farm Trends*. August-September 1981. p. 7. In 1978, the Surface Rights Board had conveniently decided that a shift to the north-east would "create other problems for both the farmer and the oil and gas industry and that on the balance, the negative features outweighed the potential benefits. The Board, therefore, decided not to make a change in target areas for the remainder of the province." (Source: Letter from Dallas Schmidt, Minister of Agriculture to Mr. G. Moulton, Acting Secretary-Treasurer, Alberta Surface Rights Association. Dated August 27, 1980. PAA 1985.401 Box 312 File 3677 p. 2.). It was not clear exactly why this policy was reversed just three years after its adoption.

<sup>400</sup> "Unifarm sees many good points in report of the Legislative committee." *Farm Trends*. March-April 1982. p. 5.

committee's attempt to clarify "market value of land" which was found to be the price negotiated by a willing buyer and seller.<sup>401</sup> Unifarm, however, continued to express concerns about a number of points. It did not agree with the committee's recommendation that local members of the Surface Rights Board could be appointed by county and municipal counties. Local governments were often desperate for tax revenue and would approve almost any industrial development that would create employment. Most troubling to Unifarm, however, was that the committee did not recommend an adjustment of compensation for power lines and pipelines right-of-ways to meet inflationary increases of land prices and/or agricultural input costs.<sup>402</sup> There was also concern with respect to sour gas (H<sub>2</sub>S) facilities and the market value of land within the isopleth area, the vicinity potentially affected by a blowout, was not being adequately compensated.<sup>403</sup> Finally, Unifarm also raised concern that a number of developments, or widespread development, could be placed on a single parcel of land and would require only periodic compensation under government legislation.<sup>404</sup> The Final Report of the Select Legislative Committee on Surface Rights received endorsement from the agrarian community including Unifarm and the Alberta Surface Rights Federation.<sup>405</sup> The organization hoped that the major recommendations of the committee would serve as the basis for the new amendments to the *Surface Rights Act*. Unifarm President Stan Bell urged members to lobby their MLAs to this end.<sup>406</sup> The recommendations of the Select Committee were touted by the Conservatives during the 1982

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<sup>401</sup> Ibid.

<sup>402</sup> Ibid.

<sup>403</sup> Ibid.

<sup>404</sup> Ibid.

<sup>405</sup> "Surface Rights recommendations." *Trends*. January-February 1983. p. 1.

<sup>406</sup> Ibid.

election campaign.<sup>407</sup> The government specifically pledged to introduce a minimum \$1,000 per acre right-of-entry fee that all petroleum companies would be compelled to compensate agricultural producers.

### *The Lodgepole Blowout*

Agrarian concerns over surface rights and sour gas were heightened with the infamous Lodgepole Blowout in the autumn of 1982. For 68 days, an Amoco sour gas well near Lodgepole, 130km southwest of Edmonton, leaked an estimated 1.3 to 4.2 million cubic meters of hydrogen sulphide (H<sub>2</sub>S) into the air at concentrations of 28 percent each day.<sup>408</sup> Hydrogen sulphide is lethal to humans at concentrations of 750 parts per million (0.075%).<sup>409</sup> The distinctive rotten-egg smell of sour gas was prominent in Edmonton causing many residents to become ill with the ‘Lodgepole flu.’ The sour gas could be detected in Winnipeg 1500 kilometres to the east.<sup>410</sup> At the time, Alberta Public Health Association President Dr. Gerry Predy observed:

High levels of hydrogen sulphide (H<sub>2</sub>S) constitute an acute poison in the same class as cyanide. Long-term, low-level exposures have less dramatic effects but there is currently a dearth of information on the effects of chronic intoxication. Although the literature does not indicate any evidence of carcinogenicity, mutagenicity or effects on reproduction, there is some evidence that terratogenic effects can occur in mammals. In 1977 Burnett et al reviewed the records of 221 cases of H<sub>2</sub>S exposure in Alberta and found that 6% of cases resulted in fatalities. This study was undertaken before the

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<sup>407</sup> Bugej, Alan. “The Way I See It.” *Newsletter: A Publication of the Alberta Surface Rights Federation*. February-March 1983. p. 7.

<sup>408</sup> Ellis, Erin. “Gas well blowouts prodded cattle rancher into action; Part 5 of 5 Series: Oilfield woes. Big Oil, Big Cleanup; [Final Edition]” *Edmonton Journal*. Edmonton, Alta.: July 22, 1992. p. A.1.

<sup>409</sup> Hydrogen sulphide was used as an unreliable chemical agent during the First World War. In addition, the build-up of hydrogen sulphide in the atmosphere is hypothesized as to have caused the Permian-Triassic extinction event some 252 million years ago - the Earth’s most severe episode of mass extinction. (Source: Kump LR, Pavlov A, & Arthur MA. “Massive release of hydrogen sulfide to the surface ocean and atmosphere during intervals of oceanic anoxia.” *Geology* 33 (2005) (5): 397–400).

<sup>410</sup> The gas becomes difficult to detect in high concentrations since it deadens the sense of smell at much lower concentrations.

two incidents [both caused by Amoco] (including the present one) which have exposed hundreds of thousands of Albertans to H<sub>2</sub>S.<sup>411</sup>

Although the short-term effects of the blowout to human health were certainly a concern, the long-term effects on the agrarian environment and the failure to adequately compensate agricultural producers for damages were equally worrisome.<sup>412</sup>

The Lougheed government had promised that agricultural producers would be compensated for damages caused by the blowout. While the Lodgepole Blowout was predominately the result of poor practices of the Amoco Company, the province also bore some responsibility for its effects by failing to establish adequate sour gas governance. The ERCB had not considered sour gas wells “critical wells” that required immediate ignition in the event of a blowout to convert the particularly toxic hydrogen sulphide gas into the less toxic sulphur dioxide (SO<sub>2</sub>).<sup>413</sup> However, as late as 1990, Henry Rondeau, an Angus Cattle rancher from Brazeau, raised concern that the Getty government was renegeing on the earlier commitment of Premier Lougheed by failing to provide proper restitution to agricultural producers affected by the Lodgepole Blowout. In his estimation: “We are sure that had Mr. Lougheed remained in office for a little while longer this matter would have been resolved expeditiously and fairly a long time ago.”<sup>414</sup> Rondeau observed “government and industry are at a very low ebb regarding credibility” and that “the public has less trust in the ERCB

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<sup>411</sup> Letter from Gerry Predy, M.D., F.R.C.P, President of the Alberta Public Health Association to the Honourable Fred Bradley, Minister of the Environment. Dated November 25, 1982. Sessional Paper 141A/84 (2 Session, 20<sup>th</sup> Legislature).

<sup>412</sup> Given the amount of production in the province other medical experts questioned why the government had not been at the forefront of sponsoring research on the effects of sour gas on human health.

<sup>413</sup> Letter from Vern Millard, Chairman of the Energy Resources Conservation Board to the Alberta West Central Health United. “Sour Gas Protection Policy.” Dated August 30, 1985. PAA 92.519 Box 455 Henry Rondeau Correspondence File.

<sup>414</sup> Letter from Henry L. Rondeau, Hero Properties Ltd. (Brazeau Angus Farm) to Hon. Rick Orman, Minister of Energy. Dated March 11, 1990. PAA 92.519 Box 455 Henry Rondeau Correspondence File. p. 1.

than they have in the industry.”<sup>415</sup> However, Rondeau believed that proper compensation would go a long way in rehabilitating the trust of government:

All that we desire is that the funds received from the Alberta Treasury Branches that had been acquired to establish the herd that was destroyed by the emissions of toxic substances from the blowout, be repaid by the various Government Departments as recommended in the Lodgepole Blowout Report. This with the Amoco settlements would cover a small part of our losses but would allow us to proceed to attempt to regain our lost position in the world purebred market and prove to the world that both industries can survive successfully side by side. It is our sincere belief [sic] that with your assistance we can finally resume our lives so badly disrupted on Oct. 17, 1982.<sup>416</sup>

The most prominent petroleum disaster in Alberta since the Atlantic No. 3 Fire in 1948, the 1982 Lodgepole Blowout was one of many industry incidents of the period.<sup>417</sup> The Lodgepole Blowout finally provided an impetus for the provincial government to revamp the regulations and governance of sour gas wells. Since safety standards and regulations were improved, the province has not suffered a sour gas incident on the scale of Lodgepole. Nevertheless, there have been frequent smaller blowouts or leakages and their effects on agricultural lands and the lack of proper compensation for agricultural producers remains a concern.

### *Implementing a new Surface Rights Act*

The provincial government introduced Bill 60, the *Surface Rights Act* during the spring of 1983. Bill 60 implemented several of the recommendations made by the Select

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<sup>415</sup> Ibid. p. 2.

<sup>416</sup> Letter from Henry L. Rondeau, Hero Properties Ltd. (Brazeau Angus Farm) to Hon. Don Getty, Premier of Alberta. Dated March 11, 1990. PAA 92.519 Box 455 Henry Rondeau Correspondence File.

<sup>417</sup> As the provincial Environment Minister noted to a concerned citizen in February 1983: “Uncontrolled wells in fact happen quite frequently with the large oil gas industry that we have in the province, however, most of them are relatively short term and controlled within twenty-four hours.” (Source: Letter from Honourable Fred Bradley, Minister of the Environment to Mr. D.G. Souch. Dated February 16, 1983. Sessional Paper 141A/84 (2 Session, 20<sup>th</sup> Legislature).

Committee. After more than ten years of agrarian lobbying, well-site leases prior to 1972 and transmission lines leases prior to 1977 were now eligible for renegotiation (Jaques, 2001). Bill 60 codified a minimum right-of-entry fee of \$500, half the amount per acre promised during the 1982 election campaign.<sup>418</sup> After the 1982 election, the government argued that a prevailing slump in oil and gas prices made a right-of-entry fee of \$1000 per acre an unnecessary burden for the petroleum industry. What about the faltering agriculture industry? The editor of the ASRF newsletter, Alban Bugej, greeted the new legislation cautiously: “The new *Surface Rights Act* is a positive piece of legislation and an improvement over the old act. How much an improvement it really is remains to be seen after the rules and regulations are issues and the whole bundle is interpreted by the Surface Rights Board and the Courts.”<sup>419</sup> Not long after, ASRF President Gordon Moulton observed that there were several areas in which Bill 60 could be improved. Moulton noted that since the passage of the new legislation: “In my own particular area of the province as in several other areas, the oil companies immediately lowered their offers for market value, loss of use, adverse effects and damages exactly \$500.00.”<sup>420</sup> A year later Alban Bugej, observed that: “The net results are that landowners are receiving the same or less money now than before the so called entry fee was introduced.”<sup>421</sup> Once sections 28 and 30 of the *SRA* came into effect in June 1985, agricultural producers were surprised to discover power companies lobbying the government to preclude annual compensation to agricultural producers for

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<sup>418</sup> Also, it should be noted that Bugej used far stronger language referring to a right of entry payment as a “force take payment.” (Source: Bugej, Alan. “The way I see it.” *Newsletter: A Publication of the Alberta Surface Rights Federation*. December-January 1984. p. 6.).

<sup>419</sup> Bugej, Alan. “The way I see it.” *Newsletter: A Publication of the Alberta Surface Rights Federation*. June-July 1983. p. 8.

<sup>420</sup> Moulton, Gordon. “President’s report for 1983.” *Newsletter: A Publication of the Alberta Surface Rights Federation*. February-March, 1984. p. 1.

<sup>421</sup> Bugej, Alan. “The way I see it.” *Newsletter: A Publication of the Alberta Surface Rights Federation*. April-May 1984. p. 7.

transmission lines below 69kv.<sup>422</sup> Notwithstanding that, transmission towers carrying lines of any capacity were equally inconvenient to agricultural producers. The government chose to accede to the request of the power companies and limit compensation.<sup>423</sup>

*The impact of the new Surface Rights Act and government policy*

As the 1980s progressed, it was becoming increasingly apparent to many agricultural producers that the government was not serving their interests when it came to surface rights. The Surface Rights Board was criticized by the ASRF as “industry-oriented” and “muzzled to administer a weak Act in which its jurisdiction and mandate is ill defined.”<sup>424</sup> Barton (1988) observed that:

A great deal of concern was expressed with the quality of the reasons that the Board gives for its decisions; the Board should do more to make the rationale for its decisions understandable - to explain how it got to its conclusions - and to make its decisions in a more consistent manner. The general concern was that reasons that were difficult to understand cast doubt on the expertise and credibility of the Board. One suggestion was that the Board should have staff resources to enable it to analyze complex data and to assist with the writing (5).

The ASRF argued: “The present credibility of the Surface Rights Board could be greatly enhanced if this body remembers that its basic function is to ensure that surface owners are adequately compensated for every inconvenience they suffer when the mineral owners intrude on their land. The surface owner must not be left worse off than he was before this Board issues an entry order.”<sup>425</sup>

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<sup>422</sup> “Compensation for Power Transmission Lines.” *Newsletter: A Publication of the Alberta Surface Rights Federation*. December 1985-January 1986. p. 2-3.

<sup>423</sup> “Major Power Lines.” *Newsletter: A Publication of the Alberta Surface Rights Federation*. April-May 1986. p. 1.

<sup>424</sup> Bugej, Alban. “The way I see it.” *Newsletter: A Publication of the Alberta Surface Rights Federation*. October-November, 1984. p. 4.

<sup>425</sup> *Ibid.*

After only a couple of years, the new *Surface Rights Act* was already regarded by many as largely ineffective. In 1985, ASRF President Gordon Moulton voiced concerns with the regulatory conditions: “In the past year I’ve received complains of the Surface Rights Board not being responsive to farmers at hearings. In fact it was suggested that farmers were discriminated against if they had legal representation.”<sup>426</sup> Considering the recently amended *Surface Rights Act*, Moulton observed that:

There is a growing feeling within the Surface Rights movement in this province that we were led down the garden path by this Conservative Government relative to the select committee report [and the legislating of some of its recommendations with the *Surface Rights Act, 1983*]. They threw some money at us in the form of the Right of Entry Payment and very little else. We took the money and ran, forfeiting the protection of our natural heritage in the process. There is also a growing feeling among landowners in this province that this government places too much emphasis on a non renewable resource and relegates agriculture which is a renewable resource to a position of sixth in importance.<sup>427</sup>

The announcement of Peter Lougheed’s resignation in 1985 was welcomed by many in the Surface Rights movement. The ASRF editor, Alban Bugej, was particularly critical of the surface rights system that had prevailed under Lougheed:

The retirement of Premier Peter Lougheed must be viewed as another opportunity to try once more to put the agricultural industry in Alberta back on its well deserved tradition pedestal. For the last fourteen years, the only industries that mattered in this province were the oil and gas resource industries. Mr. Lougheed and his governments bent backwards over and over again to grant every wish of these industries. In the meantime the economic agony rural Alberta have been going through was ignored except for the occasional lip service. The few dollars in aid, a mere pittance compared to those showered on the oil and gas industries, were just band aids and often applied too late. The few pieces of legislation affecting the rural sector were weak and almost useless...The *Energy Resources Conservation Act* restrictions on the status of local intervenors to affected title land only, is an attempt to stamp out any organized interventions from surface rights or environmental groups that might interfere with the plans of the resource

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<sup>426</sup> Moulton, Gordon. “President’s Report for 1985.” *Newsletter: A Publication of the Alberta Surface Rights Federation*. February-March 1985. p. 1.

<sup>427</sup> Ibid.

industries. Alberta Environment while equipped with adequate Bills and Acts to discharge its mandate prefers to turn a deaf ear to the concerns raised by the Agricultural Community. Nothing must stand in the way of the oil and gas industry after all they are the industries that have enriched Mr. Lougheed's pet projects.<sup>428</sup>

Many in the surface rights movement hoped that Lougheed's successor would realize that natural resources were only one part of the provincial economy.

Early signs of a new government approach materialized when the new Getty administration facilitated some good will through the appointment of an Associate Minister of Agriculture to focus on surface rights.<sup>429</sup> The ASRF was particularly pleased that Bard Haddrell, known for his excellent work in his position at the Farmers' Advocate Office, was appointed the Executive Assistant to the Associate Minister of Agriculture.<sup>430</sup> However, the early signs of a renewed emphasis on surface rights issues did not take hold under Getty. ASRF President Gordon Moulton observed: "The government continues to remain difficult to approach."<sup>431</sup> In many respects, Premier Getty, a career oilman, would prove no more supportive of surface rights than Premier Lougheed. Unless there were full-scale institutional and regulatory changes, the agricultural producer would continue to be disadvantaged in surface rights disputes.

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<sup>428</sup> Bugej, Alban. "The way I see it." *Newsletter: A Publication of the Alberta Surface Rights Federation*. June-July 1985. p. 4.

<sup>429</sup> "The new ministers." *Newsletter: A Publication of the Alberta Surface Rights Federation*. June-July 1986. p. 2.

<sup>430</sup> Ibid.

<sup>431</sup> Moulton did acknowledge that with "the change in leadership and the upcoming election some of this is understandable. Possibly new efforts in this direction in 1986 will be successful." (Source: Moulton, Gordon. "President's Report for 1986." *Newsletter: A Publication of the Alberta Surface Rights Federation*. October-November 1983. p. 2.).

*The continued institutional imbalance*

During the late 1980s and early 1990s, the regulatory and institutional imbalance that favoured industry continued to raise the ire of the surface rights advocates. Facilitated by exogenous economic events, surface rights issues began to abate somewhat with declining petroleum development. The energy sector saw a decline in the early 1980s, then a brief recovery by the mid-1980s, followed by a sharp decline with the collapse of global oil prices in 1986. However, surface rights issues did not completely disappear. In June 1986, the ASRF voiced concerns that agricultural producers were not seeking adequate counsel when going before the Surface Rights Board or the courts. The organization observed that too often agricultural producers failed because they and their lawyers were inadequately prepared and that producers were simply outclassed by “a seasoned lawyer acting for the industry.”<sup>432</sup> Unfortunately, this situation was compounded by the fact that many Justices had little surface rights adjudication experience.<sup>433</sup> On the whole, the ASRF doubted that the few surface rights cases that turned “sour” for producers would establish precedents that would confine subsequent legal challenges: “A good surface rights lawyer will always find ways to get around them.”<sup>434</sup> Most importantly, the main obstacle to agricultural producers was “a weak *Surface Rights Act* which is open to different interpretations by both the Surface Rights Board and the judges of the courts. The only way to achieve some measure of consistency in settling compensation matters is to amend the present Act and making it more definitive.”<sup>435</sup> Many agricultural producers felt the decline in petroleum activities on rural lands was an ideal time “to review the ground rules which control the interactions between

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<sup>432</sup> Bugej, Alban. “The way I see it.” *Newsletter: A Publication of the Alberta Surface Rights Federation*. June-July 1986. p. 4.

<sup>433</sup> *Ibid.*

<sup>434</sup> “Surface Rights Board or the Courts.” *Newsletter: A Publication of the Alberta Surface Rights Federation*. February-May 1987. p. 1.

<sup>435</sup> *Ibid.*

the two major industries in our province, namely the agricultural and resource industries.”<sup>436</sup> Unfortunately, the government and the SRB were not of the same mind. For example, the October 26, 1989 minutes of the government Agriculture and Rural Affairs Committee meeting on reveal that the SRB was requesting that “the Act needed to be changed to allow oil companies to send review notices along with their cheques to recipient of payments...The change would provide more lead time by way of a notice and would allow for cost-savings and efficiency by companies.”<sup>437</sup> Once again, the government institution was confirming that it operated as a sub-surface rights board rather than a surface rights board.

As the 1990s progressed, the reinvigorated petroleum industry sought to further limit the protections afforded to agricultural producers. In February 1994, Unifarm reported that the Canadian Association of Petroleum Producers (CAPP) was challenging existing surface rights practices and seeking a reduction in the protection and compensation afforded to agricultural producers.<sup>438</sup> CAPP had lobbied the provincial agricultural minister to reduce levels of compensation (i.e. for lost agricultural profit, increased operating costs, damages, and reclamation) for access to land. CAPP opposed the provision of the existing *Alberta Surface Rights Act* that entrenched a right-of-entry fee of \$500 per acre. These issues were raised by Unifarm’s Surface Rights Co-ordinator, Roger Buxton, who also highlighted a distressing trend driven by new drilling technology. Developments in angle drilling and whipstocking from multi-well pads now meant that if industry could not obtain a beneficial deal from one agricultural producer it could approach a neighbouring producer and gain

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<sup>436</sup> “Federation News.” *Newsletter: A Publication of the Alberta Surface Rights Federation*. October 1986-January 1987. p. 1.

<sup>437</sup> Minutes of the Agricultural and Rural Affairs Caucus Committee October 26, 1989 (12:45PM, Government House.) PAA 1996.489 File 480 p. 1.

<sup>438</sup> “Problems in the oil patch-Buxton.” *Trends*. February 1984. p. 8.

access to the location via directional drilling. In the absence of government regulations, or an agricultural producer code of conduct to prevent such actions, a distressed Buxton noted: “Industry can thus short circuit a farmer from going to arbitration with the Surface Rights Board and the ERCB finds itself being used as a pawn by both the farmer and the industry.”<sup>439</sup> As the study period wound down, the petroleum industry continued to grow and provoked more and more disputes. The use of eco-terrorism by Wiebo Ludwig against the petroleum industry, particularly sour gas developers, gained national attention at the end of the 1990s. Farmers’ frustrations had reached a point where some had begun to see violence as an option in order to protect their lands.

*The Farmers’ Advocate in the 1980s to mid-90s*

The events of the 1980s and 1990s continued to lend themselves to criticism of the Farmers’ Advocate and questions about whose interests the post actually served. During both of their tenures, Entrup and his successor Clifford Downey (a former Conservative Member of Parliament) made financial contributions to the provincial Progressive Conservative Association. This certainly raised questions about the impartiality of the position and its occupants. While serving as the Farmers’ Advocate, Entrup made a \$500 contribution to the PC party fund in 1986.<sup>440</sup> Downey contributed \$600 to the party before his appointment in 1988 and made a similar donation during his tenure in 1991.<sup>441</sup> Other donations to the PC party fund that are below the limit requiring public disclosure cannot be ruled out. Given the importance the government assigned the post, one would expect complete political neutrality

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<sup>439</sup> Ibid.

<sup>440</sup> This donation is equivalent to \$890.60 in 2010 dollars. This contribution came in two payments of 250.00 on October 3 and 15. (Source: Figures obtained from the Alberta Legislature Library and submitted to the Chief Electoral Officer).

<sup>441</sup> Donations prior to Downey’s appointment included \$500.00 in 1984 and 1986.

from the Farmers' Advocate. Might a conflict of interest arise if the Farmers' Advocate provided assistance to a farmer embroiled in a dispute, for example, with a major contributor to the government, such as an energy company? Such a possibility cannot be ruled out and the post of Farmers' Advocate would have had far greater efficacy had it been an Officer of the Legislature, rather than simply an employee of Alberta Agriculture. Alternatively, the post could be filled through the active input and recommendations of Alberta's farmers possibly through an election.

Another element that continued to call into question the independence of the post from government was the fact that the Minister of Agriculture continued to have control over the salary of the Farmer's Advocate. For example, Ernie Isley wrote to Chris Davidson, Director of Personnel for Alberta Agriculture, indicating in July 1989: "Please be advised that I have reviewed Mr. Downey's performance as Farmers' Advocate and feel that a rating of 4 (an 8% increase) is appropriate. Please proceed with adjustment immediately."<sup>442</sup> The precise criteria which the Minister applied to make such a determination was not readily evident and the evaluation was likely premised on his own discretion. This reporting and salary structure inevitably raises questions as to whether it was possible for the Farmers' Advocate to act autonomously to assist agricultural producers in need, or to please the Minister of Agriculture and make the government look good.

The implementation of the Surface Occupation Agreement (SOA) in 1986 illustrated the heavy involvement of government in negotiating surface rights agreements between

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<sup>442</sup> Letter from Ernie Isley, Minister of Agriculture to Chris Davidson, Director of Personnel for Alberta Agriculture. "Cliff Downey." Dated July 14, 1989. PAA 1996.489 File 61.

agricultural producers and the petroleum industry. It also demonstrated the government's close affinity with, if not outright control of, the Farmers' Advocate. The SOA had been first discussed in 1979 and it took a considerable period before it was finally implemented. From an agrarian perspective, there was a desperate need to amend existing occupation agreements, as the ASRF's notification to its members in the fall of 1983 stated: "Contrary to most of the surface leases now in use, the Surface Occupation Agreement stresses the interests of the surface owners. Present surface leases tend to be more industry oriented and offer little protection to the interests of surface owners."<sup>443</sup> The SOA process was the result of direct negotiations between industry and the Farmers' Advocate, acting on the behalf of agricultural producers.<sup>444</sup> The Farmers' Advocate had consulted several farm organizations, including Unifarm, the Alberta Surface Rights Federation, and the Alberta Cattle Commission. It is possible, however, that farmers might have secured even greater surface rights protections had the negotiations had been primarily undertaken by a producer groups, rather than a government institution. There were complaints during the drafting process that the Farmers' Advocate was allowing industry interests to prevail. After the Farmers' Advocate Office released a draft of the SOA, in the fall of 1984 the ASRF criticized it as a "watered down version of the previous drafts and with little improvement over the lease forms presently in use," and stated that, should it remain as such, the "Federation's endorsement of this form is doubtful."<sup>445</sup> When it was finalized, the new lease form certainly offered agricultural producers' greater protection in land use negotiations and, to that extent, served agricultural interests. Nevertheless, it was curious that a government that occasionally

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<sup>443</sup> Bugej, Alban. (ed.) "Federation News." *Newsletter: A Publication of the Alberta Surface Rights Federation*. October-November 1983. p. 1.

<sup>444</sup> Source: "New Lease Contract." *Trends*. April 1986. p. 1.

<sup>445</sup> "Federation News." *Newsletter: A Publication of the Alberta Surface Rights Federation*. October-November 1984. p. 1.

espoused strong free-market values was negotiating on behalf of agricultural producers. Due to its dependence on political contributions from the energy industry, the government was seized with a conflict of interest. How could such a government reasonably broker a deal between its financial backers and Alberta's farmers? Certainly agricultural producers were not getting the best possible deal in such circumstances.

Cutbacks to the Farmers' Advocate Office, a consequence of the period's economic austerity measures, highlighted the vulnerable position of farmers and the lack of government resources afforded to surface rights advocacy. In many respects, the post had become as impotent as the waning Unifarm organization (see subsequent chapters). With "no empires to build and axes to grind" the outgoing Farmers' Advocate, Clifford Downey, wrote to the Minister of Agriculture Ernie Isley in April 1993 concerned about further staff cuts to his "already overworked and stressed" office.<sup>446</sup> The previous month, Downey had complained to Isley that his staff had been reduced by nearly 30%, from 8.5 staff to six, and been given the added responsibility of serving as the *Farm Implement Act* administrator.<sup>447</sup> Downey argued that further cuts "will result in an increase in improperly handled complaints and slower responses...if the complaints don't come to the Farmers' Advocate, many will end up with the MLAs."<sup>448</sup> In light of the upcoming 1993 election, Downey recounted an observation: "I've noticed in the past that at election time when MLAs are campaigning, there is always an increase in problem and complaint referrals to the MLAs. If the Farmers' Advocate office is going to deal with these complaints adequately, it needs to be adequately

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<sup>446</sup> Letter from Clifford W. Downey to Hon. Ernie Isley. "Farmers' Advocate." Dated April 8, 1993. PAA 1996.489 File 303.

<sup>447</sup> Letter from Clifford W. Downey to Hon. Ernie Isley. "Staff Cuts-Retirement." Dated March 10, 1993. PAA 1996.489 File 303.

<sup>448</sup> Letter from Clifford W. Downey to Hon. Ernie Isley. "Farmers' Advocate." Dated April 8, 1993. PAA 1996.489 File 303.

staffed with experienced people.”<sup>449</sup> By reporting directly to the Minister, the Farmers’ Advocate provided checks and balances on the Ministry of Agriculture, as well as other government departments. With respect to agrarian and rural disputes, “many people can no longer afford lawyers so the Farmers’ Advocate is their only opportunity for some kind of justice.”<sup>450</sup> Indeed, the Minister of Agriculture would often respond to concerns from rural residents by saying that that the concerned party should seek the counsel of the Farmers’ Advocate and the provincial Ombudsman. However, neither institution possessed the necessary strength and effectiveness to even attempt to balance the scales of the Conservative political monopoly. Moreover, Downey recommended the elimination of the *Farm Implement Act* and its regulatory duties or, in the alternative, cuts to the Farm Safety branch in place of further staff reductions to his office.<sup>451</sup> Had Unifarm any inkling of such a future for the Farmers’ Advocate it would not have co-operated with Lougheed’s move to establish the office in the first place. Not only did the Farmers’ Advocate provide an impetus for agricultural producers to move away from the general farm organization, it led to an overall decline of rural and agrarian independent agency.

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<sup>449</sup> Ibid.

<sup>450</sup> Ibid.

<sup>451</sup> These concerns were shared by members of the agricultural community. Greg R. Smith, Secretary-Manager of the Alberta Turkey Growers Marketing Board wrote the Minister of Agriculture in June 1993: “Board members are very concerned that the Farmers’ Advocate office appears to be in danger of being downsized or even eliminated. The retirement and/or transfer of key staff lead us to believe the Government will not re-staff this important office which serves the rural community. Would you please confirm that the Farmer’ Advocate will continue to operate and serve the producers of Alberta? Our experiences of Mr. Downey have been very positive and his willingness to work for the producers of Alberta did not go unnoticed.” (Source: Letter from Greg Smith, Secretary-Manager of the Alberta Turkey Growers Marketing Board to Ernie Isley, Minister of Agriculture and Rural Development. Dated June 1, 1993. PAA 1996.489 Box 39 File 403.).

### *Conclusion*

During the 1971 election campaign, the promotion of substantive surface rights for agricultural producers was a potent electoral tool in rural areas for the Conservatives, but proved far less of a priority after they became the government. In the post-1971 period, as in the post-1947 era, the economic interests of energy companies continually trumped those of the agricultural producer. The Conservative government initially appeared to support agrarian rights by passing a *Surface Rights Act* and establishing a Farmers' Advocate. While ostensibly an improvement over the old regime, the new governance did little to improve the checks and balances needed to protect the civil economic rights of agrarian producers. Indeed, many producers found that, in practice, the new legislation and government did little to assist them. While useful to some producers, the Farmers' Advocate also had the effect of weakening the independent surface rights movement and therefore allowed the provincial government to consolidate power and mediate rural discontent. This consolidation meant that surface rights could be kept from becoming a major issue that might cost the government the support of the all-important overrepresented rural constituencies. This position was made much easier by the lack of powerful independent agrarian surface rights advocates. The circumstances produced a government bias against true support for agricultural surface rights protections (though farmers-first rhetoric abounded) in favour of energy sector interests. The government's position therefore unjustly maintained the devaluation of farmers' surface rights compared to the energy sectors' sub-surface rights. The circumstances boded ill for farmers who were also forced to contend with the lack of due compensation afforded to agricultural producers for all the inconveniences imposed by energy development. This practice was a clear violation of agrarian civil economic rights.

## **Chapter Seven: A new marketing thrust and the Agricultural Products Marketing Council**

### *Introduction*

Agricultural marketing represented a very important element of rural economic and political dynamics in Alberta. As argued previously, agriculture remained the central element of the rural Alberta economy even after 1971.<sup>452</sup> This chapter argues that the provincial agricultural marketing policy violated democratic quality by increasing its involvement in agricultural marketing and consolidating its rural power at the expense of non-state actors and individual agricultural producers. Government intervention ceased to be simple regulation and amounted to frequent interference that impeded the ability of individual agricultural producers to produce and market commodities to their satisfaction. By firmly taking control of essential agrarian economic structures and violating equality, the Conservative government established itself as *the* dominant group in rural areas. Through these measures the Conservatives imposed “a cultural hegemony.”<sup>453</sup> On occasion the provincial government actively manipulated participants and agrarian organizations (i.e. barley producers’ association and barley commission) to perpetuate democratic unresponsiveness. Created by agricultural producers to provide protection from oligopolistic business interests, marketing boards and commissions were intended as grass-roots institutions that operated democratically and were accountable to the individual producers.

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<sup>452</sup> Having also considered government machinations with respect to grain policy the objective of this chapter is to illustrate how a similar democratic bias process was employed to gain control of agricultural marketing to politically benefit the Progressive Conservative organization.

<sup>453</sup> Rueschemeyer (2005) argues that: “Dominant groups can use their social and economic power resources more or less directly in the political sphere. And they can use their status and influence over education, cultural production, and mass communications-their ‘cultural hegemony,’... If these efforts of social and economic inequality are not substantially contained, political equality will be extremely limited (47).”

These organizations found that a political monopoly was able to challenge democratic responsiveness and vertical accountability and dictate policy through the use of state institutions, including the Agricultural Products Marketing Council (APMC). With provincial general farm organizations in decline, these groups constituted one of the few remaining sources of agrarian civil society. It was a government priority to limit their independence. By challenging participation, the Conservative government ensured it could control agrarian-based structures and ensure that no agrarian group became powerful enough to pose any challenge to the government agenda. As part of this strategy, the province encouraged agricultural producers to participate in marketing boards and commissions that could be regulated by the province rather than in more independent civil society organizations. By ensuring such control over agricultural economics, the Conservatives garnered significant political support from over-represented rural voters who ensured the government's longevity and political monopoly. By fostering agrarian division rather than agrarian unity and independence, the government accomplished its political goal efficiently and expediently. Once this supremacy was achieved it became very difficult for the political opposition or civil society actors to dislodge the government hegemony and create a competitive political environment. Acquiescence became a virtue and dissent a vice.

#### *Overview of Provincial Agricultural Marketing*

Given the corporatist nature of Canadian agriculture, it is surprising that the existence and importance of agricultural marketing boards and commissions are not more widely known. Noting that agricultural marketing boards represent one of the obvious realms where both the provincial and federal governments have engaged in economic interventions, Finkel (1979) chronicles their origins: "The Depression brought chaos to the marketing of

agricultural products and revealed the producers' powerlessness in dealing with monopolistic middlemen and processors...Not surprisingly, many producers' organizations began to petition the government to establish agencies that would force distributors and processors to pay higher prices to the growers."(44-45) Making similar observations, Found (1996) also illustrates the general operation of provincial boards:

Usually they began as grass-roots organizations of producers of a particular product, brought together out of a common concern for their economic welfare. Common problems have included price instability, lack of infrastructural support, and a sense of disadvantage when dealing with processors or with the wholesalers who buy their products. Canadian farmers have suffered the economic disadvantages of disaggregation into large numbers of producers, spread across vast areas of countryside, often selling their product to a handful or processors whose market behaviour tends to be oligopolistic...Provincial boards operate producer quotas, and Canada-wide-coordination is achieved through the actions of national marketing agencies. The boards have achieved what many believe to be reasonable market stability, with decent returns on investment. The producers are not permitted to operate as unconstrained monopolies, which might take market advantage of their ability to control levels of production. Under the supervision of federal and provincial bodies, the marketing boards must ensure provision of adequate supplies, and their prices must reflect costs of production, or represent the results of committee decision (163-164).

In the early 1970s, provincial agricultural marketing boards and commissions were a relatively new phenomenon in Alberta. After initial reluctance, the Social Credit government consented to the creation of marketing boards and commissions when it passed the *Agricultural Products Marketing Act (APMA)* in 1955. This concession proved rather disingenuous as the Social Credit government included an obstacle to preclude the widespread creation of various agricultural marketing boards and commissions. Jaques (2001) notes that the *APMA*

...required that fifty-one percent of all producers had to vote in favour of the establishment of a marketing board, not just fifty-one percent of those who bothered to vote, before the government would consider it. This was an unusual requirement for a vote, meaning that all producers, no matter how

small and disinterested, would have to be contacted, informed and persuaded to vote. It also went against a fundamental principle of democracy where, for example, MLAs are elected by garnering more votes than their opponents, not a majority of all those entitled to vote (181-82).<sup>454</sup>

By 1965, there were some eighty marketing boards across Canada compared to only one small commercial vegetable canning and freezing marketing board in Alberta (Ibid.). Considerable lobbying efforts from the Alberta Federation of Agriculture (AFA) and the Farmers Union of Alberta (FUA) finally convinced the Social Credit government to remove the minimum fifty-one percent voter turnout requirement in 1965. After the legislation was changed, there was a proliferation of provincial marketing boards and commissions in Alberta. Defeated in 1971, the Social Credit government never really got an opportunity to utilize these new institutions to consolidate political power in rural areas. The new Conservative government did not make this mistake.

During the Conservative rise to power, marketing boards and commissions seemed only to provoke media attention when they were criticized by consumer advocates. Analyzing a letter criticizing marketing board and commissions that appeared in the *Edmonton Journal* for the Minister of Agriculture, Ministerial Assistant Don Potter felt it was ripe with inaccuracies and failed to detail the complexities of agricultural marketing. The letter failed to properly differentiate between marketing boards and commissions. The chief difference between them hinged on the fact that: “Commissions are for promotion and research; they cannot negotiate prices.”<sup>455</sup> In contrast, some marketing boards could

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<sup>454</sup> Common to the Social Credit and the Progressive Conservative governments was the invocation of higher democratic standards on producer groups than they were willing to follow themselves.

<sup>455</sup> Letter from Don Porter, P. Ag., Ministerial Assistant to Hon. H. A. Ruste, Minister of Agriculture. “RE: Edmonton Journal Blasting Marketing Board Legislation.” Dated March 1, 1971. PAA 2006.213 Box 5 File 86 p. 1.

negotiate prices but also possessed the power to assign production quotas. Many commissions, such as the Alberta Cattle Commission (ACC), had considerable powers operating “under provincial legislation which outlines the basic structure, objectives and powers of the Commission. It [the provincial legislation] also provides for the check-off on all cattle marketed to finance its activities.”<sup>456</sup> The result of the mandatory check-off allowed the organization to provide a wide variety of services, such as “market information, promotional activities, market development and new product development assistances, funding of research and organizing seminars,” in addition to serving as the “lobbyist/voice of the cattle industry.”<sup>457</sup> Although Potter asserted that: “Mr. Compston’s statement that a number of boards were set up without a vote is untrue. All boards must be voted on before being established as laid down in the Act,” the same could not be said for all marketing commissions.<sup>458</sup> Disgruntled cattle producers, particularly members of the National Farmers Union (NFU), argued that producers as a whole had never consented to the creation of the Alberta Cattle Commission. Despite this lack of consent, all cattle producers were legally required to provide the commission with a check-off, or tax, for every head of cattle they sold.

The powers of agricultural marketing boards were even more substantial to the extent that, in many respects, they resembled monopolies. Provided explicit exception under the *Combines Act*, the federal anti-monopoly legislation, marketing boards were not considered monopolies under Canadian law. Nevertheless, many consumer groups and advocates

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<sup>456</sup> Alberta Cattle Commission. “A submission of the Alberta Cattle Commission to the Alberta Minister of Agriculture.” Dated May 29, 1989. PAA 1996.489 Box 7 File 43 p. 7.

<sup>457</sup> Ibid.

<sup>458</sup> Letter from Don Porter, P. Ag, Ministerial Assistant to Hon. H. A. Ruste, Minister of Agriculture. “RE: Edmonton Journal Blasting Marketing Board Legislation.” Dated March 1, 1971. PAA 2006.213 Box 5 File 86 1-2.

viewed marketing boards as *de facto* monopolies. From one agrarian perspective (there were also farmers opposed to such marketing institutions), these complaints were overstated as marketing boards represented a way to level the playing field in a highly competitive sector. In the absence of government interference, marketing boards represented democratic structures that allowed producers to pool resources for the promotion and selling of their commodity. The varying degree of powers exercised among the various marketing boards was a reflection of the desire of the majority of commodity producers.

I also disagree that governments are not aware of the powers granted to boards. These powers are necessary to give the thousands of Alberta producers a near equal bargaining position in dealing with a handful of buyers. The article assumes that all boards have been delegated all of the powers available under the Act. In fact, powers are delegated by the marketing council with a great deal of discretion. For example, the Hog Board has not been relegated the power to set prices or quotas.<sup>459</sup>

The Alberta Egg & Fowl Marketing Board, the Alberta Broiler Growers' Association Marketing Boards, and the Alberta Turkey Growers' Marketing Board had the power to set prices for producers and issue marketing quotas.<sup>460</sup> The Alberta Hog Producers' Marketing Board and the Alberta Vegetable Marketing Board were both single-selling agencies and did not set quotas, however the latter set prices while the former did not.<sup>461</sup> Despite these distinctions, it is clear that agricultural marketing boards and commissions boasted considerable powers. All marketing boards and commissions levied a tax, or check-off, on types of agricultural commodities sold. At the very least, marketing boards and commissions had the potential to serve as well-funded and democratically accountable lobby groups were it not for such strong government oversight. The original intention of these

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<sup>459</sup> Ibid.

<sup>460</sup> Letter from C. H. Ferries, Agricultural Products Marketing Council to Honourable H. M. Horner, Minister of Agriculture. Dated October 1, 1971. PAA 2006.213 Box 5 File 86.

<sup>461</sup> Ibid.

agricultural institutions was to allow agricultural producers collective benefits (i.e. market protections and promotional efforts). These organizations were not intended to be dominated by business interests, or by a government monopoly.

### Agricultural Marketing in the 1970s

#### *Implementing the election platform*

When it came to agricultural marketing, the new Conservative government proved more interventionist than their Social Credit predecessors. Unlike other issues of rural public policy, the Conservatives' position on provincial agricultural marketing remained unchanged since their time in Opposition. As early as November 1969, Hugh Horner recommended to Peter Lougheed that Alberta Agriculture take a leadership role and increase intelligence and census capacity to provide better forecasts: "If we then tie in our meaningful forecasts with our marketing boards, we can then say to our farmers what they should be producing, what we expect them to sell."<sup>462</sup> It was an interesting contradiction that free-market proponents would be willing to tell agricultural producers what to sell. Given such internal ideological conflicts within the party, the Conservative government's conception of capitalism can be considered opportunistic: they espoused free-market ideology only insofar as it benefited their political interests. This was the same government that railed against the Crow and the Canadian Wheat Board and considered them in violation of free-market principles while at the same time it gave billions in loans as a lender of last resort to provincial agricultural producers through the Agriculture Development Corporation. As mentioned previously, the Conservative government particularly espoused free-market ideals when the end result would benefit province-building efforts at the expense of federal power. Now in power, the

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<sup>462</sup> Memorandum from Hugh Horner to Peter Lougheed. "Re: Agricultural Policy-Agricultural Conference." Dated November 10, 1969. PAA 1972.59 Box 1 File 5 p. 1.

Conservatives committed to transform marketing boards in line with their 1971 platform and province-building vision. At the same time, it was important for the new government to consolidate its power over existing agricultural institutions to ensure its political survival. It was not clear in the initial aftermath of the Conservative victory whether they had completely displaced Social Credit from provincial politics. That fact was not made clear until *after* the 1975 election.

One mechanism for attaining the political goal of controlling farming organizations was the Conservatives' consolidation and restructuring of the Agricultural Products Marketing Council (APMC). In the early 1970s, this government institution supervised the provincial broiler, turkey, egg and fowl, hog, and vegetable marketing boards along with the sheep and wool, fresh vegetable, potato, and cattle commissions. In September 1971, Agricultural Minister Horner asked Clark Ferries, the Chairman of the APMC, to provide a 'run-down' of boards and commissions under APMC jurisdiction as well as the council itself.<sup>463</sup> C.D. Radke, Secretary of the APMC, described his organization as such:

The function of Council is to facilitate the use of the Agricultural Products Marketing Act by farm and commodity organizations in establishing marketing boards or commission for the purpose of acquiring market power, stabilizing prices, or to collect funds for research and promotion of an agricultural product. Activities of Council include giving guidance in the preparation of plans for the establishments of boards and commissions; ascertaining the views of producers that would be affected by proposed plans; delegating necessary power for implementation to boards and commissions; interpreting regulations pertaining to marketing legislation; acting as an appeal body where persons feel aggrieved by decisions or orders of boards and commissions.<sup>464</sup>

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<sup>463</sup> Letter from Hon. Hugh Horner, Minister of Agriculture to Mr. Clark Ferries, Chairman, Agricultural Products Marketing Council. Dated September 28, 1971. PAA 2006.213 Box 5 File 86.

<sup>464</sup> Radke, C.D. "Agricultural Products Marketing Council." Dated September 1971. PAA 2006.213 Box 5 File 86.

The power of the APMC to influence agrarian economics extended to the capacity to “interfere.” In October 1971, APMC Chair C.H. Ferries brought a number of outstanding policy issues to the government. One issue was the direction the government wished the APMC to take with respect to regulation of agricultural marketing boards and commissions. Ferries observed that: “Council has recognized that there is a thin line between ‘leadership’ and ‘interference’ and that this line is difficult to draw. In the past Council has attempted to interfere with operation of boards and commissions as little as possible, and has taken quite definite steps to place the ‘watchdog’ functions as much as possible in the hands of the producers.”<sup>465</sup> The changing mandate of the APMC was evident in the letters of appointment that Horner sent to new members of the Council:

Up until this time, the Marketing Council has been more of regulatory body that sort of sits in judgement on regulations that the various marketing boards and commissions operate under. I would hope that the new Marketing Council would continue to have this regulatory function but would take an active interest in the marketing thrust of the government and would co-ordinate that marketing thrust in regard to both our domestic market here in Alberta and the export scene. It is of vital concern that our Marketing Boards continue to look outward, not be too restrictive and in fact, expand the marketing opportunities for our farmers.<sup>466</sup>

Once again, it was clear that the government wished to exercise considerable control over agricultural marketing efforts. The provincial government, rather than agricultural producers or their commodity organizations, would be setting the agricultural marketing policies of Alberta.

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<sup>465</sup> Letter from C. H. Ferries, Agricultural Products Marketing Council to Honourable H. M. Horner, Minister of Agriculture. Dated October 1, 1971. PAA 2006.213 Box 5 File 86. Continuing on from this point, Ferries noted that “a recent example would be the rescinding of Council regulation which formerly required boards and commissions to submit proposed grants to association and research bodies to Council for prior approval. However, Council has requested that these grants be itemized on financial statements for producer review at annual meetings.” (Source: Ibid)

<sup>466</sup> Letter from Hugh M. Horner, Deputy Premier and Minister of Agriculture. Dated July 5, 1972. PAA 2006.213 Box 12 File 216.

The lack of independence of marketing boards and commissions from government was readily evident. During this time: “Member or directors of all the boards are elected by producers usually for a specified area of the Province, for terms of from two to three years but not for more than two consecutive terms.”<sup>467</sup> However, these democratically elected boards were ultimately not accountable to agricultural producers, but to the Lieutenant Governor in Council [the provincial cabinet] and APMC, with the latter afforded veto power under the provincial agricultural marketing legislation.<sup>468</sup> Marketing commissions faced a similar problem and were considerably less democratic: “members are appointed by the Lieutenant Governor in Council upon recommendations of the Marketing Council from lists submitted by the commodity group concerned.”<sup>469</sup> The agricultural community expressed early concerns over the appointment procedures and independence of the APMC. Members of the Marketing Council were “appointed for an unspecified period” by the government and not elected by producers.<sup>470</sup> In September 1972, Arthur Anderson, the Secretary of the Alberta Vegetable Marketing Board, wrote Minister Horner:

The Alberta Vegetable Marketing Board has asked me to write regarding the dismissal of the former Agricultural Products Marketing Council. They are quite concerned as to just what procedure is followed with regard to the appointment of the Marketing Council...If it was felt that a change was need in Council, we are not protesting this. But we do feel that the various Board and Commissions should be consulted when these changes are made so that recommendations can be made to you or your Department. We would

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<sup>467</sup> Letter from C. H. Ferries, Agricultural Products Marketing Council to Honourable H. M Horner, Minister of Agriculture. Dated October 1, 1971. PAA 2006.213 Box 5 File 86.

<sup>468</sup> Under section 7 of the *Marketing of Agricultural Products*, RSA 1980: “The Lieutenant Governor in Council may make orders a) establishing, amending and revoking plans for control and regulation of the marketing within Alberta or any part of Alberta of an agricultural product and constituting producer boards to administer the plans; b) amending a plan for the control and regulation of the marketing of a regulated product...g) prescribing by-laws for regulating the government of producer boards and the conduct of their affairs, but any producer board may make by-laws not inconsistent with this Act or the order made under this section or the order or regulations made under the plan under which the producer board is established.”

<sup>469</sup> *Ibid.* p. 5.

<sup>470</sup> *Ibid.* p. 6.

certainly like to have someone on the Council who is a little familiar with our operations.<sup>471</sup>

Hugh Horner responded the following month: “Insofar as how the Council is appointed, while I agree that there should be some input perhaps from Marketing Boards and Commissions, in as much as the Marketing Council is an over-riding body on the Boards and Commissions, it seems to me that it has been chosen with much care and that’s what we tried to put into it. I’m sure that you will be hearing from the Marketing Council in the future and that they will be sitting down with you as I have asked them to review the operations of each of the marketing boards and commissions in the province.”<sup>472</sup> Certainly, a consultation procedure was not as democratic as having marketing boards and commissions directly elect the representatives of the APMC. Moreover, the ability of the government to stack the deck in its favour with respect to the regulation of marketing boards and commissions is evident.

There was more evidence that the new government gained quick and centralized control of the APMC. In April 1972, Hugh Horner concurred with an assessment made by Deputy Minister Purnell that: “May I recommend that the Minutes of all marketing boards and commissions meetings, be made available directly to the Marketing Council Chairman? Distribution of these to members of the Council would not be necessary unless the Chairman considered that the contents were innocuous.”<sup>473</sup> This raises the question of the precise role of the other members of the APMC: were they, or were they not, privy to all information from the very boards and commissions they were mandated to regulate? This situation

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<sup>471</sup> Letter from Arthur A. Anderson, Secretary of the Alberta Vegetable Marketing Board to Hon. Dr. Hugh M. Horner, Minister of Agriculture. Dated September 23, 1972. PAA 2006.213 Box 12 File 218.

<sup>472</sup> Letter from Hugh Horner, Minister of Agriculture to Arthur A. Anderson, Secretary of the Alberta Vegetable Marketing Board. Dated October 4, 1972. PAA 2006.213 Box 12 File 218.

<sup>473</sup> Letter from Dr. G. R. Purnell, Deputy Minister to Hon Hugh M. Horner, Minister. “Re Marketing Council-Receipt of Board Minutes.” Dated April 24, 1972. PAA 2006.213 Box 12 File 2326.

suggests that the APMC had minimal independence from the provincial government and that government control was highly centralized. The increased use of the APMC as a centralized body also created administrative conflict within the provincial Department of Agriculture. By September 1972, there was significant confusion with respect to the duties of the Agricultural Products Marketing Council in relation to the Department of Agriculture's Marketing Division. APMC Chairman C. H. Ferries, requested clarifications: "The position of the Council in the Department's formal organization chart creates some confusion as to when the activities of the Marketing Council are to supplement the activities of the Marketing Division and when the activities of the Marketing Division are to supplement the activities of the Council."<sup>474</sup> Thus, Ferries recommended that the Minister respond to the request of the Council in order to eliminate competition, conflict, and duplication between the Marketing Council and the Marketing Division.<sup>475</sup>

The consolidation of government control over agricultural marketing eventually provoked criticism from Conservative allies. In March 1973, federal Conservative Member of Parliament Jack Horner, expressed concern over the extent of provincial government control over the Alberta Cattle Commission (ACC) to his brother, Hugh Horner, the Alberta Minister of Agriculture:

First of all, am I right their Commission is responsible to the Minister of Agriculture and must report to him and he must answer for them to the public through the Legislature? If this is true then as a producer it really doesn't matter to me if they are appointed or elected; they cannot represent me as a producer being responsible to the Minister. I want my organization to be

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<sup>474</sup> Letter from C. H. Ferries, Chairman Agricultural Products Marketing Council to Hon. Hugh Horner, Minister of Agriculture. "Re: Terms of Reference-Marketing Council." Dated September 13, 1972. PAA 2006.213 Box 12 File 216. p. 2.

<sup>475</sup> *Ibid.* p. 1. One might speculate that competition between the APMC and the Marketing Division worked in favour of Minister Horner. Horner could choose from two distinct policy shops and, if he were so inclined, pit them against one another.

responsible to its membership. An organization that has no direct membership and has money to spend and the money spent must eventually correspond with Government policy, then the Commission will eventually become an arm of Government and will proceed to sell Government policy indirectly to its people with your good direction, then all may be all right but in the long run the principle is wrong. It may be argued that the elected Commission need not agree with elected Government. Government must remain supreme and will because if the Commission wants any changes, it must work through the Act and seek changes from the Minister of Agriculture. A Government gets elected by a majority of 80% of the voters actually voting. This Commission will get elected by a majority of about 15% of the eligible voters which will comprise of about 7% of the voters in the Province as a whole. So it is obvious that, were there to be a difference of opinion no Government would fear being against a Commission so formed because a Commission would not have direct membership and, therefore, would not perhaps have as good a grassroots understanding at the politician.<sup>476</sup>

On March 20, Hugh Horner replied: “We will be moving very slowly in this area, I can assure you.”<sup>477</sup> Making marketing boards and commissions more democratic had been a prominent element of the 1971 Conservative platform. The issue raised by Jack Horner was not only whether provincial agricultural organizations held elections or not. The matter extended to questions over the independence of commodity boards and organization from a government heavily invested in oversight and intervention. It was not until the government amended the *APMA* in 1973 that commissions were able to elect their own members. On June 13, 1973,<sup>478</sup> the Sheep and Wool Commission became the first to do so. At that time C.H. Ferries, the Chairman of the APMC, argued that such a legislative move was in line with the policy of the new government to allow producers to chart their own destiny but later events demonstrate that the province had a much stronger provincial role in mind.<sup>479</sup>

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<sup>476</sup> Letter from Jack Horner, M.P to Hugh Horner, Minister of Agriculture. Dated March 14, 1973. PAA 2006.213 File 271.

<sup>477</sup> Letter from Hugh Horner, Minister of Agriculture to Jack Horner, M.P. Dated March 20, 1973. PAA 2006.213 File 271.

<sup>478</sup> “Sheep and Wool Commission becomes an elected body.” *Farm Trends*. July 1973. p. 19.

<sup>479</sup> *Ibid*.

*The marketing thrust and the declining role of independent agrarian actors in the 1970s*

The increasing government consolidation of the provincial marketing thrust also took stock of the competing marketing visions espoused by independent agrarian organizations. Very early on, the regulatory agents of the new government acted cautiously to ensure that Unifarm did not gain too much political influence over agricultural marketing. Unifarm and the provincial government had already demonstrated divergent views on national marketing strategy.<sup>480</sup> These agents were not anxious for Unifarm's provincial marketing vision to compete with that of their government. In January 1972, Alan Cooke,<sup>481</sup> a lawyer and close professional confidant of Hugh Horner, joined Legislative Counsel, David Elliot,<sup>482</sup> in

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<sup>480</sup> Unifarm continued to voice a difference of opinion with government on national marketing and marketing boards in the post-1971 period. The new provincial government opposed proposed national marketing systems provided by federal legislation (Bill C-176) being debated at the time. Unifarm, however, had lobbied for the implementation of such a system, provided that all agricultural commodities with the exception of eggs and poultry were excluded from national supply management. This national marketing legislation allowed for the orderly marketing of agricultural commodities if producers were so inclined. Despite its sympathies toward orderly agricultural marketing, Unifarm was also sympathetic to producers that opposed such legislation, livestock producers in particular, and made it clear in its representations to the federal government that supply management must be requested by the producers, not forced by the government.<sup>480</sup> (Source: "Convention Resolutions call up policy." *Farm Trends*. December 1971. p. 26.). Subsequently, Unifarm reiterated its commitment to "adequate national marketing legislation so long as the powers of supply management were limited to poultry and eggs and their related products. (Source: "Unifarm Policy October 1976." *Farm Trends*. October 1976. p. 9.). It was felt that interprovincial and international marketing could be more effectively co-ordinated. Unifarm and government also adopted different positions on national marketing, including a national hog marketing agency, causing resentment from the latter towards the former. In 1973, Alan Cooke wrote to Hugh Horner and stressed that: "The demand for pork is so great that it would be nothing short of criminal for a National Agency to be invoked at this time. I am just wondering, as a result of my appearance at hog producers' meeting throughout Alberta, whether or not the average hog producer is aware of the position of Unifarm on this." (Source: Letter from Alan T. Cooke to The Honourable Dr. Hugh Horner, Minister of Agriculture. Dated March 15, 1973. PAA 2006.213 Box 20 File 330.) One could not be faulted if they concluded that the Conservative government almost immediately upon taking power took a dim view of Unifarm..

<sup>481</sup> Within the year Hugh Horner recommended to Alberta Attorney General Hon. Merv Leitch that Cooke be appointed Queen's Counsel: "On any future list I certainly would like to see the name of Alan Cooke. He has been a hard worker for use and is an accomplished lawyer and is certainly more knowledgeable in the marketing board fields than any lawyer in Canada and in my views, deserves and should be recognized on such list." (Source: Letter From Hon. Hugh. M. Horner Deputy Premier and Minister of Agriculture. "Re: Appointments to Queen's Counsel." Dated January 12, 1973. PR 2006.213 Box 14 File 268.).

<sup>482</sup> Alan Cooke described Elliot as "an extremely capable man, and a young man who I believe is, if not a Conservative, at least very loyal to the Government, and anxious to see that its Ministers are not embarrassed in any way." (Source: Letter from Alan T. Cooke to Hugh Horner, Minister of Agriculture. "Re: Amendments to the Marketing Act." Dated January 12, 1972. PAA 2006.213 Box 12 File 216.).

raising concerns that the abundance and complexity of new agricultural legislative proposals might potentially embarrass the government. Cooke cautioned against the government's position to amend the *Agricultural Products Marketing Act (APMA)*: "I believe it is a dangerous precedent to grant all of the requests of a body such as Unifarm in the first session. I think that a number of the amendments which they have asked for could be held over to the fall session, indeed one year from now."<sup>483</sup> These regulatory agents were certainly justified in their concern of how Unifarm's marketing vision would conflict with that of their government. Behind the scenes, there was considerable competition between government and Unifarm loyalists over control of agricultural marketing boards and commissions.

Not surprisingly, the government's increasing province-building interventions began to displace the role of independent agrarian actors. The new government-led marketing thrust certainly conflicted with the role of Unifarm "to act as a catalyst in assisting each commodity to organize in this way and to make the most of the opportunities that arise. This includes assistance in market development, attaining appropriate legislative arrangements and generally to help create a climate and working conditions whereby a viable commodity organization can flourish."<sup>484</sup> Government control of the agricultural marketing activities also provoked challenges from commodity organizations. Applauding the interest the government had taken with respect to agriculture, the Western Stock Growers' Association (WGSA), nevertheless, raised concerns to Horner about "the rapid expansion of your marketing thrust. We would caution you that marketing and production must go hand in

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<sup>483</sup> Letter from Alan T. Cooke to Hugh Horner, Minister of Agriculture. "Re: Amendments to the Marketing Act." Dated January 12, 1972. PAA 2006.213 Box 12 File 216.

<sup>484</sup> Lea, W.D. "Unifarm's role in Agriculture." *Farm Trends*. July 1971. p. 3.

hand.”<sup>485</sup> Clearly the WSGA thought the government had eliminated the input of the producer in the agricultural marketing equation. This was a well-founded criticism. The Alberta Cattle Commission, an organization that legally represented all producers of Alberta’s single largest commodity, complained:

The Marketing Thrust of the Alberta Department of Agriculture has been operative for the past two years. The Alberta Cattle Commission’s contact with the Marketing Division on a formal basis has been minimal. Contact has not really been established by initiative of either Government or the Commission. With regard to trade missions at home and abroad, most of our information is what we can glean through the press and media...As I have stated before, I strongly believe the Government and the industry should be getting together on these trips. It would serve as better communication and it would be easier for another producer or producer representative, to convince producers as to what they should consider doing (with regard to expansion, choice of crops, etc.). A producer would report to other producers. For producers to increase production for expanding markets, is not going to be easily accomplished by Government telling producers to do so.<sup>486</sup>

Subsequently there was a move to improve communications with the ACC with respect to agricultural marketing.<sup>487</sup> The government made no efforts to surrender its tight control of agricultural marketing.

Unifarm championed the independence of marketing boards and commissions from government. A minor dispute between Unifarm and the new government arose on the matter

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<sup>485</sup> Western Stock Growers’ Association Submission to Provincial Cabinet. Dated June 20, 1973. PAA 2006.213 Box 18 File 303 p. 5.

<sup>486</sup> Letter from P.G. Hodgman, Secretary-Manager to Mr. C. D. Radke, Secretary, Agricultural Products Marketing Council. Dated May 2, 1973. PAA 2006.213 Box 19 File 323. p. 1.

<sup>487</sup> In response to the ACC letter C.H. Ferries, Chairman of the Agricultural Products Marketing Council wrote to Mr. Jim. W. Clarke, Assistant Deputy Minister of Marketing noting: “Perhaps Council could be of assistance in the communications areas by calling a joint meeting of various commodity groups and the appropriate commodity team.” (Source: Letter from C.H. Ferries, Chairman of the Agricultural Products Marketing Council to Mr. J. W. Clarke, Assistant Deputy Minister, Marketing. “Re: Boards and Commissions.” Dated May 7, 1973. PAA 2006.213 Box 19 File 323.) There was agreement from High Horner, who concurred that: “This does reflect a lack of communication and I suggest that you get together with Jim Clarke about some sort of joint meeting.” (Source: Letter from Hon. Hugh M. Horner, Deputy Premier and Minister of Agriculture to Mr. C.H. Ferries, Chairman of the Agricultural Products Marketing Council. “Re: Copies of Marketing Boards’ Comments on Our Marketing Thrust.” Dated May 8, 1973. PAA 2006.213 Box 19 File 323.)

of decentralizing marketing board and commission offices. In November 1972, Hugh Horner requested, as part of a broader governmental decentralization program to create jobs in rural areas, that commodity marketing boards and commissions move their offices outside major urban centres into more rural areas. The following month, after consulting its marketing board and commission membership, Unifarm argued that the locations of board and commissions were already “strategically located in relation to the volume of production and other industry contacts and, in the opinion of those involved, any effort to change locale would be a definite inconvenience, and would cause additional expenses.”<sup>488</sup> In addition, Unifarm stressed that commodity boards and commissions were “responsible to the producers and to work in their interests”<sup>489</sup> and the government could not circumvent its membership by appealing to the directors and management of marketing boards and commissions.<sup>490</sup> This position came about to the obvious disappointment of Horner in light of the broader decentralization policy of the provincial government.

Unifarm’s firm position on agricultural marketing and opposition to government-led province-building efforts likely accounted for subsequent retaliation. In February 1973, Horner indicated that Unifarm would no longer be asked to nominate individuals to serve on government committees or boards. Horner felt that “the organization of any of its various sub-committees can have a greater impact by not having someone of their own on the committee they are making an impact on because...that may weaken your presentation.”<sup>491</sup>

Unifarm President W. Dobson Lea fundamentally disagreed: “We believe strongly that we

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<sup>488</sup> Letter from J. R. McFall, Secretary to the Commodity Committees, Unifarm to Dr. Hugh Horner, Minister of Agriculture. Dated December 18, 1972. PAA 2006.213 Box 10 File 176. p. 1.

<sup>489</sup> As stipulated by their marketing plans and provincial legislation.

<sup>490</sup> Letter from J. R. McFall, Secretary to the Commodity Committees, Unifarm to Dr. Hugh Horner, Minister of Agriculture. Dated December 18, 1972. PAA 2006.213 Box 10 File 176. p. 2.

<sup>491</sup> “Land Use, Feed Grains, Headline Annual Brief.” *Farm Trends*. February 1973. p. 5.

have shown over the past number of years that we can provide a valuable input to government committees and agencies and thereby a valuable service to the farming community. We hope the position stated to our convention will be reviewed prior to the appointment of persons to existing or new agencies, committees or commissions.”<sup>492</sup> Notwithstanding this effort to delegitimize Unifarm, the Conservative government’s practice certainly did not enhance the democratic quality of many government organizations presumed to represent producers, including marketing boards and commissions. Government-appointed executives, rather than executives elected by producers, continued to be the norm on most boards and commissions. The move away from consulting Unifarm and other independent rural/agrarian interests cleared the way for the government to appoint Unifarm members who espoused Conservative partisan interests and further consolidate power.<sup>493</sup> Moreover, the move towards hand-picked government appointees allowed the government to fragment agrarian organizations.

#### *The government response to the Hog Board ‘Coup’*

A rare insight into the competition between government and general farm organizations over provincial marketing boards came in the spring of 1972. Much to the chagrin of the Conservatives and their supporters, recent producer elections had seen Unifarm successfully win control of the Alberta Hog Producers Marketing Board (AHPMB). Under the previous leadership of Chairman Sten Berg, the AHPMB had attempted to ensure neutrality between Unifarm and the National Farmers Union (NFU) interests within the hog

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<sup>492</sup> Ibid.

<sup>493</sup> The government continued to appoint members of Unifarm to various provincial boards, commissions, and agencies. However these appointments, despite their membership in Unifarm, operated as individual members rather than as a collective.

organization. This practice would have been magnanimous were it not for the fact that Unifarm was a larger organization that was essentially given parity with a much smaller organization.<sup>494</sup> To ensure that no independent agrarian voice got too powerful, Berg's policy served the government's political interest well - particularly the practice of divide and rule. Like free-market advocates, the NFU shared opposition to marketing boards albeit for clearly different reasons. The former opposed the existing marketing structures, as Skogstad (1979) observes, because: "Fundamental to the NFU philosophy is a view of the maldistribution of political power in the society and of the inadequacy of the free marketing system (238)." Thus, the existing agricultural system required radical change and marketing boards did not go far enough in protecting the farmer's interest: "What is necessary are national marketing agencies with broader power - powers to manage supplies and allocate export and import quotas on the basis of negotiated long-term agreements with domestic and foreign buyers (Ibid.)." Free-market advocates opposed marketing boards because they infringed on producers ability to produce as much product as they desired and set the price for the efforts of their labour without any interference. Hardly content with the power afforded to the pork marketing board, Unifarm loyalists deposed Sten Berg and the

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<sup>494</sup> Examining the period of the late 1960s and early 1970s, Jaques (2001) notes: "The [Alberta] executive of the National Farmers' Union was reluctant to release membership totals, saying that membership was less important than how active it was in pursuing its objectives. Membership in its home base of Saskatchewan was about 17,000 but only about 3,000 in Manitoba. In Ontario, membership was 7,000 including a handful of radicals who pushed the leadership to make extreme statements. National Farmers' Union total membership at 27,000 was less than the membership in the provincial FUA (48)." Thus, NFU membership in Alberta was likely less than 3,000. The organization was confined largely to the Peace region in Alberta with few large chapters south of Edmonton. Wilson (1995) confirms the notion that the NFU was relatively small: "In a province with tens of thousands of farmers (the number varies wildly, depending on the definition), NFU membership numbers in the hundreds (63)." Directly citing the NFU's own estimate Skogstad alone (1979) puts Unifarm and the NFU at the same approximate size: "Direct membership in Unifarm is estimated to be fifteen thousand farm units - about twenty-four percent of all farm units in the province. The NFU figure is lower and includes approximately sixteen percent of all farm units in the province (241)."

AHPMB's general manager Dr. H.B. Jeffrey.<sup>495</sup> The new leadership proceeded to pursue policy that was in actual support of the marketing board concept.

The deposed leadership approached their allies in the provincial government for assistance. Notifying Hugh Horner, Berg characterized the actions of the new leadership as illegal and "contrary to government policy."<sup>496</sup> Berg did not address the contradiction inherent in his simultaneously reconciling his staunch free-market beliefs and his desire to follow government policy. Nevertheless, Berg proceeded to outline the *raison d'être* underlying Unifarm's actions that were allegedly designed to destabilize the AHPMB:

1. They have lost a significant number of their membership this year.
2. The success of a commodity group such as our Marketing Board would set a precedent. Its success in managing markets, policies and business takes away the necessity of a farm organization to set policy for all commodities.
3. It is therefore imperative that the Marketing Board fail in order to insure the need for Unifarm.<sup>497</sup>

This characterization was a blatant obfuscation of the historical record.<sup>498</sup> The FUA (Unifarm's predecessor) had been instrumental in the creation of the AHPMB in 1969. Unifarm supported the AHPMB among all other provincial marketing boards and orderly marketing proposals. Berg, on the other hand, had been a notorious opponent of the creation of a provincial hog board. Larsen (2005) recounts the following:

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<sup>495</sup> Both Jeffrey and Berg attributed a shift of power in the organization to Unifarm's favour to meetings on May 17<sup>th</sup> and 18<sup>th</sup> (Source: Letter from Dr. H.B. Jeffrey to 'To whom it may concern'. Dated June 19, 1972. PAA 2006.213 Box 12 File 222. p. 2.).

<sup>496</sup> Letter from Sten Berg to Hugh M. Horner, M.D., Deputy Premier and Minister of Agriculture. Dated June 11, 1972. PAA. 2006.213 Box 12 File 222.

<sup>497</sup> Letter from Sten Berg, former Chairman of Hugh Horner, Deputy Premier and Minister of Agriculture. Dated June 11, 1972. PAA 2006.213 Box 12 File 222. p. 4.

<sup>498</sup> Unifarm was by no means at the stage at this point in time where it had begun to realize that marketing boards served as competition that destabilized their general farm organization. Even when it reached that stage, it never considered campaigning for the removal of marketing boards as its solution was a check-off for its own organization.

When Alberta producers wanted to set up their own hog marketing board, a small group of well-funded open market farmers, dubbing themselves the Western Hog Growers Association (WHGA), mounted a vigorous campaign of opposition and disruption. Just two men - Jack Perkins of Wainwright and Sten Berg of Ardrossan - formed the WHGA in 1960. Consisting of only 71 of Alberta's 32,000 hog producers, the group quickly found itself with immense financial resources to put forward its case. With 97 percent of Alberta's hogs traded privately between three packers and thousands of individual farmers, the WHGA could hardly make objective claims about an open market (Jaques, 2001: 189). Yet, by shipping a small group of supporters to various meetings around the province, and then disrupting those meetings with belligerent rhetoric and vicious personal attacks on those supporting the marketing board, the WHGA succeeded for a time in delaying the creation of the hog marketing board. Under Mr. Berg's leadership, this small group demonstrated the vulnerability of the co-operative democratic structure to a determined, cohesive and well-funded group (198).

Notwithstanding the curious circumstance of how a staunch free-marketer could come to lead a marketing board, Berg now presented himself as a champion of the AHPMB and characterized his removal as Chairman as a *coup d'état*. This event heightened personal animosity between Berg and Unifarm. A decade later, Berg would have his revenge on Unifarm.

The deposed leadership may have not had the support of provincial pork producers, but democracy mattered little given that they had the support of the Conservative government. To complicate the entire episode, there were the allegations of electoral irregularities in the District 4 AHPHB directorship election that had returned Conrad Johnson.<sup>499</sup> On April 26, 1972, Agricultural Products Marketing Council (APMC) Chairman C.H. Ferris informed Hugh Horner that: "After a complete inquiry, the Council has ruled...that the election of director in District 4 is invalid and that there should be a special

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<sup>499</sup> District 4 comprised the area of Census Division 10, which included centres such as Camrose and Vermillion, and the irregular election held in the area.

election held within 90 days to settle the question.”<sup>500</sup> Horner responded that: “I would ask that the Marketing Council reconsider their decision in regard to holding a by-election in this area. From the points put forward by the Board to me, it becomes apparent that if there is need for another election in this district, then there should have been a need for elections in all districts.”<sup>501</sup> Horner’s interpretation of the Board’s opinion in this respect is dubious in retrospect, but it echoed those of the deposed AHPHB leadership. A June 13, 1972, memo C.H. Ferries wrote to Horner: “Mr. Berg is apparently circulating a petition to have yourself intervene by dissolving the Board and starting with a clean slate of directors.”<sup>502</sup> Berg had communicated such a sentiment in a June 11<sup>th</sup> letter to Horner, noting: “The present Board members cannot function; therefore they must be dissolved.”<sup>503</sup> Having just secured control of the AHPHB, Unifarm loyalists would have little reason to call for new elections in *all* districts, or in any district. However, the views of the deposed leadership on agricultural marketing were certainly closer to the government than to that of the Unifarm loyalists now in control of the AHPHB. The will of the minority was prevailing over that of the majority. Horner’s intervention with respect to the irregular District 4 elections is instructive. As a prominent NFU member, Conrad Johnson was ultimately an ally of Sten Berg with both men sharing considerable disdain for Unifarm and agricultural marketing boards. On June 13, 1972, Horner wrote to the Chairman of the AHPHB noting simply that: “It is my view that

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<sup>500</sup> Letter from C.H. Ferries, Chairman Agricultural Products Marketing Council to Hon. Hugh M. Horner, Minister of Agriculture. “Re: Alleged Irregularities in Elections to Alberta Hog Producers’ Marketing Board.” Dated April 26, 1972. PAA 2006.213 Box 12 File 216 p. 1.

<sup>501</sup> Letter from Hon. Hugh M. Horner, Deputy Premier and Minister of Agriculture. “RE: Situation-District 4-Hog Marketing Board.” Dated June 2, 1972. PAA 2006.213 Box 12 File 216.

<sup>502</sup> Letter from C.H. Ferries, Chairman Agricultural Products Marketing Council to Hon. Hugh M. Horner, Minister of Agriculture. “Re: Hog Board Internal Dissension.” Dated June 13, 1972. PAA 2006.213 Box 12 File 216.

<sup>503</sup> Letter from Sten Berg, former Chairman of Hugh Horner, Deputy Premier and Minister of Agriculture. Dated June 11, 1972. PAA 2006.213 Box 12 File 222. p. 4.

Conrad Johnson should be seated as a director with full voting powers.”<sup>504</sup> Horner countermanded the APMC decision and ordered the AHPHB to accept Johnson.

At the same time Hugh Horner ruthlessly demonstrated that the government would maintain strict control over provincial agricultural marketing. Horner provided the AHPHB with an explicit warning of what would occur if they did not heed government direction:

I am concerned about the activities of the Hog Board over the past several weeks. My concern is primarily one of the direction of agricultural policy in Alberta and that our commodity groups are in tune with and hopefully will co-operate with that objective...I am also concerned that the Hog Board may be developing a restrictive inward-looking policy in regard to marketing. This is totally opposed to our concept of the agricultural policy in Alberta and will not be allowed. If the Board was to take a position in which it was going to restrict production in any way, then it would be necessary for me to invoke those sections of the Act which would require a vote on the necessity of having such a Board...I want to make it perfectly clear to the Board that I consider it part of my responsibility to give the kind of leadership in agricultural policy that will develop markets, expand production and generate income for our farmers.<sup>505</sup>

Bluntly, a democratically decided agricultural structure was being told to abide by government policy or risk elimination. It was as much a warning to other marketing boards and commissions as it was to the hog board of how the government would react to recalcitrant behaviour. The Conservative province-building model obviously placed greater emphasis on the role of the provincial state than in pluralism.

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<sup>504</sup> Letter from Hugh M. Horner, M.D. Deputy Premier and Minister of Agriculture to Chairman of the Alberta Hog Producers Marketing Board. “RE: District 4 Status Director Conrad Johnson.” Dated June 13, 1972. PAA 2006.213 Box 12 File 222.

<sup>505</sup> Letter from Hugh M. Horner, M.D. Deputy Premier and Minister of Agriculture to All Directors of the Hog Producers’ Marketing Board. “Re: Marketing Board Situation.” June 8, 1972. PAA 2006.213 Box 12 File 222. p. 1-2.

*Government promotion of commodification weakening independent agrarian agents*

The government's promotion of commodity groups had a detrimental impact on independent agrarian organizations. It must be remembered that Unifarm's predecessors had been instrumental in the creation of the Alberta Hog Producers Marketing Board in 1969 and the Alberta Cattle Commission in 1970. In January 1977, Unifarm had come to the conclusion that marketing boards and commissions were hurting the organization. Continuing to strongly support marketing boards and commissions, Unifarm, nevertheless, recognized at the same time that "the wide variety of agricultural and related issues" that had required their creation now "took much of the time and talent of many producers who had previously directed their efforts toward the general farm organization."<sup>506</sup> Unifarm now voiced concern that the coordination of inter-commodity relations were becoming increasingly complex, a difficulty certainly not eased by increasing provincial intervention in agricultural marketing and a mass of new regulations foisted on the farmer to protect the consumer. All this could result in a "fragmentation of the farm front" caused by "different groups going separate ways with short-term objectives in view, and the single strong voice weakened by groups acting unilaterally and adding their concerns to the already complex problems facing the industry."<sup>507</sup> This circumstance served the political interests of the Conservatives well. The increased commodification of agricultural interests offered opportunities for the government to play the various groups against one another (i.e. Grain growers could be pitted against cattle producers etc.). This was certainly more advantageous to government dealing with a unified agrarian organization that was invulnerable to such "divide and rule" tactics.

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<sup>506</sup> "Policy, organizational changes highlight annual convention." *Farm Trends*. January 1977. p. 4.

<sup>507</sup> *Ibid.*

At times, the government's promotion of agricultural producers was far more explicit than simple encouragement to concentrate on a specific commodity organization. In February 1977, Unifarm raised concern about Alberta Agriculture's active efforts to create a Barley Grower's Association. Unifarm did not question whether such an organization should exist if desired by producers themselves, but the organization took issue with the role of government in the creation of such groups. In particular, there was Unifarm's exclusion from this process. Its "long-standing policy of support and promotion of properly organized commodity groups has apparently not been recognized by civil servants....in this particular case it had not been contacted and that the procedure followed leaves the motivation of the promoters open to serious question."<sup>508</sup> After its creation, the Barley Grower's Association served as an extension of government, rather than a reflection of provincial barley producers' issues. Given the circumstances surrounding its creation, the organization promoted policy that was lock-step with that of the provincial government.

Provincial government control over agricultural marketing extended to unilateral legal interpretations of the *Agricultural Products Marketing Act (APMA)* that directly limited the organizational capacity of the independent agrarian civil society. In October 1978, the provincial Attorney General ruled that the Alberta Broiler Growers' Marketing Board, the Alberta Egg and Fowl Marketing Board, the Alberta Hog Producers Marketing Board, the Alberta Turkey Growers' Marketing Board, the Alberta Potato Commission, the Alberta Vegetable Growers Marketing Board, and the Alberta Fresh Vegetable Growers' Marketing

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<sup>508</sup> "Unifarm Annual Brief Presented to the Cabinet Committee January 26<sup>th</sup>." *Farm Trends*. February 1977. p. 5.

Board could not legally join or financially contribute to general farm organizations.<sup>509</sup> The provincial government chose this course rather than sending a reference to the provincial appellate court under section 27(1) of the *Alberta Judicature Act* to ascertain the legality of its decision.<sup>510</sup> This move breached the principle that provincial commodity boards and commissions were distinct from government.<sup>511</sup> Unifarm argued that these organizations were entitled to use their own funds and enter into agreements to protect and develop their industry “as they saw fit.”<sup>512</sup> As this and previous events demonstrated, such a view of marketing board and commission autonomy was clearly not shared by government. The provincial broiler, turkey, and vegetable marketing boards along with the potato commission were already members of Unifarm. Other members of Unifarm, the Alberta Sheep and Wool Commission, were established under separate provincial legislation and were therefore not affected.<sup>513</sup> Deeply concerned about the actions of the government, Unifarm requested immediate changes to the *APMA*. As the only general farm organization with marketing board and commission members, it appeared that Unifarm was singled out.<sup>514</sup> Unifarm was hardly satisfied with subsequent government opinions that it was improperly “seeking funds” when marketing boards and commissions joined on a voluntary basis.<sup>515</sup> Eventually, commodity boards and commissions with existing membership in Unifarm were permitted to stay. Any marketing boards or commissions that planned to join Unifarm in the future would

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<sup>509</sup> “Technical changes requested to allow boards and commissions’ the right to form producer alliances: Attorney-general’s ruling disallows boards from Unifarm membership.” *Farm Trends*. October 1978. p. 3.

<sup>510</sup> R.S.A 1980 (This provision of the *Judicature Act* came into force in June 1979).

<sup>511</sup> “Technical changes requested to allow boards and commissions’ right to form producer alliances: Attorney-general’s ruling disallows boards from Unifarm membership.” *Farm Trends*. October 1978. p. 3.

<sup>512</sup> *Ibid.*

<sup>513</sup> *Ibid.*

<sup>514</sup> *Ibid.*

<sup>515</sup> “Unifarm Brief to the Government.” *Farm Trends*. February 1979. p. 3.

have to revise their board or commission's marketing plan, which was subject to government veto.<sup>516</sup> While the government promised that it would decline any requests, many questioned why this move was necessary and whether these government reservations would dissuade boards and commissions from joining Unifarm. It might also encourage existing members to leave Unifarm.

### Agricultural Marketing in the 1980s and 1990s

#### *Pork Conflict Round One*

The APMC continued to serve as a government instrument to over-regulate marketing boards and commissions and sap the strength of independent rural agency. Once again, dispute between pork producers and the government, including the APMC, became a source of turmoil during the 1980s and 1990s. Having gained considerable economic power, the pork producers marketing board was frequently portrayed by the government as a rogue board and a potential monopoly that would impose unfair conditions on consumers. However, the pork marketing board was challenging province-building efforts by attempting to secure good terms for its producers. The Conservative government believed that agricultural processing was second only to the petroleum industry for securing the economic future of the province. Horner et al. (1980) observed that: "Governments are particularly interested in the hog industry because it generates a lot of economic activity especially in the slaughtering and processing phase. It has been said that it now takes more people to process hogs than to grow them (123)." The success of the agricultural processing industry hinged on those companies having access to low-cost agricultural produce. This circumstance presented an obvious conflict for producers who wanted to receive the highest price for their goods. The tensions between producers and processors also resulted in conflict between pork

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<sup>516</sup> Ibid.

producers and the government. In February 1980, the province announced the creation of a committee to investigate the dispute between producers and processors. Unifarm was critical of the failure of the provincial government to resolve the conflict, arguing that such action proved too late in light of the fact that the APPMB had already publically stated that it would begin legal proceedings against several packers.<sup>517</sup> Accusing packers of conspiring in price-fixing, while working to prevent the price of pork from continuing to fall, the Alberta Pork Producers' Marketing Board (APPMB) attempted to tightly control the supply on a daily basis.<sup>518</sup>

Whereas the government had previously abstained from interfering in the dispute, its subsequent efforts were unnecessarily interventionist and clearly against the interests of pork producers. The Agricultural Products Marketing Council announced on April 11<sup>th</sup> that it was suspending the powers of the APPMB to act without its consent. One of the Council members took effective control of the board usurping the democratically demonstrated will of provincial pork producers.<sup>519</sup> It was only after tremendous pressure from producers and their groups, including a public rally in Red Deer, that the Minister of Agriculture and the APMC reversed their decision, or at least proposed to delay the order until October 1. Also disconcerting from Unifarm's perspective and that of other producer actors was that the government had intervened on the side of the packers with the APMC proposing to implement a new pork marketing plan similar to one advocated as a defendant in the

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<sup>517</sup> Ibid. The month prior, Unifarm had raised the ire of the government when it questioned why the provincial share of national hog production had declined under the Conservative watch from 20% in 1972 to 12.7% in 1979. (Source: "Unifarm presents annual brief to Caucus Agricultural Committee." *Farm Trends*. February 1980. p. 4.)

<sup>518</sup> "The State of Agriculture." *Farm Trends*. March 1980. p. 16.

<sup>519</sup> "Unifarm president criticizes marketing council's action." *Farm Trends*. April 1980. p. 3.

APPMB's \$73 million lawsuit.<sup>520</sup> Unifarm's President Howard Falkenberg argued that the actions of the APMC had moved beyond a supervisory role and was directly infringing on the ability of pork producers to control the marketing of their product.<sup>521</sup> The *Calgary Herald* reported in August 1980: "Over the last few months, the well-financed Alberta Pork Producers Marketing Board has been ferocious in the attacks on the Alberta Products Marketing Council. If one is to believe pork board press statements and press releases, one would assume it is a foregone conclusion that the council and its chairman are on the way out and the agriculture minister is about to resign."<sup>522</sup> Had such events occurred in another prairie province, that government might have been concerned about punishment at the ballot box. In Alberta, province-building efforts, including the consolidation of agricultural marketing, had created a political monopoly in which all opposition was suppressed. The government mended some fences with pork producers when it announced an emergency stop-loss stabilization program that would substantially reduce the losses felt by pork producers.<sup>523</sup> The Chairman of the APPMB, Stan Price, responded favourably to the program, noting that it was "a step in the right direction."<sup>524</sup> As will be shown later, by no means was government intervention into the provincial pork industry over; nor was it the last time that the government would buy itself out of trouble.

The APPMB-APMC conflict demonstrated how the government's regulation of agricultural marketing served agricultural producers' interests little. Throughout the 1980s, Unifarm advocated reform of the Agricultural Products Marketing Council. At its 1982

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<sup>520</sup> Ibid.

<sup>521</sup> Ibid.

<sup>522</sup> Schmidt, John. "Marketing boards' power struggles have ramifications." *Calgary Herald*. August 2, 1980.

<sup>523</sup> "Stop-loss program attempts reduction of hog problems." *Farm Trends*. May-June 1980. p. 3.

<sup>524</sup> Ibid.

annual convention, Unifarm passed a resolution calling for: “[The] Alberta Agricultural Products Marketing Council members be appointed for a limited tenure and that they elect their own chairman.”<sup>525</sup> The organization also called on the organization to remove an important restriction imposed on producer marketing boards: “We also ask that the Alberta Marketing Council legislation be amended to allow all boards and commissions to join any general farm organization.”<sup>526</sup> The government had yet to reverse the chilling effect it had imposed with its 1978 Attorney General’s ruling.

*The Conservative government defend provincial marketing boards*

The Conservative government demonstrated clear support for agricultural marketing boards in the face of criticism from consumer groups and advocates during the early 1980s. In 1981, the Consumer Association of Canada (CAC) and the Economic Council of Canada (ECC) released two reports. Commissioned in response to rising food costs, both reports claimed that agricultural marketing boards were unfairly forcing higher prices from consumers. The EEC report argued that the average Canadian family was paying an extra \$10 for chickens and \$7 for eggs a year because of marketing boards. Dr. Richard Plain, a University of Alberta economics professor and an author of the CAC report, argued that:

If the *Combines Investigation Act* was applied to the people, they’d be in jail...These are economic cartels. OPEC doesn’t have this kind of control. The board fixes prices and restricts production will all the negative connotations that go with them...The government should be protecting Alberta consumers. Instead, these boards are on us like wolves on a fold. We haven’t got a consumers’ cartel.<sup>527</sup>

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<sup>525</sup> “Convention Resolutions.” *Farm Trends*. January-February 1982. p. 9.

<sup>526</sup> “Unifarm Policy Goals (Revised January 1982).” *Farm Trends*. April 1982. p. 11.

<sup>527</sup> “Consumers ‘gouging’ charged to Alberta’s farm market boards. *Edmonton Journal*. June 12, 1981.

Despite perceptions that the Conservative government opposed marketing boards for ideological reasons, provincial Minister of Agriculture Dallas Schmidt stated that provincial marketing boards were essential to the livelihood of farmers.<sup>528</sup> No longer a politician, but still considered by many to be the *de facto* agriculture minister, Hugh Horner, criticized the reports' conclusions: "If we really want to just close shop in this country, we could probably import all of our eggs, poultry, pork and anything else we want to into our country and, initially, it might be cheaper, but, boy, would we pay in the longer term."<sup>529</sup> In Horner's estimation, Canadian consumers paid some of the lowest food prices in the world in relation to income and were already subsidized. Certainly there were constructive reforms to marketing boards that could be made, but: "There is a dangerous trend out there today that says the consumer is paying - and a few professors are taking advantage of that without a real knowledge and without a real perception of the total picture of the economy in the country."<sup>530</sup> This response was in line with considerations of how the Conservatives used such institutions to consolidate provincial power. It should cause a re-evaluation of the argument made by Skogstad (1987): that the Conservative government in Alberta stubbornly opposed agricultural marketing boards and commissions on ideological grounds. Much of that government's criticism of agricultural marketing stemmed from the fact the provincial government felt that Alberta was not getting its fair share of national quotas for agricultural products. The provincial government was content with provincial agricultural marketing boards and commissions provided that it could enjoy control of them.

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<sup>528</sup> Ibid.

<sup>529</sup> Mainland, Al. "Going to bat for boards." *Edmonton Journal*. June 19, 1981.

<sup>530</sup> Ibid.

### *The NFU attempts to disband the ACC*

During the mid-1980s, the Alberta chapter of the National Farmers' Union (NFU) attempted to skirt provincial control over agricultural marketing when it exploited legislative loopholes and launched a campaign to disband the Alberta Cattle Commission. Under the *Agricultural Products Marketing Act*, a petition supported by ten percent of commodity producers would force a referendum vote to terminate marketing plans for boards and commissions. The NFU felt that the ACC had been created without the necessary producer consent in 1969 and that its mandatory check-off was an unjustified imposition on cattle producers. The close relationship between the ACC and the provincial government was also a source of tension. NFU spokesman John Oberg implied that the ACC was an extension of the Conservative political organization: "It's the same as the government establishing a check-off for their party."<sup>531</sup> Thus, the NFU campaign also had to contend with opposition from the provincial government. Given the growing numbers of cattle producers and its traditional sympathy for that commodity group this was a politically sound course for the government. The weakening Unifarm organization also served as an obstacle to the NFU campaign. Eager to see the ACC to return to its fold, Unifarm did not support the NFU campaign:

It is our strongly held view that cattle producers should, instead of petitioning for termination, direct their most sincere and energetic efforts towards bringing about any changes that are found to be desirable by the majority of producers. The Marketing of Agricultural Products Act provides for the expression of producer interest. A higher level of participation by producers in ACC activities and in examining structure and procedures that are part of the ACC Plan is a logical and responsible approach to any problems that may exist.<sup>532</sup>

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<sup>531</sup> Burton, Bill. "NFU opposes bill: Marketing Board Revamped." *Edmonton Sun*. April 2, 1987.

<sup>532</sup> "Unifarm position on NFU petition." *Trends*. November 1984. p. 1.

At its 1985 convention, Unifarm delegates voted to support the ACC and encourage it to rejoin the general farm organization.<sup>533</sup> The NFU managed to submit a petition to the government signed by 3,400 cattle producers in 1986. Thinking it had won an important victory, the NFU soon found defeat after the Minister of Agriculture Peter Elzinga argued that some 500 names could not be verified.<sup>534</sup> Under these circumstances the NFU had fallen below the minimum threshold and there would be no referendum on the ACC.

### *Marketing of Agricultural Products Act (MARPA)*

The failed NFU campaign provided an impetus for the government to revamp agricultural marketing legislation. At the first legislative session after the failed NFU petition, the government moved to replace the *Agricultural Products Marketing Act (APMA)* with the *Bill 20: Marketing of Agricultural Products Act (MARPA)*. The government wished to preclude independent agrarian actors from using existing legislation to challenge the Conservatives' political interests as well as retain its tight control over agricultural marketing. The initial bill went too far in that direction prompting considerable opposition from the agrarian community and Her Majesty's Official Opposition, the New Democrat Party (NDP). In response, the government appeared to have chosen a magnanimous course. It subsequently consulted with producer groups and the Official Opposition, even uncharacteristically consenting to three of four NDP amendments proposals for *MARPA*. This was a skilfully executed illusion as the government had actually ensured that the new legislation provided the government with sufficient tools to continue its centralized control over agricultural marketing while simultaneously convincing the NDP there had been

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<sup>533</sup> "Convention Resolutions." *Trends*. January 1985. p. 4.

<sup>534</sup> Kerr, Kathy. "Marketing act revisions unveiled." *Calgary Herald*. April 2, 1987.

progress towards true marketing reforms. The government rejected the proposed NDP amendment to remove section 16(2) of *MARPA*, which allowed the government to create a marketing plan for a marketing board or commission without first submitting it to a producer plebiscite.<sup>535</sup> The government did consent to changes of section 20(c), which in its original form, according to NDP Agriculture Critic, Derek Fox “would have given the marketing council, an appointed group of people the authority to come and make decisions and override decisions that are made by the marketing boards themselves, people who are democratically elected.”<sup>536</sup> Under section 21(2), a commodity referendum would now require the signatures of ten percent of producers representing ten percent of the total production of the regulated commodity and signatures would need to be gathered within a twelve month period.<sup>537</sup> Originally, the Minister of Agriculture had wanted the threshold to be twenty percent of producers.<sup>538</sup> The NDP successfully managed to persuade the government to use the ten percent-ten percent formula. Another positive, albeit politically self-serving, move included a requirement that commodity boards and commissions make their check-offs refundable upon the request of an agricultural producer. After all, the financial impositions provided by the mandatory “check-offs” had been one of the primary reasons for the NFU campaign against the ACC. Section 38 of *MARPA* established separation between the APMC and its Appeals Tribunal as a member of the former could not be a member of the latter. The government also placed limitations on the length members of the APMC could serve. At the same time, the appointment of both APMC and its tribunal members was left in the hands of the government and term constraints mattered little if bodies could be stocked with partisan

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<sup>535</sup> This section noted: “Notwithstanding subsection (1), the Lieutenant in Council may exempt a proposed plan referred to in section 15(1)(C) from the requirement of being submitted to a plebiscite.”

<sup>536</sup> Alberta Hansard. June 9, 1987. p. 1783.

<sup>537</sup> *Marketing of Agricultural Products Act*. Second Session, 21<sup>st</sup> Legislature, 36 Elizabeth II.

<sup>538</sup> Alberta Hansard. June 9, 1987. p. 1783.

supporters. Overall, *MARPA* did not remove the highly centralized control that the APMC and the Minister of Agriculture could exercise over duly elected marketing boards and commissions. As future events demonstrated, *MARPA* still allowed the APMC and the Minister of Agriculture to interfere in the marketing affairs of provincial agricultural producers.

*Stacking the deck in government's favour*

The provincial government continued its centralized control over important agricultural institutions into the late 1980s and early 1990s.<sup>539</sup> The government continued to ensure political security by establishing a veto over the appointments to government agricultural boards, commissions, and committees. Jim Armet, the Director of Information Services for Alberta Agriculture, outlined the existing appointment procedures to Minister Isley in April 1989:

When making Ministerial appointments to committees, it has been our practice to provide: 1. A memo from the Minister to the MLA seeking concurrence. 2. A Ministerial Order which is not signed until MLA's concurrence is received by the Minister's office. 3. A letter from the Minister to the person being appointed with a copy to the MLA which is not signed until the M/O is signed.<sup>540</sup>

In other words, before the Minister appointed any Albertans to agricultural committees, they sought the opinions of the government MLA for the riding in which the potential appointee resided. The local MLA might have political information to disqualify the individual not available to the Minister. That fall, the new Director of Information Services, Bard Haddrell, questioned whether this practice and the structural veto the government held over section 6 of the *Department of Agriculture Act* appointments could be reformed:

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<sup>539</sup> Most of these appointments were performed by ministerial order, rather than order-in-council.

<sup>540</sup> Letter from Jim Armet, Director of Information Services. "Procedure re: appointment to committees." Dated April 25, 1989. PAA 1996.489 Box 27 File 198.

In many case, producer groups nominate, not the department. Almost without exception these commodity nominations are accepted. It would create difficulties if one of their nominees were rejected for what may appear to be political reasons. (I believe this may have happened once).<sup>541</sup> This raises the question of the need to send a memo to the Government M.L.A. in whose constituency the nominee resides. (This was started by Peter Elzinga when he was Minister). The feeling within the department is that a memo could be done to the M.L.A. indicating that a constituent has been appointed (based on a commodity group's nomination) and the memo is to advise of this only. (Not seek approval) It could however also cause you some concern if the M.L.A. for some reason, is reluctant to see this person nominated...If you choose to continue with M.L.A. approval prior to appointment, all documents, especially the Minister's approval memo, should be retained by you unsigned until you hear back from the M.L.As.<sup>542</sup>

The new policies that came into effect after Elzinga's appointment as Minister of Agriculture suggests that the waning political fortunes of the Progressive Conservative organization necessitated increased consolidation of power in rural areas. The government had lost nearly all Edmonton constituencies to the NDP in the 1986 and 1989 elections and there was little room for error, or dissent, in electorally overrepresented rural constituencies. Thus, it would not be out of the realm of possibility that the government and producer groups discussed potential appointees that were *mutually* acceptable to both parties. Or alternatively that producer groups were gently, or not so gently, reminded that the government maintained a veto and this should be kept in mind prior to groups making their nominations.<sup>543</sup> With its

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<sup>541</sup> A handwritten note added that this had occurred during the tenure of Minister of Agriculture Peter Elzinga.

<sup>542</sup> Letter from Bard Haddrell, Director Information Services to Brad Klak and Louise Riopel. "Advisory Committee." Dated October 24, 1989. PAA 1996.489 Box 7 File 40. p. 1.

<sup>543</sup> It was not until May 1993 that the provincial government decided to implement a recommendation of the Auditor General to use the expertise of the Public Service Commissioner and review panels in the appointment of agencies, boards and commissions. (Source: Memorandum from Ralph Klein to All Cabinet Members. "Appointment of Members to Agencies, Boards & Commissions." Dated May 25, 1993. PAA 1996.489 Box 39 File 416.). The memo continued: "Therefore, please ensure that Review Panels are established for all appointments to agencies, boards and commissions, which have significant policy, regulatory or fiscal responsibility. The panel members should represent a variety of skills and expertise; they could include technical experts, key stakeholders and members of the public. The Public Service Commissioner is available to assist in establishing panels and will ensure that expert assistance is provided to them in reviewing and short listing candidates for you or Executive Council."

political collapse in Edmonton, it did not appear that the government was willing to concede their tight control of agricultural institutions.

### *Pork Conflict Round Two*

The late 1980s and early 1990s saw further controversy between provincial pork producers on one side and the government and processors on the other. The provincial agricultural marketing regulators, the Agricultural Products Marketing Council (APMC) and its Appeals Tribunal- were used by government in the dispute with provincial pork producers. The Alberta Pork Producers' Marketing Board (APPMB) had gained considerable power through their collective action. In 1981, the APPMB had acquired one of the major provincial meat processors, Fletcher's Fine Foods Ltd., for \$14.7 million by using its producer check-off funds.<sup>544</sup> Corporate rivals charged that the pork producers had become far too powerful and their control over marketing gave them an unfair corporate advantage. Gainer's owner Peter Pocklington had accused the APPDC of price-fixing since 1985. In September 1989, Pocklington criticized the "government's unwillingness to interfere with the price fixing policies of the Alberta Pork Producer's Marketing Board."<sup>545</sup> Pocklington attributed the financial problems at Gainers to the hog contract his organization had signed with the APPMB in 1986, which "cost Gainers about \$54,857,000 in revenue less approximately \$1,350,000 per year in lower price residual hog costs."<sup>546</sup> The APPDC

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<sup>544</sup> Climenhaga, David. "Hog farmers chalk up Fletcher's victory; Tribunal rules pork marketing board must hear appeal by dissident farmers; [Final Edition]." Edmonton Journal. Edmonton, Alta.: Sep 13, 1990. p. D.15.

<sup>545</sup> Letter from Peter H. Pocklington to Hon. Dick Johnston, Provincial Treasurer. "RE: Gainers Inc." Dated September 27, 1989. PAA 1996.489 Box 3 File 17.

<sup>546</sup> Letter from Peter H. Pocklington to The Honourable Don Getty, Premier of the Province of Alberta; The Honourable Dick Johnston, Provincial Treasurer; The Honourable Ernie Isley, Minister of Agriculture; The Honourable Peter Elzinga. "Gainers Inc. ("GI")-Gainers Properties Inc. ("GFI") Discussion Paper. Dated May 30, 1989. PAA 1998.922 Box 22 File 292.

disputed claims of price-fixing allegations and challenged “the perception that a conflict of interest exists between the APPDC as the sole seller of hogs in Alberta and its ownership of Fletcher’s which is a major buyer of hogs and more important than the perception which may exist, satisfy the requirements that Fletcher’s continue to bid competitively and independently as a buyer or hogs.”<sup>547</sup> The government of Alberta had already provided considerable support to Gainers Inc. by providing Pocklington, a generous political donor to the PC party fund, with a \$67 million financial package in March 1988, including a \$12 million loan that was to go to towards the construction of a slaughterhouse in Picture Butte, Alberta. After Pocklington defaulted on a \$6 million government loan, the province intervened and seized control of Gainers Inc. Dr. Hugh Horner, the former Minister of Agriculture and then Fletcher’s Chairman, attributed the decline of Gainers to a number of factors and criticized government intervention:

It is our firm belief that the failure of Gainer’s is a function of much more than the questionable practices of its previous owner, or the difficult marketing circumstances that we all find ourselves in the present time. While these factors no doubt contributed to the current state of affairs, it would be folly to ignore the direction the industry is going and the measures that must be taken in order to survive the operating environment of the future. Large scale operations in our industry are now more than ever setting the tempo for our industry is virtually every aspect of our business, and in order to be competitive it is imperative that we make every effort to capture these same scale efficiencies. In point of fact, we believe that that this is the message the market was sending prior to being interrupted by your Government’s actions in the takeover of Gainer’s.<sup>548</sup>

The collapse of Gainers led to discussions that Fletcher’s would purchase the company from the government. Desperate to unload the company, the government was, however, evidently more concerned about the power of the pork producers and the unlikely prospect that the

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<sup>547</sup> Alberta Pork Producers Development Corporation Proposal. Dated March 22, 1990. PAA 2006.213 File 90 p. 90.

<sup>548</sup> Letter from Dr. Hugh Horner, Chairman Fletchers Fine Foods Ltd. To Honourable Dick Johnston, Provincial Treasurer. Dated November 1, 1989. PAA 1998.922 Box 22 File 292 p. 1.

board would remove itself from the global economy driving up the provincial cost of pork. Fletcher's was told by the government that it could not purchase Gainers unless it divested itself from membership in the provincial hog board.

The government portrayal of the APPDC's ownership of the Fletcher's Corporation as dubious was unjustified. The pork marketing board continued to be a democratically elected structure accountable to provincial pork producers. If a majority of pork producers passed a resolution calling on the marketing board to divest itself of its corporate interests, it would be bound to do so or the pork board executives who refused would not survive the subsequent election. Overall, there is little academic evidence to suggest that such agencies were, in fact, monopolies. Horner et al. (1980) note that: "Central selling [i.e. hogs, fruit and vegetables] has been an effective tool to offset the oligoposinistic power of processors. The effects of these boards on the level of producer's prices have been very modest in most instances (253)." The government was never able to demonstrate that the pork marketing board was favouring Fletcher's and functioning as a monopoly. Indeed there were times when Fletcher's was outbid by competitors and faced hog shortages despite being owned by the monopoly supplier (the pork board). The provincial government blustered about vertical integration by the pork board at the same time it condoned corporate domination in many agricultural sectors (i.e. processors running feedlots). It was acceptable for processor corporations to dominate agricultural producers, yet the inverse was considered a monopoly. Extensive promotion of producers' interests challenged the position of processes and thus province-building efforts that were reliant on agricultural processing. Government strategy remained dedicated to ensuring that no powerful agrarian interests existed to contest the goals of the Conservative organization. Despite its efforts in collective action and substantial

resources, the pork producers remained an agrarian organization hamstrung by government regulation and oversight.

Conflict between the province and the pork board continued after the latter flatly refused several government orders. Provincial pork producers had become increasingly frustrated over government intervention in their sector. On June 15, 1990, Kenneth D. Smith, the General Manager of the APMC, complained to Agriculture Minister Ernie Isley that the APPDC continued to refuse to disclose their Board Minutes to his organization.<sup>549</sup> The APPDC had also refused a three year old government request to update their Plans and Regulations to compliment *MARPA*. The refusal of the former could be justified, in part, by the fact that there was a conflict of interest in the government regulating the activities of pork producers, including its ownership of Fletcher's, at the same time that government owned one of its largest competitors: Gainers. What guarantee existed to ensure that the interests of the pork producers, including proprietary corporate interests, were, in fact, served in the face of considerable pressure for the government to financially rehabilitate and recover taxpayer money from the failing and now government-owned Gainers organization? The government had earlier refused to sell Gainers to Fletcher's until the pork board relinquished its control.<sup>550</sup> There was a clear lack of trust on both sides.

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<sup>549</sup> Letter from Kenneth D. Smith, General Manager, Marketing Council to Honourable Ernie Isley, Minister. "Alberta Pork Producers Development Corporation." Dated June 15, 1990. PAA 1996.489 File 90.

<sup>550</sup> In the end, the Swift Company purchased Gainers and proceeded to close their newly acquired Alberta facilities, while opening new facilities and creating new jobs in Manitoba. The Conservative government chose to concede important agricultural employment to another province rather than concede its power over agricultural marketing.

On the matter of marketing plans and regulations, the APMC continued to portray the APPDC's foray into processing as legally dubious:

...this Corporation has long since moved outside the original mandate which was voted on by the producers. It was intended that this Board operate a teletype marketing system. In fact at the present time it is questionable in my mind as to whether or not their current operation are legally defensible; vis-à-vis their original mandate. This is the reason that the Council continues to insist that this Plan be updated in the same way it has similarly pressured all the other Boards and Commissions to update their Plan and Regulations. What this all means is that sooner or later your office and Council will likely have to force the Pork Corporation into a fairly involved process to its Plan. Obviously one of the most central issues in such a dialogue would be the Board's powers to own and operate a processing facility. Your office could decide that right now is the best time to force this process and direct Marketing Council to implement a program for the revision of the attached Plan. Such a program would require input from all sectors of the industry and therefore presumably require a hearing process.<sup>551</sup>

Whether the APPDC had exceeded its jurisdiction or not was a matter for the courts to definitively decide and the provincial government once again refused to invoke section 27(1) of the *Alberta Judicature Act* and request the involvement of the provincial appellate court. Instead, the provincial government launched an investigation of the pork board and seized its minutes in December 1990.<sup>552</sup> Once again, the pork board was instructed by the Marketing Council not to hold meetings without government permission and that all future meetings would be monitored by Council operatives. Agriculture Minister Ernie Isley argued that such actions were justified since the level of co-operation provided by the pork board did not match that of other marketing boards and commissions.<sup>553</sup> The pork board had dared to challenge the Conservative political monopoly! The Official Opposition believed that the

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<sup>551</sup> Letter from Kenneth D. Smith, General Manager, Marketing Council to Honourable Ernie Isley, Minister. "Alberta Pork Producers Development Corporation." Dated June 15, 1990. PAA 1996.489 File 90.

<sup>552</sup> Thorne, Duncan and Helm, Richard. "Province investigates pork board trust fund; Hog marketing agency told to hold no meetings without permission; [Final Edition]." Edmonton Journal. Edmonton, Alta.: Dec 14, 1990. p. F.12.

<sup>553</sup> *Ibid.*

actions of the Minister reflected “heavy-handedness: if not revenge with NDP Agricultural Critic Derek Fox arguing that: “He [Minister Isley] has clearly chosen sides and uses his position as minister to influence the outcome of what should be a democratically resolved decision.”<sup>554</sup>

*Creating a Barley Commission...without barley producers*

The creation of the Alberta Barley Commission in 1991 represented a notorious example of the provincial government creating an organization (that would regulate all barley producers) without those producers’ direct support. In December 1990, the Rosalind Unifarm Local submitted a brief to the provincial government issuing concerns over the proposal to create an Alberta Barley Commission. This proposal was sponsored by the existing Alberta Barley Growers Association, consisting of only 700-800 members, and supported by the Western Barley Growers Association and the provincial government. The Unifarm local was concerned that a request from an organization that represented only 1.2% of Alberta’s 42,000 barley producers would receive such outstanding consideration and support from government, including the promotional efforts of the provincial Marketing Council.<sup>555</sup> They argued that a Barley Commission would be dominated by “activist” members from the Barley Growers Association, which in their estimation espoused views (i.e. including supporting the removal of oats from CWB jurisdiction) diametrically opposed to that of the majority of provincial barley producers.<sup>556</sup> Such minority views would be foisted on the majority and indeed all barley producers would be obligated to pay a check-off

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<sup>554</sup> Ibid.

<sup>555</sup> “A Brief Submitted by the Rosalind Local of Unifarm in opposition to the Proposed Alberta Barley Growers Commission.” Dated December 1990. PAA 1996.489 File 134 p. 1.

<sup>556</sup> Ibid.

to support these views unless they specifically asked for a refund.<sup>557</sup> There is little evidence suggesting that the provincial Marketing Council worked to understand the circumstances under which a check-off would be acceptable to barley growers or conducted due diligence necessary to legitimize their creation of the Barley Growers Association in 1991. In addition, the Unifarm local criticized the government for its financial support of the Barley Growers' Association and the lack of independence Association from government:

...is the Barley Growers an autonomous organization? With a membership of less than 800, and a membership fee of \$40, that should dictate a budget of \$32,000. We know that they spend much more than that. Who is helping to finance these 12 meetings across Alberta with guest speakers? The answer is the Alberta Government, the very people from whom they will receive their charter. The question arises: Will the proposed commission lobby the Alberta Government, or lobby on behalf of the Alberta Government? No organization can maintain its autonomy and independence while receiving its lifeline from the source it should be lobbying. Perhaps this is why the Barley Growers have in the past appeared to have served merely as an extension of Alberta Department of Agriculture philosophy.<sup>558</sup>

Responding to this submission, Minister Ernie Isley expressed support for the creation of an Alberta Barley Commission and a mandatory check-off for commodity organizations. Isley noted that Marketing Council representatives had monitored most of the meetings held to discuss the creation of the new commission and noted that some opposition found considerable support at these events.<sup>559</sup> However, given that the Marketing Council itself was promoting the creation of the Barley Commission there appeared to be an inherent conflict of interest. Isley argued that such mandatory check-off provisions were justified under the *Marketing of Agricultural Products Act*:

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<sup>557</sup> Ibid.

<sup>558</sup> Ibid.

<sup>559</sup> Letter from Ernie Isley, Minister of Agriculture to Mr. Reg Enright, Rosalind Local of Unifarm. Dated February 5, 1991. PAA 1996.489 File 134. p. 1.

This government feels that there is a clear need for more direct producer involvement in determining the direction for research and marketing initiative in the various commodity sectors. The international agriculture and food industry is becoming increasingly competitive. Producers must become more actively involved in the development of their industry to retain competitiveness and international marketing access. To meet this challenge, producer groups require the necessary resources to fund or co-fund initiatives in the areas such as marketing and research.<sup>560</sup>

An identical argument could be used to justify the requirement of a check-off for a general farm organization. Moreover, Isley raised the possibility of refundable check-offs: “While we believe refundable check-off commissions can contribute a great deal to the future of their respective industries, they will require the support of their producers to do so.”<sup>561</sup> Thus, the majority of a commodity board would be required to authorize a refundable check-off.

*Klein’s new vision for provincial agricultural marketing*

The provincial government’s position on marketing boards became confused under the tenure of Premier Ralph Klein. On occasion, the Premier viewed agricultural marketing boards as contrary to neo-liberal principles and proposed their elimination. However, the Premier later claimed that his previous comments on the subject had been misinterpreted and proceeded to clarify what he meant. In March 1993, Klein indicated to an AWP delegation that agriculture was overregulated by the provincial government and proposed the rationalization or elimination the number of provincial marketing boards.<sup>562</sup> Despite deferring most of the AWP’s questions to his Agriculture Minister, Klein did admit that: “I’m just getting my feet wet relative to the details of our agriculture policy.”<sup>563</sup> Nevertheless, the urban Premier felt strongly that the number of regulations, rules, boards,

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<sup>560</sup> Ibid. p. 1.

<sup>561</sup> Ibid. p. 2.

<sup>562</sup> Braungart, Susan. “Rules hurting farmers: Klein.” *Calgary Herald*. March 30, 1993. p. B. 8.

<sup>563</sup> Ibid.

and agencies present in the agricultural community were too restrictive and indeed were hurting provincial producers internationally.<sup>564</sup> Responding to criticisms from Alberta producer boards, such as the Alberta Turkey Growers' Marketing Board, Klein recanted his earlier calls for the elimination of all such organizations:

It is unfortunate that some of my comments were misinterpreted and led some to believe that I do not support producer boards. I assure you that producer-operated boards continue to have the support of the Government of Alberta and me. Boards such as yours have been very successful in stabilizing markets and ensuring a fair price for producers.<sup>565</sup>

Nevertheless, within a year Klein was once again raising uncertainty over the government's actual position respecting provincial marketing boards. In May 1994, the Premier reiterated his anti-marketing board comments at the Western Premiers' meeting in Gimli, Manitoba. Klein bluntly told attending reporters: "We would like to get rid of marketing boards."<sup>566</sup> This drew the ire of Unifarm, which felt that agricultural marketing systems should be designed, or at the very least approved, by producers through a plebiscite.<sup>567</sup> In the absence of rational or considered economic arguments for their elimination, Unifarm did not feel that ideological reasons alone were sufficient grounds for the "wholesale destruction" of a marketing system designed and approved by producers.<sup>568</sup> Unifarm President Roy Jensen responded to the "scary issue" of the Premier's remarks: "We have yet to hear of some benefit that would accrue to farmers through this ideological move...It would allow U.S. over-production to flood the market, and in many years this could be equal to total Canadian

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<sup>564</sup> Despite Klein's view that the Canadian agricultural industry was overregulated and constrained, the industry nevertheless produced the least expensive food in relation to income in the world.

<sup>565</sup> Letter from Premier Ralph Klein to Mr. Michael Lowen, Chairman of the Alberta Turkey Growers Marketing Board. Dated June 3, 1993. PAA 1996.489 Box 39 File 403.

<sup>566</sup> "Premier would get rid of boards." *Trends*. June 1994. p. 1.

<sup>567</sup> *Ibid.*

<sup>568</sup> *Ibid.*

production.”<sup>569</sup> It is clear that marketing boards did conflict with Klein’s ideological predispositions towards a non-activist state. Equally clear is the fact that, at the beginning of the ‘Klein Revolution’, the Progressive Conservative organization was politically astute enough to realize that the wholesale removal of marketing boards and commissions would damage the government.

### *Conclusion*

Utilizing forms of democratic bias, highly interventionist state province-building efforts in the agricultural marketing field allowed the Conservative government to consolidate power in electorally overrepresented rural areas. Given the continued importance of agriculture to the rural Alberta economy, this bloc of malapportioned seats represented a very important accomplishment that furthered their political monopoly. In the early 1970s, the new Conservative government quickly gained control over the growing stable of agricultural marketing boards and commissions through over-regulation. To this end, a new provincial marketing thrust was launched that included the centralization of powerful institutions, such as the Agricultural Products Marketing Council, under this regime the province dictated agricultural marketing strategy to groups originally intended to operate as bottom-up rather than top-down organizations. Marketing boards and commissions represented one of the few remaining sources of organized agrarian agency. Thus, the government made few efforts to ensure greater independence of marketing boards and commissions from government. It also made sure to stack agricultural boards and commission with personnel who would further the government’s priorities and agenda. Demonstrating their democratic participation bias very early on with their response to the ‘Hog Board Coup’, the Conservatives made it clear they would not tolerate challenges to its

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<sup>569</sup> Jensen, Roy. “President’s Corner.” *Trends*. June 1993. p. 1.

marketing policy. As this and other incidents demonstrate, the democratic will of marketing boards and commissions meant little unless they served the political interests of the government. Overall, the provincial pork marketing board was one of the few agrarian structures that demonstrated any independent agency. Even the hog producers, however, could not overcome the regulatory authority of the Conservative power monopoly between 1971 and 1996. Concerned about the influence of Unifarm and other independent agrarian actors, the government skilfully used its control of the provincial marketing thrust to displace them. The provincial marketing strategy directly challenged the capacity of Unifarm to operate when the government ceased to ask the organization to nominate members to government boards and commissions in 1973. The Conservative's continuing challenges of Unifarm's viability progressed with the Attorney General's ruling in 1978. The Conservatives' encouragement of agricultural producers' participation in government-regulated commodity organizations also had a direct and detrimental impact on Unifarm. The provincial government also took a direct role in the creation of a barley association and later a barley commission, both of which were criticized as an appendage of the state rather than a legitimate producer organization.

## **Chapter Eight: Unifarm's Collective Action and Government Relations.**

### *Introduction*

A strong and independent civil society enhances the competitiveness and efficacy of democratic regimes (Berman, 1997; Diamond and Morlino, 2005; Huntington, 1968). Adopting a middle-ground between neo-Tocquevilleans and their critics, this chapter argues that the beneficial impact of civil society hinders the establishment of nascent political monopolies that seek to encourage a non-competitive political environment. To circumscribe and limit civil society organizations' ability to mount political resistance to the Conservatives' agenda, the government consolidated economic and political power in electorally rich rural areas through practices of province-building after their 1971 victory. This study has already shown how the Conservative government sought to weaken the positions of independent agrarian civil society actors on grain policy, surface rights, and agricultural marketing. This chapter will expand on a theme discussed briefly above, namely: attempts by the political monopoly to directly challenge independent civil society organizations. Constituting violations of democratic participation and vertical accountability, there was a deliberate government campaign to challenge civil society institutions that had traditionally been active at the forefront of democratic reforms in Alberta. By weakening these agrarian civil society structures, the government safeguarded its own political position. Nowhere else but in rural areas did independent civil society organizations pose such a direct threat to the Conservative regime. Not only did these groups question government policy, they also inspired rural residents to question the efficacy of the government. The

dissemination of such views had the potential to persuade the over-represented rural ridings to vote against the government at election time. Unifarm will serve as the primary case study for this chapter owing to its position as the premiere agrarian civil society organization during the period of study. Its decline served as a barometer measuring the broader decline of independent agrarian agency in Alberta. Facilitating the decline of Unifarm and other independent agricultural organizations, the Conservative government denied universal financing (i.e. the levying of fees from agricultural producers) for those groups. At the same time, and for most of study period, the government mandated universal financing for provincially regulated agricultural marketing boards and commissions which continued to proliferate. This measure diverted resources away from and created competition for independent and unregulated agrarian organizations. Drawing on elements of the previous chapter, this chapter will demonstrate how government participation bias, though control and promotion of agricultural marketing boards and commissions, limited the efficacy of Unifarm. The Conservatives also employed direct efforts to destabilize the Unifarm organization. It is true that Unifarm's decline was not solely the result of government policies. Nevertheless, it is also a fact that the Alberta government had the ability, but not the will, to save Unifarm. Compared to other agriculturally producing provinces, Alberta, under Conservative governments, is conspicuous in its failure to provide some form of support for general farm organizations.

### *Brief Overview of Unifarm*

At the turn of the 1970s, Unifarm boasted 30,000 individual farmer members and numerous producer group affiliates.<sup>570</sup> Unifarm was the product of the 1970 amalgamation

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<sup>570</sup> As of September 1972, Unifarm comprised: the Alberta Wheat Pool, United Grain Growers, Alberta Milk Producers' Association, Central Alberta Dairy Pool, Northern Alberta Dairy Pool, Alberta Broilers

of the Farmers' Union of Alberta (FUA) and the Alberta Federation of Agriculture (AFA). The new organization emerged as the premiere provincial general farm organization between the period 1971 and 1996. Membership in Unifarm was open to all active agricultural producers, marketing boards, commissions, and commodity groups. As "an association of Alberta farmers and ranchers and their member-owned and controlled co-operatives and commodity organizations," Unifarm served as a "farm policy-making organization designed to provide for sharing of member opinions and a collective approach to making members views known to government and industry."<sup>571</sup> Although it was a provincial organization, members of Unifarm also were active on the national Canadian Federation of Agriculture.<sup>572</sup> Unifarm's platform was relatively clear.<sup>573</sup> As examined previously, the organization supported the Canadian Wheat Board, the Statutory Rates, and the promotion of surface rights. It supported the co-ordination of marketing agencies, producer commodity groups, and co-operatives believing them to be beneficial to the "development and maintenance of a competitive efficient agricultural industry."<sup>574</sup> Unifarm also advocated a higher per capita net farm income and agricultural growth in line with returns afforded to non-agricultural

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Growers' Marketing Board, Alberta Turkey Growers' Marketing Board, Alberta Poultry Marketers' Cooperative, Alberta Livestock Co-operative, Alberta Provincial Swine Breeders' Association, Bow Slope Shipping Association, Peace River Livestock Co-operative, Vauxhall Feeders' Co-op, Western Hog Growers' Association, Western Stock Growers' Association, Southern Alberta Sheep Breeders, United Farmers of Alberta Co-operative, Pembina UFA Co-operative Association, the Alberta Honey Producers Co-operative, Alberta Potato Growers Association, Alberta Sugar Beet Growers' Association and the Alberta Vegetable Marketing Board. (Source: "Who belongs to Unifarm?" *Farm Trends*. September 1972. p. 35). In the early 1970s individual Unifarm memberships were organized on three levels: local (ten or more members), district (comprised of up to ten directors) and regional (comprised of fourteen regions). The Unifarm Board was then comprised of 33 members, of which 14 were regional directors elected by the individual memberships and 14 elected by the various organizations. The Unifarm Board then elected six of its members to form the Unifarm executive, including the President and two vice-presidents. (Source: "The Anatomy of an Organization or what makes Unifarm run?" *Farm Trends*. September 1972. p. 34-35)

<sup>571</sup> "Unifarm works for Alberta farmers." *Farm Trends*. April 1976. p. 14.

<sup>572</sup> The NFU in Alberta was a branch of the national NFU organization and not a true *provincial* general farm organization.

<sup>573</sup> "Unifarm Policy October 1976." *Farm Trends*. October 1976. p. 9.

<sup>574</sup> *Ibid*.

sectors. Opposed to vertical integration by agri-business, Unifarm believed the family farm to be the most desirable agricultural economic unit.<sup>575</sup> It was essential for Unifarm that the agricultural producer be given an opportunity to participate in the promotion, formulation, and alteration of agricultural policies. Unifarm provided valuable membership services to its members and affiliate groups including: insurance discounts; discounted income tax services; assistance with surface rights; troubleshooting problems; and mediating disputes with government.<sup>576</sup>

Unifarm served as a mainstream and small-c conservative general farm organization. Contrasting Unifarm with the more radical National Farmers Union (NFU), Skogstad (1979) observes that “the official Unifarm ideology resembles the corporatism of Henry Wise Wood and the UFA. The logic is that a similarity of interests arises among producers of the same commodity; hence there is no inherent conflict of interest between individual producers and agribusiness (235).” With its class-based view of society, the NFU more closely resembled the radical Alberta Farmers Union and the Non-Partisan League active during Alberta’s earlier history. When differentiating between conservative and radical agrarian movements, it is useful to cite Gamson and Wolfsfeld (1993). These scholars distinguish between “front” and “back” door political engagement practices employed by the media:

Members of the club enter the media forum through the front door when they choose, they are treated with respect, and they are given the benefit of the doubt. Challengers must contend with other would-be claimants for attention at the back door, finding some gimmick or act of disorder to force their way in. But when they do so, they are defined as upstarts and the framing of the groups may obscure any message it carries. Those who dress up in costume to be admitted to the media’s party will not be allowed to change before being photographed (211-212).

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<sup>575</sup> Ibid.

<sup>576</sup> “Multi-benefits make Unifarm membership a bargain.” *Farm Trends*. October 1977. p. 24.

The front door, or conservative, approach was evident in the role prescribed for Unifarm by its President, W.D. Lea on the eve the 1971 election:

Not only should it be a critic and a catalyst; it should also be a constructive planner and organizer. Changes and adjustments, when necessary, are seldom popular with all those affected thereby, but often need to be accomplished for the benefit of the majority. Unifarm, including as it does, representatives from producer groups with special interests, and representatives from the general direct members across the province is particularly adapted for this kind of role.<sup>577</sup>

This approach was an obvious departure from the ideology of the more radical NFU. Both organizations had independently written and submitted policy submissions to various provincial government committees and annual briefs to the cabinet. As Skogstad (1979) observes: “But whereas Unifarm has preferred to pursue its aims in a ‘less controversial manner,’ almost from its inception, the NFU has not ruled out mass farmer demonstrations as necessary to bring the government’s attention to farmer’s problem (235).”<sup>578</sup> This chapter will contest Skogstad’s notion that Unifarm was “rewarded” and “officially recognized” by the government for “its tactics of quiet diplomacy”, while the NFU was not and moreover was “punished for its more vociferous public outcries for more radical policies (240).” This exploration of the historical records will show that the Conservatives cared little for

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<sup>577</sup> Ibid. p. 13. Unifarm also cited the importance of being a “watchdog on government income and expenditure and more specifically on the implications of the taxation system.” (Source: Lea, W.D. “Unifarm’s role in Agriculture.” *Farm Trends*. July 1971. p. 3.).

<sup>578</sup>Skogstad (1979) cites a number of ‘back door’ strategies that occurred during the 1970s. In April 1970, NFU President Roy Atkinson led two thousand northern Alberta farmers to the legislature to present a brief to the Social Credit government: “The demonstration was later described as the largest in the legislature’s history ‘and the first time placards were seen inside the building since 1935.’”Continuing Skogstad highlights the yearly protests and rallies organized by the NFU: In 1973, the organization mobilized on the legislature grounds to demand compensation for farmers that had their crops snowed in. In 1974, around five hundred to one thousand farmers marched to protest lockouts in the packing industry that affected thousands of hog and cattle producers. In November 1975, some two hundred NFU supporters tied up Highway 63, the only road to the developing oil sands, to bring awareness to the declining cattle industry. In December 1975, NFU members erected a tent on the Alberta legislature grounds keeping a 24-hour vigil before Edmonton police dismantled it.

independent agrarian organizations that were critical of their policies irrespective of the political engagement techniques used.<sup>579</sup>

### Unifarm's government relations in 1970s

#### *The campaign for universal financing*

While serving as the Official Opposition, the Conservatives had been sympathetic to the implementation of a universal financing regime that would enhance the efficacy of independent agrarian organizations. In April 1969, Hugh Horner wrote to Peter Lougheed proposing that

...the Government should have all farmers register and pay a registration fee. At the time of registration a farmer could allocate part of that fee to either the Farm Union, or perhaps to some breed association such as Stock Growers or the Hog Growers or, alternatively, could allocate his funds to the Agricultural Research Trust. In this way I think we could improve the strength of the farm organizations and still have it a voluntary way. It is, in my opinion, necessary that farmers be registered by the Provincial Government. The method of putting this membership into force, as I say, could be done by a registration of all farmers.<sup>580</sup>

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<sup>579</sup> Unifarm's style of gentler diplomacy concerning conservative policy was, nevertheless, critical on occasion. Skogstad (1979) cites the lack of NFU members on provincial government boards, in contrast to Unifarm. This imbalance can be attributed to the organization's own policy that was cautious about potential co-optation of its members by government appointments. In a letter to Hugh Horner on December 22, 1971, Stuart A. Thiesson, Secretary-Treasurer of the NFU, communicated new NFU policy: "From time to time the National Farmers Union is invited by various provincial governments and federal governments to put forward in nomination to government boards and advisory committees a slate of NFU members, from which the requesting government agency may select one or more as the case may be. The NFU Board at its meeting of December 3 and 4 discussed the matter of dealing with such requests and how best they might be approached since the organization is not necessarily interested in fulfilling all requests for appointments received. The feeling of our National Board was that if persons are nominated by the organization, they should be answerable to the organization, and since such requests for nominees are made to the organization, the organization should be in a position of naming persons in nomination who, it felt, were most capable of representing it on such advisory committees and boards." (Letter from Stuart A. Thiesson, Secretary-Treasurer of the NFU, to the Honourable Hugh Horner, Minister of Agriculture. "Re: NFU Appointments to Government Boards and Advisory Committees." Dated December 22, 1971. PAA 2006.213 Box 3 File 56 p. 1.).

<sup>580</sup> Memorandum from Dr. H.M Horner to Mr. P. Lougheed and Caucus. Dated 30 April 1969. PAA 1972.59 Box 1 File 3.

Believing universal financing should be distributed among the heterogeneous collection of provincial agricultural organizations, the Conservatives maintained a caveat that a single group should not receive the entirety of such funding. In September 1969, the Farmer's Union of Alberta requested that the Social Credit government provide the FUA alone with a check-off to increase their capacity to address the farm income crisis. Internally, the Conservatives opposed this monopoly arguing that "they [the FUA] will get the membership if they warrant it."<sup>581</sup> In March 1971, Lougheed reiterated this position: "We are opposed to the provincial government becoming involved in a check-off to one farm organization. I am firmly of the opinion that farmers should have the opportunity of deciding what they want to do with their money, and you can be assured of our support in this regard."<sup>582</sup>

After their victory, there were hints that the Conservatives had reversed their position on universal financing. Immediately prior to the September 1971 election, George Winkelaar, the General Manager and Executive Secretary of the Alberta Livestock Co-operative (ALC), wrote to Social Credit Agriculture Minister Henry Ruste highlighting the strong support for the general farm movement held by his organization. Ruste also drew attention to a recently passed resolution advocating greater support for Unifarm.<sup>583</sup> The resolution adopted by the ALC recommended that the Alberta Hog Producers Marketing Board (AHPMB), the Alberta Cattle Commission (ACC),<sup>584</sup> and the Alberta Horned Cattle

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<sup>581</sup> Farm Brief from Alan Warrack to Peter Lougheed. PAA 1972.059 Box 1 File 10.

<sup>582</sup> Letter from Peter Lougheed, MLA to Mr. David Cowan. Elrosenwan Farm. Dated March 23, 1971. PAA 1972.59 Box 1 File 4.

<sup>583</sup> Letter from Geo. Winkelaar, General Manager & Executive Secretary of the Alberta Livestock Co-operative Limited. Dated August 5, 1971. PAA 2006.213 File 3 Box 65.

<sup>584</sup> During the early 1970s, the Western Stockgrowers described the role of the ACC as such: "This body was established under provincial legislation to collect the 10 cent check-off on cattle sold for beef. It has responsibilities in the areas of research, promotion and in financing of the national body, the Canadian Cattlemen's Association. It has direct responsibility only to the Minister of Agriculture (through the

Trust Fund should look into using a portion of their funds towards supporting Unifarm.<sup>585</sup> With the AHPMB and the ACC respectively receiving a check-off from every commercial hog or cattle sale in Alberta, the ALC hinted that both organizations had considerable resources that were now being directed away from general farm and other independent organizations. The ALC resolution also noted that: “The creation of the Alberta Hog Board has curtailed the revenue from hogs for the A.L.C., depriving it of funds formerly used for the advancement of organized agriculture.”<sup>586</sup> Winkelaar advocated that the provincial government support the resolution:

It was the consensus of opinion of Delegates that, on the whole, the livestock industry does not carry its share of the financial load of UNIFARM and that this should be brought to the attention of these organizations [the Alberta Cattle Commission and the Alberta Hog Producers Marketing Board etc.], including the administrators of the Horned Cattle Trust Fund [the provincial government]. Delegates were certain of your interest in UNIFARM as a broadly based farm organization and were hopeful that you would be able to find a way of having cattle producers take a share of UNIFARM’s financial responsibility through a yearly contribution from the Horned Cattle Trust Fund. Will you be good enough to give this matter your earnest consideration?<sup>587</sup>

After years of reluctance, Social Credit relented and now supported implementation of a check-off on agricultural commodities for Unifarm (Jaques, 2001). The defeat of Social Credit in the 1971 provincial general election dictated that Hugh Horner, rather than Henry Ruste, replied to the ALC request: “At this time I cannot see my way clear in agreeing to the resolution. I am sure that you appreciate that we are in an intense period of evaluation and

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Marketing Council) though the members were originally appointed by the Minister from nominations made by various organizations. The Commission also act as Adviser to the Minister on the Horn Cattle Trust Fund.” (Source: WSGA memorandum attached to Letter from A. W Platt, Executive Secretary of the United Farmers of Alberta Co-operative Limited. Dated December 29, 1971. PAA 2006.213 Box 10 File 175 p. 2.).

<sup>585</sup> ALC resolution attached to Letter from Geo. Winkelaar, General Manager & Executive Secretary of the Alberta Livestock Co-operative Limited. Dated August 5, 1971. PAA 2006.213 File 3 Box 65.

<sup>586</sup> Ibid.

<sup>587</sup> Letter from Geo. Winkelaar, General Manager & Executive Secretary of the Alberta Livestock Co-operative Limited. Dated August 5, 1971. PAA 2006.213 File 3 Box 65.

some reorganization as a department.”<sup>588</sup> Horner also noted that the department was evaluating the horned tax and would have to set Winkelaar’s request aside until the evaluation was complete. Despite being inconsistent with earlier sentiments, Horner’s initial response could be excused as the reply of a new government preoccupied with the assessment of all provincial programs maintained by an ousted Social Credit government that had held power since 1935. Not long after this initial response, it became clear that Horner’s response was indicative of a broad government effort to consolidate its power over rural areas.

Once in power, the Conservatives reversed their position on universal financing for independent agricultural organizations.<sup>589</sup> The political organization became less concerned with winning power than maintaining it. This reversal disappointed one of the largest provincial commodity organizations: the Alberta Wheat Pool (AWP). In December 1973, the AWP notified Hugh Horner that two long-standing resolutions had been once again been reaffirmed at the annual meeting. Both called for a general check-off that would go either to Unifarm or the National Farmers Union, the two largest general farm organizations operating in the province.<sup>590</sup> The secretary of the Alberta Wheat Pool, B.A. Friesen, noted: “The delegates are well aware of your stand regarding such a check-off. They do however, feel that a check-off system for major farm organizations is the most appropriate way for farm organizations to maintain their independence and provide leadership in farm policy

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<sup>588</sup> Letter from Hugh M. Horner, M.D., Minister of Agriculture to Mr. Geo. Winkelaar, General Manager & Executive Secretary to the Alberta Livestock Co-operative Limited. Dated September 15, 1971. PAA 2006.213 Box 3 File 65.

<sup>589</sup> Either in the form of a check-off or in registration fees.

<sup>590</sup> Letter from B.A. Friesen, Secretary of the Alberta Wheat Pool to H. Horner, Minister of Agriculture. Dated December 18, 1973. PAA 2006.213 Box 14 File 275.

formulation.”<sup>591</sup> Horner was not inclined to be influenced by such a request as it was evident that the provincial government occasionally held a dim view of the AWP. Three months earlier, Horner had accused the AWP, much to its chagrin, of following “a haphazard, piecemeal approach to closing down [grain] delivery points.”<sup>592</sup> More importantly, the Conservatives had arrived at the conclusion that universal financing for independent organizations would increase their capacity to challenge the agricultural policies of the government.

The refusal to implement universal financing for independent agrarian organizations contradicted the ongoing provincial demand and support for government regulated marketing boards and commissions. In June 1973, the President of the Western Stock Growers’ Association, E.A. Chisholm, wrote to Horner: “In our discussion of the refundable aspect of the [ACC] check off you indicated that you would not favor making it refundable at this time on the basis that it is now accepted by producers and all contribute equally. You felt that producers were better off making their views known at the ballot box rather than calling for a refund of the check-off.”<sup>593</sup> The provincial government offered similar excuses to other commodity producers, when those groups complained about mandatory fees imposed by provincially regulated marketing boards and commissions. As discussed in the previous chapter, the degree of government regulatory control over such provincial agricultural institutions was considerable. Thus, the provincial government appeared to be

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<sup>591</sup> Ibid.

<sup>592</sup> Letter from G. L. Harrold, President of the Alberta Wheat Pool to Dr. Hugh M. Horner, Deputy Premier, Minister of Agriculture. Dated September 12, 1973. PAA 2006.213 Box 14 File 275.

<sup>593</sup> Letter from E.A. Chisholm, President of the Western Stock Growers’ Association. Dated June 27, 1973. PAA 2006.213 Box 18 File 303. p. 1.

unwilling to allow flows of cash to agrarian organizations that were beyond their control of the government.

From the early to mid-1970s, Unifarm continued to lobby the provincial government to implement universal financing. The organization included a request in its 1976 submission to the provincial cabinet that was nearly identical to Horner's 1969 proposal.<sup>594</sup> Pledging to earn the support of Alberta's agricultural producers through its performance, the organization proposed the following:

It was pointed out that through Unifarm efforts, contracted arrangements have been with the government in a number in a number of agricultural areas beneficial to the whole agricultural community. Since these benefits are also shared by non-members it is felt that they should assume responsibility for a portion of the costs more directly than their contribution to the general revenues of the province. Producers, the brief stated, could be given the option, on an individual basis, of directing their check-off to Unifarm or another properly established general farm organization, or a trust established for agricultural research purposes.<sup>595</sup>

Finding the existing system untenable, Unifarm representatives "had expressed concern at [the] inefficiency of the present system of collecting fees, noting that they would much prefer to direct both fund and manpower to working for producers, rather than expending much of its effort in preparing to work for them."<sup>596</sup> Despite the fact that the Unifarm proposition was nearly exactly the same as Horner's 1969 proposal, the government refused this request. Angered by the government's refusal, Unifarm did itself a disservice by adopting a more forceful policy later that year: "To achieve Unifarm's objectives, all producers in Alberta should share in the financing of Unifarm by seeking legislation

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<sup>594</sup> It is possible Unifarm had gained access to the Horner's proposal at the Provincial Archives. The Conservatives had deposited their Opposition Papers there in 1972.

<sup>595</sup> "Cabinet responds favourably to annual presentation by Unifarm brief to Cabinet." *Farm Trends*. February, 1976. p. 7.

<sup>596</sup> *Ibid.*

permitting the organization to receive a check-off from the sale of all agricultural products in Alberta.”<sup>597</sup> In his final address as Unifarm’s President, Dobson Lea criticized the government’s response to the organization’s check-off requests and cited developments in Quebec:

The response of the provincial government to that proposal was that continued voluntary support would be more credible. By contrast the provincial farm organization in Quebec has been granted the right to collect a \$50.00 fee from any farmer wishing to sell more than \$100 worth of farm produce. For a farm population similar to Alberta, their revenue from direct membership is therefore about eight times greater than that of Unifarm, with every Quebec farmer sharing both the benefits and the responsibility.<sup>598</sup>

Throughout the study period, Unifarm frequently cited while the provincial government frequently ignored the universal financing regimes for agrarian organizations that existed in other Canadian provinces.

#### *Direct challenges to Unifarm by government*

Early in the Conservative tenure, glimpses of explicit democratic participation bias were evident. Seeking to dominate the agricultural agenda, the provincial government was suspicious of Unifarm - the most powerful contemporary source of independent agrarian agency. In November 1971, the provincial cabinet considered its response to the annual Unifarm submission. Horner noted that, on the whole, “the Brief is substantially a good one and fits in with the general scope of our policy.”<sup>599</sup> While the government would move to implement most of Unifarm’s recommendations, Horner stressed an important caveat: “I would point out that Unifarm is only one of the farm organizations in Alberta and while we will consult with them and discuss all of our plans with them, they will not be running the

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<sup>597</sup> “Unifarm Policy October 1976.” *Farm Trends*. October 1976. p. 9.

<sup>598</sup> Source: Letter from B.A. Friesen, Secretary of the Alberta Wheat Pool to All Interested Persons. “Re: Allegations about Alberta Wheat Pool.” Dated May 24, 1977. PAA 1985.119 Box 2 File 34 p. 1.

<sup>599</sup> Letter from Hugh M. Horner, Minister of Agriculture to All Members of Cabinet. “Re: Unifarm Brief” November 23, 1971. PR 2006.213 Box 3 File 48.

Agricultural Department.”<sup>600</sup> This should be contrasted with the attempts to ensure that Unifarm would not gain too much influence over agricultural marketing (as discussed in the previous chapter) and the support given to the Alberta Cattle Commission.<sup>601</sup> On historical grounds, Horner’s suspicion of Unifarm was unfounded.<sup>602</sup> Under Social Credit, the organization and its predecessors had never dominated the rural or agricultural agenda.. Its inability to secure universal financing from successive Social Credit governments was evidence enough that it was not running the agricultural department. Nevertheless, the Conservatives viewed independent agrarian organizations as potential threats in principle and sought to neutralize them through both direct and indirect means.

An early government attack against Unifarm came when Horner attempted to equate the mainstream and even conservative Unifarm organization with the “radical” NFU in the press. In August 1972, the *Edmonton Journal* interviewed Horner on NFU efforts to introduce an *Agricultural Producers Collective Bargaining and Marketing Act* that would establish it as the exclusive general farm organization and sole marketing board of all agricultural commodities for the province. Horner argued that Unifarm had proposed a

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<sup>600</sup> Ibid.

<sup>601</sup> At the same time, Horner quietly favoured the promotion of cattle interests, particularly the Alberta Cattle Commission (ACC). While Horner subsequently promoted the fracturing of the agricultural community, he remained concerned about the fractured nature of the provincial cattle industry and thought the ACC could rectify the situation: “While I don’t believe that we should be telling the cattleman what to do, I think we should give leadership in establishing a single commodity group. I would agree with you [Dr. Purnell] that this single commodity organization doesn’t necessarily have to be the Alberta Cattle Commission but there are some reasons why it should be.” (Source: Letter from Hugh Horner, Deputy Premier and Minister of Agriculture to Dr. G. R. Purnell, Deputy Minister. Dated January 26, 1972. PAA 2006.213 Box 12 File 2326.)

<sup>602</sup> Publicly, the new government presented a different front. The internal guidelines of the Minister of Agriculture’s office made it clear that: “No attempt will be made to discourage requests for appointments with the Minister by: a) M.L.A.’s or Cabinet Ministers; b) representatives of provincial or national producer associations, e.g. Unifarm, N.F.U., Western Stock Growers, A.H.P.M.P., etc.; c) representatives of provincial or national agribusiness organizations.” (Source: Office Organization. Dated January 21, 1974. PAA 2006.213 Box 23 File 372. p. 13.)

similar plan a year earlier, which was ironically strongly opposed by the NFU at the time. Angered by the misrepresentation, Unifarm's President W.D. Lea wrote that he had never "requested autocratic bargaining authority for agricultural commodities" as the NFU had done believing strongly "in co-ordinating the activities of commodity groups which we consider are well served by marketing legislation which now exists."<sup>603</sup> Lea noted that Unifarm had only proposed a check-off the year earlier. On August 25<sup>th</sup>, Horner clarified what he had meant to convey in the *Journal* interview to Unifarm President W.D. Lea:

A year ago when Unifarm asked for the check-off, N.F.U. were very much opposed to it, and now they are asking for much more themselves. In my view the best approach is to stay within our Marketing Board concept and to really make our Marketing Boards marketing vehicles, and this is the philosophy and approach of our Government. Alberta cannot afford with 75% of the agricultural products which we produce exported beyond our boundaries to be locked into a system which will not work to the best advantage of our farmers. We must use our export potential to stabilize and improve our domestic market. We think we can achieve this with a philosophy quite different from that proposed by the N.F.U.<sup>604</sup>

Horner failed to account for how Unifarm had entered the conversation and how the organization became so misrepresented in print. Horner's characterization of Unifarm not only damaged its reputation and credibility, but likely caused some agricultural producers to question whether they should support an organization that issued similar proposals as the radical NFU.

The relations between Unifarm and the provincial government became increasingly strained after the 1975 election.<sup>605</sup> With their overwhelming victory and with the collapse of

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<sup>603</sup>Letter from W.D. Lea, President of Unifarm to Murray Finnerty, Executive Assistant to the Minister of Agriculture. Dated August 24, 1972. PAA 2006.213 Box 10 File 176.

<sup>604</sup>Letter from Hugh Horner, Deputy Premier and Minister of Agriculture to W. D. Lea, President of Unifarm. Dated August 25, 1972. PAA 2006.213 Box 10 File 176. p. 2.

<sup>605</sup> After that election, the political opposition consisted of only five MLAs: four Social Credit, or Independent Social Credit MLAs and one NDP to a government caucus of 69 MLAs. Lougheed shuffled

Social Credit, the Conservative government became less responsive to agrarian civil society organizations. The Unifarm organization itself had also started to decline with individual membership standing at 20,000 in 1975.<sup>606</sup> Nevertheless, Unifarm presented the new cabinet “with a long list of farm problems including loss of farm land to uses other than food production, the issue of foreign investment, rural electrification, and legislation dealing with surface rights.”<sup>607</sup> As the 1970s progressed, Unifarm became increasingly frustrated with the provincial government ignoring agricultural producers and the organization found “front-door” approaches were increasingly barred. In the mid-1970s, Unifarm members questioned why that organization had not adopted the more media-friendly “back door” actions of the NFU.<sup>608</sup> In his last address as Unifarm’s President, Dobson Lea<sup>609</sup> complained of too much provincial government intervention and submitted that agricultural producers should have a greater involvement in policy:

High on the list of principles used by Unifarm in this process [compromise between agricultural commodity interests] is the democratic principle that producers should elect their own representatives and control the development of their own policy. In addition to this, Unifarm has endeavoured to prove that while governments are necessary as referees and law makers, producers can make decisions for themselves through joint action and co-operation.<sup>610</sup>

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the cabinet replacing Hugh Horner as Minister of Agriculture with Marvin Moore. Moore, a seed and grain grower from the Debolt, 30 miles east of Grande Prairie, had served as the PC MLA for Smoky River since 1971. During his first term as MLA, Moore had served as the co-chair of the Agricultural Task Force, vice-chairman of the Alberta Grain Commission, a member of the Legislative Committee on Crop and Hail Insurance, and the Task Force of Decentralization of Government Operations. Despite Moore’s elevation to the Cabinet, Horner continued to serve as the rural Lieutenant for the Conservative organization and as Deputy Premier.

<sup>606</sup> “Alberta Cattle Commission, 18<sup>th</sup> producer group to join Unifarm.” *Farm Trends*. January 1978. p. 8.

<sup>607</sup> Lea, Dobson. “Viewpoint.” *Farm Trends*. April 1975. p. 2.

<sup>608</sup> President Dobson Lea responded to these members in the December 1974 edition of *Farm Trends*: “May I point out that demonstrations listing a number of demands are much easier to arrange than the listing of publication of achievements. Unifarm’s main objective is to find solutions to problems, rather than simply identifying those problems. I can outline a long list of achievements that are beneficial to farmers that have been arranged by letter, by telephone, or by discussions across a table. Our delegates have indicated their preference for the method as being more apt to get the desired results.” (Source: Lea, Dobson. “Unifarm’s aims achieved through consultation, not demonstration.” *Farm Trends*. December 1974. p. 3.).

<sup>609</sup> Dobson Lea was elected President of the Canadian Federation of Agriculture in February 1978.

<sup>610</sup> Lea, Dobson. “Convention Message.” *Farm Trends*. January 1978. p. 22.

Unifarm's frustration with the provincial government was becoming increasingly clear, but so was the government's frustration with Unifarm and other independent agrarian organizations.<sup>611</sup>

In 1978, the provincial government launched a two-pronged attack to destabilize Unifarm. The previous chapter has examined the first: the Attorney General's ruling which barred marketing boards and commissions from making financial contributions to Unifarm or joining that organization without government consent. The second, to be examined now, was the government forcing the dismantling of Unifarm's popular Co-op Auto insurance pool. The Attorney General's ruling had eroded Unifarm's ability to recruit new commodity group members. The second attack was caustic to Unifarm's ability to recruit and maintain individual members. In April 1978, Unifarm was informed by the provincial Automobile Insurance Board and the Alberta Superintendent of Insurance that its auto insurance pool was in violation of provincial legislation that prevented the rebating of insurance

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<sup>611</sup> Despite it being just outside the scope of this chapter, it is helpful to cite an occasion involving the government and the Alberta Wheat Pool in 1977 as characteristic of the agricultural situation that prevailed under the Conservative organization. In 1977, the provincial government altered a democratically mandated request by AWP delegates to increase the organization's cash reserves to \$50 million. (Source: Letter from B.A. Friesen, Secretary of the Alberta Wheat Pool to All Interested Persons. "Re: Allegations about Alberta Wheat Pool." Dated May 24, 1977. PAA 1985.119 Box 2 File 34 p. 1.). The AWP was required to petition the Alberta Legislative Assembly for such a request since the organization had been incorporated under a private bill, the *Alberta Wheat Pool Act* in 1923. (Source: Ibid.) Responding to the request of a small minority of AWP members, the Private Bills Committee chose to alter the request of the majority of AWP members and increase the reserves limit to \$60 million, a move subsequently approved by the Legislature. AWP Secretary B.A. Friesen was highly critical: "This whole process and the way in which it was resolved is, we think, reason for concern. In the first instance, it is now obvious that very small groups of vocal people can disrupt the wishes of a large majority of members. Secondly, the change in the amendment from that which was requested by the delegate body of the Alberta Wheat Pool would suggest that their right to self government or self determination is no longer in their hands. Thirdly, it would appear that co-operatives, farm organizations, etc. which are democratically elected, governed and run, are to be restricted in making those decision themselves which affect their own operations. We think that this development is reason for concern and should be strongly protested." (Source: Ibid. p. 2.). This incident supports the argument that the Conservative government often ignored democratic principles with respect to agricultural and rural public policy.

premiums.<sup>612</sup> The government recommended that Unifarm could pursue other options, such as discounting insurance rates; a thoroughly impractical suggestion. Unifarm members were not demonstrably better drivers than any other provincial group to warrant an initial insurance discount.<sup>613</sup> Given that Unifarm had used its insurance pools as a membership incentive, it believed the government's actions challenged Unifarm's organizational capacity.<sup>614</sup> As Jaques (2001) notes: "Many Unifarm members were convinced the government was trying to weaken their organization by eliminating one of the advantages of membership (94)." Since the Conservative takeover, Unifarm insurance pool members had received 7 % dividends in 1971, 6% in 1972, 10% in 1973, 7% in 1974, none in 1975, 17% in 1976 and 25% in 1977.<sup>615</sup> In May 1976, Unifarm reported that its auto pool for fiscal year 1975 resulted in a \$400,000 surplus due to the "exceptional driving record" of its insured members and its Farm (fire) pool had netted a \$100,000 surplus.<sup>616</sup> During the study period, Unifarm had consistently stressed the importance of its individual memberships:

Our clout with government and others depend on Unifarm being seen as representative of a large part of the farm community who voluntarily keep it in existence - together with an impressive group of commodity associations who support the same goals for the industry in general by their support of the umbrella organization. Large numbers represented by commodities alone, though effective for the particular groups, do not present the same impact. Nor can we have the cohesiveness of all agricultural groups working together for the good of the total industry, without the individual membership commitment.<sup>617</sup>

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<sup>612</sup> Plosz, W.J. "Unifarm told no basis for continuation of pool: Insurance pool's termination reviewed." *Farm Trends*. July 1978. p. 3.

<sup>613</sup> During membership campaigns Unifarm highlighted the "healthy discount" that perspective members would receive from these pools. (Source: Ibid.)

<sup>614</sup> "Have you renewed?" *Farm Trends*. February 1977. p. 21.

<sup>615</sup> "Protection at cost-just one of the Insurance Committee's ambitions." *Farm Trends*. May 1978. p. 10.

<sup>616</sup> "Record surplus in Unifarm auto insurance pool." *Farm Trends*. May 1976. p. 23.

<sup>617</sup> "How do we function under the 'Umbrella.'" *Farm Trends*. February-March 1981. p. 10.

To this point, the Unifarm organization had suffered an average annual loss of 2,000 members since 1970.<sup>618</sup> During the same time, the provincial government deliberately hampered, rather than assisted, recruitment efforts. The Conservatives sought to limit, rather than enhance, the quality of democratic participation in rural and agricultural policy debates.

### Unifarm's government relations in 1980 and 1990s

#### *The campaign for universal financing in the 1980s*

Relations between the provincial government and Unifarm entered the new decade even more strained than during the 1970s.<sup>619</sup> The absence of the Minister of Agriculture from the 1980 Unifarm annual convention was viewed as a deliberate slight. Unifarm's executive director Wilf Plosz noted: "For the first time in at least thirty years (probably much longer than that...) the province's minister of agriculture did not accept an invitation to address delegates to the leading general farm organization's convention."<sup>620</sup> The absence

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<sup>618</sup> "Committee tackles problem of declining membership." *Farm Trends*. October 1980. p. 4.

<sup>619</sup> At this stage, Unifarm boasted the support of the following commodity organizations (with the number of Unifarm provincial council members in parentheses): the Alberta Wheat Pool (3), the United Grain Growers (2), the Alberta Rapeseed Growers' Association (1), the Alberta Cattle Commission (3), the Southern Alberta Sheep Breeding Association (1), the Central Alberta Dairy Pool (CADP) (1), the Southern Alberta Dairy Pool (SADP) (1), Alberta Milk Producers (1), Lilydale Co-op Ltd. (1), Alberta Sugar Beet Growers (1), the Alberta Vegetable Marketing Board, the UFA Co-operative Ltd. (3), the Pembina UFA Co-op (1), Western Hog Growers (1), and the Alberta Broiler Marketing Board (1). The three members each afforded to the Alberta Wheat Pool, Alberta Cattle Commission, and the UFA Co-operative was indicative of their power, influence and indeed the very large numbers of provincial agricultural producers they represented that collectively contributed \$40,000 a year in annual membership fees. It should be noted that, between the Alberta Wheat Pool and the Alberta Cattle Commission, that Unifarm possessed indirectly the support of a majority of all provincial producers. (Source: Plosz, Wilf. "Tenth annual convention makes history." *Farm Trends*. January 1980. p. 6. ).

<sup>620</sup> Plosz, Wilf. "Tenth annual convention makes history." *Farm Trends*. January 1980. p. 6. (Plosz also noted that during this thirty year-period, there had been one very excusable absence due to illness, so severe that he had been temporarily replaced as the agriculture minister by another cabinet minister). Continuing on, Plosz remarked that the Minister's absence had not detracted from an important milestone in provincial agriculture: "While the matter wasn't given serious attention on the convention floor, delegates taking a coffee break in front of the meeting room did talk about it. Some appeared to be hurt, and a few were pretty vocal about it." As Unifarm Executive Director Wolf Plosz enthusiastically noted at the time, the 1980 annual convention was historic in that "it was the tenth annual meeting of a thriving general farm organization that many people said could not be made to work."

was a none-too-subtle reminder of government discontent with the organization and a blatant sign that the provincial government felt empowered to antagonize the largest provincial farm organization with impunity. The change of government delegation procedures did not help the situation. Unifarm had met with the entire provincial cabinet in the early 1970s and with a select agriculture cabinet committee after the mid-1970s. After 1980, it met an agricultural caucus committee with but a few cabinet ministers in attendance. While Unifarm appreciated the opportunity to appear before the committee, the organization was concerned that “the purpose of the new format is to keep organized groups at arm’s length from the cabinet and its ministers.”<sup>621</sup> Unifarm also found some discussions with the agricultural caucus impractical given the absence of the cabinet ministers responsible for those policy areas the organization was concerned with.<sup>622</sup> Unifarm was likely not aware that, by April 1980, the government considered their organization as “hostile.”<sup>623</sup> Despite its comparatively more conciliatory approach, Unifarm was lumped in the same category as the radical National Farmers’ Union, which employed vocal and visible protests against the provincial government.<sup>624</sup> In contrast to Skogstad’s argument (1979), the provincial government tolerated little dissent even from organizations that adopted conciliatory approaches.

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<sup>621</sup> Plosz, Wilf. “Unifarm reviews methods of govt. contacts.” *Farm Trends*. February 1980. p. 12.

<sup>622</sup> *Ibid.*

<sup>623</sup> The government maintained a ranking system that graded relations with visiting delegations. The ranking system ranged from excellent to hostile, with a provision for no rating. Excellent meant: “Enthusied by government policy. Very positive in support publicly.” Good: “Happy with most policies, but one or two minor concerns, usually supportive in public postures.” Poor: “Difficult to gauge support for government, some major concerns. Public statements are not pro-government.” Hostile: “Against most government positions, openly critical, condemn government in media statements.” (Source: Letter from Bert Murray, Executive Assistant to Hon. Premier Lougheed “Summary-Standing Caucus Committees Activities May 1979-January 25, 1980.” Dated January 25, 1980. PAA 1985.401 File 1152 p. 2.)

<sup>624</sup> Letter from Bert Murray, Executive Assistant to Hon. Premier Lougheed “Delegations, January-March, 1980.” Dated April 10, 1980. PAA 1985.401 File 1152. p. 2.

During the 1980s, Unifarm continued to regard universal financing as an essential tool for the organization's survival. For Unifarm, the need for universal financing was increasingly more urgent given its declining individual memberships. By October 1980, Unifarm was concerned that it was on the cusp of not being able to serve as an effective representative of agricultural producers. A tally from the previous month showed that individual memberships stood at only 7,415.<sup>625</sup> Unifarm stressed some social factors that contributed to the decline of the organization. Rural hamlets continued to disappear and their residents were increasingly travelling further from their homes to neighbouring centres for recreational and educational activities.<sup>626</sup> This social migration had the effect of eliminating a local meeting place, which was an essential component of the faltering Unifarm local.<sup>627</sup> The government's response during this period was consistent if not disingenuous. In early 1984, Provincial Agriculture Minister LeRoy Fjordbotten reiterated the government's position that it would follow the wishes of a majority of producers on the issue.<sup>628</sup> The government, however, had undertaken but few efforts to identify those majority's preferred outcomes on universal financing. Alberta Agriculture regularly held votes and referenda for various commodities (i.e. to determine whether commodity groups should form marketing boards or commissions). Nevertheless, the government chose not to use this democratic mechanism to poll provincial agricultural producers' preferences on the matter of universal financing.

In the mid-1980s, Unifarm undertook as its top priority a campaign to obtain universal financing. The withdrawal of the Alberta Cattle Commission (ACC) from the organization in 1983 had further weakened Unifarm's financial position. In its March 1984

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<sup>625</sup> "Committee tackles problem of declining membership." *Farm Trends*. October 1980. p. 4.

<sup>626</sup> "Membership Campaign Underway." *Farm Trends*. February-March 1981. p. 8.

<sup>627</sup> *Ibid.*

<sup>628</sup> "Universal Financing." *Trends*. January-February 1984. p. 2.

presentation to the government Caucus Committee on Agriculture, Unifarm pressed them on what precise threshold the government thought necessary to demonstrate majority support for universal financing.<sup>629</sup> The province had been deliberately evasive on the criteria supporting “majority support”. Arguing once again that it was “prepared to earn producer support” and making clear that the current voluntary system was simply untenable, Unifarm wanted a clear objective that it could attempt to meet.<sup>630</sup> Unifarm also expressed resentment that the province was supporting commodity groups, - unable to self-sustain without government dollars - but had refused to provide Unifarm with proper assistance.<sup>631</sup> Unifarm argued that it provided the only forum through which Alberta producers could be represented in the Canadian Federation of Agriculture (CFA), which had “real and substantial” impact on federal agricultural policy, particularly under federal Liberal governments. These lobbying efforts accounted for a significant portion of Unifarm’s budget. The cost of the organization’s involvement with the CFA exceeded \$110,000 in 1983 alone during a period when Unifarm’s annual budget was around \$600,000.<sup>632</sup> Unifarm reiterated that the lack of adequate resources imperilled Alberta’s agricultural interests at the national level, especially considering that it competed with well-funded general farm organizations in Ontario and Quebec.

Despite Unifarm’s continued to decline, some in the agrarian community persisted in their continued for the merits of a general farm organization. In February 1986, Reuben

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<sup>629</sup> “Unifarm Brief seeks support for Universal Financing.” *Trends*. March 1984. p. 1.

<sup>630</sup> Considerable resources were going to door-to-door canvassing for membership recruitment, when those resources could be devoted towards research and lobbying efforts. (Source: *Ibid.*).

<sup>631</sup> Notwithstanding the failure to provide provincial GFOs with universal financing, this government had refused a recent request to reimburse \$135,000 that Unifarm had incurred in lobbying activities outside of Alberta. (Source: *Ibid.*).

<sup>632</sup> *Ibid.*

Hamm, the publisher of the *Alberta Farm & Ranch*, wrote an editorial in support of a provincial general farm organization. Hamm noted that it was clear that “producers are hard-pressed by economic and societal factors that would seem to urge united action.”<sup>633</sup> This was not the case with the struggling Unifarm, which at that point had only 4500 members out of a total of 55,000 agricultural producers. Hamm outlined the debate on the need for a provincial GFO and offered his conclusion:

Politicians feel little pressure to make hard decisions when they hear mixed signals from constituents or voter groups. The only way to get action, proponents of a GFO contend, is to have a strong, united and concentrated presentation. Supporters of the other point of view, while agreeing that the above may have some merit, suggest that smaller segments of the industry (commodity groups or processors) have problems that other cannot or will not appreciate. And therefore they want the freedom of expressing their needs only without the potential confusion of side issues. The time has come for the industry to make a decision. The “half a loaf” syndrome is not good enough to meet the problems facing producers in the eighties and beyond. If politically sensitive issues need to be resolved (and there can be little doubt of that) then a common voice is imperative.<sup>634</sup>

In explaining the continuing decline of its organization and the lack of a common voice in provincial agriculture, *Trends* had the year prior once again cited government intervention as having a detrimental impact:

[The Unifarm Provincial] Council wrestled for some time with the problem of increasing membership and it was conceded that among the problems affecting membership was the fact that government-funded groups have cut into the activities that were formerly the responsibility of member-supported farm organizations. Government funding provides an easy means of financing activities, but such activities fail to serve the interests of agriculture in instigating changes that can be accomplished through the lobbying function provided by an independent, member-supported organization.<sup>635</sup>

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<sup>633</sup> Hamm, Reuben. “1/2 loaf syndrome not good enough.” *Alberta Farm and Ranch*. February 1986. p.

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<sup>634</sup> Ibid.

<sup>635</sup> “Membership Reviewed.” *Trends*. March 1985. p. 3.

This government policy had the political benefit of ensuring a fragmented rural and agrarian community could not organize any political opposition while at the same time it precluded a more equitable distribution of resources to independent agrarian organizations.

Unifarm submitted yet another universal financing request to the provincial government in July 1989. Unifarm Vice-President John Rebus and Executive Director W.J. Plosz sent identical letters to Premier Getty and Provincial Agriculture Minister Ernie Isley outlining Unifarm's case. The letters stressed the problematic nature of having a to compete with a heterogeneous cadre of

many well-financed commodity and special interest groups that are, even by law (as in the case of boards and commissions), representative of producers of various commodities. There are others, less representative but just as vocal, that have arisen as the result of diversification, real or perceived neglect of certain concerns, or outright dissatisfaction with the performance of existing groups. The first group, particularly, does a good job for producers of the commodities they represent. But because of their obligation to present a case for a particular sector their collective ability to present the whole picture is somewhat limited. In fact the better the job done by a group representative of a particular sector, the greater the chance of distorting the whole picture...Only a structure that acknowledges that there are differing philosophies and quite different but legitimate positions can hope to present the whole picture. A collection of like minded groups, which excludes others, cannot hope to do so, particularly in the long-term.<sup>636</sup>

Presenting itself as a neutral forum, Unifarm argued that it represented a diversity of interests and could keep the whole agricultural picture in focus and not detract "from the

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<sup>636</sup> Rebus noted: "It is important to note that Unifarm has evolved into a mirror image of the industry. Jurisdiction is acknowledged and a space provided for all representative commodity groups, whether or not they are part of Unifarm at this time. It should be clear that the organization makes its proposal for the purpose of making it possible to do an even better job of co-ordinating and enhancing the efforts of those groups. There is no desire to take over the responsibility of any representative special interest group, or to submerge its integrity. In addition to co-ordinating and enhancing the efforts of the special interest sectors, Unifarm's job is to provide a neutral forum for discussion of inter-commodity issues, to deal efficiently with matters of common interest to all producers, and to build consensus wherever it is possible to do." (Source: Letter from John Rebus, Vice-President, Unifarm to Don Getty, Premier. Dated July 10, 1989. PAA 1996.489 File 47. p. 2.).

aspirations of any given sector.”<sup>637</sup> Thus, Unifarm proposed two options for universal funding. The first was the traditional request calling for a check-off on 1/10<sup>th</sup> of one percent of all agricultural commodity sales. Unifarm, however, favoured a new second option to place a one-half cent levy per litre on all farm fuel, or “purple gas,” sold in the province.<sup>638</sup> The Unifarm proposal explicitly repeated that fees obtained from farmers under either proposal would be returned “upon written request.” In other words, Unifarm was proposing a refundable check-off.

The government refused Unifarm’s preferred universal financing option outright and hinted that it would only consider the traditional “check-off” request if certain conditions were met. Provincial Agriculture Minister Ernie Isley replied first to the Unifarm proposal on August 15<sup>th</sup>.<sup>639</sup> Universal financing was discussed at the Agriculture and Rural Affairs Caucus Committee and “the [government] MLAs present saw some merit in the proposal but raised several questions with respect to farm organization relationships and provincial representation matters.”<sup>640</sup> With respect to Unifarm’s preferred farm fuel levee proposal, Isley expressed concern:

Farmers are already facing higher input costs in areas such as crop insurance and tripartite stabilization, and little improvement is foreseen for commodity prices this year. There is also a problem that fuel rebates are not a permanent

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<sup>637</sup> Ibid.

<sup>638</sup> Unifarm found this option was preferred by individual producers and agricultural groups as a more efficient financing mechanism: “Apparently the ease and low cost of collection and possibility of application to all users of farm fuel are regarded as being a less efficient means of obtaining producer financing.” (Source: Ibid.).

<sup>639</sup> Isley attributed his delayed response as time required to consider the feedback given at the annual appearance of Unifarm before the Agriculture and Rural Affairs Caucus Committee held on July 20<sup>th</sup> (Source: Letter from Ernie Isley, Minister of Agriculture to W.J. Plosz, Executive Director, Unifarm. Dated August 15, 1989. PAA 1996.489 File 47. p. 1.).

<sup>640</sup> Ibid.

fixture. They are a temporary benefit allocated to the industry until commodity prices return to adequate levels.<sup>641</sup>

This response clearly obfuscated the issue. Unifarm was not proposing a levy of a temporary fuel rebate program, but on the long-established subsidy on purple gas afforded to agricultural producers. Isley indicated his willingness to discuss further the traditional commodity universal financing option, but indicated that such a move was contingent on the resolution of long-standing issues between Unifarm and the government.<sup>642</sup> Apparently, the majority interests of agricultural producers, whatever they may have been, were not as important as political factors. The *quid pro quo* sentiment was evident: Unifarm would have to embrace government policy if it wanted movement on universal financing. Even this self-serving offer ultimately proved disingenuous. Despite the reversal of major Unifarm policy on grain transportation and the organization's more amicable relationship with government under President Ralph Jespersen, the province refused to implement universal financing.<sup>643</sup> The government had no desire to provide an organization it had classed as hostile with cash resources with which to fund opposition to government policies and agenda. Premier Don Getty responded to Unifarm's universal financing proposal on October 3, 1989: "As to your specific request, there are a number of unresolved issues presented by a universal financing of concern to my government. They were recently expressed to your organization...and

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<sup>641</sup> Ibid.

<sup>642</sup> Ibid.

<sup>643</sup> Ralph Jespersen's term as Unifarm President (1988-1991) represented a period of improved relations between the organization and government. Jespersen was not as strident as many of his predecessors and even a couple of his successors. Upon the end of his Unifarm Presidency, Agriculture Minister Ernie Isley and Associate Agriculture Minister Shirley McClellan applauded "four very constructive years," in which Jespersen had demonstrated "sound judgement," facilitated an "open, cooperative environment" and "good relationship" with Alberta Agriculture. (Source: Letter from Ernie Isley, Minister and Shirley McClellan, Associate Minister to Ralph Jespersen. Dated January 29, 1991. PAA 1996.489 File 134. ). The alteration of Unifarm policy and the more amicable relationship may not be solely attributed to this offer, but a sentiment that it was easier to acquiesce than dissent. In other words, Unifarm thought it could catch more flies with honey than with vinegar. Unifarm thought a more positive relationship with government might facilitate the implementation of universal financing.

involved concerns related to the anticipated negative impact of an added input cost to farmers and the problem of using a temporary fuel rebate mechanism to provide a permanent benefit.”<sup>644</sup> If higher agricultural input costs were truly a concern of the government, what was to prevent it from making any universal farm financing proposal tax deductible?<sup>645</sup> Despite the government’s continued obstinacy on universal financing, Unifarm thought it would change their position by substantially increasing its individual membership.<sup>646</sup> Unfortunately for Unifarm, this outcome did not come to pass. However, this episode did not prevent the organization from continuing to request that the government implement universal financing.

#### *The campaign for universal financing in the 1990s*

After receiving some bad advice from the Agricultural Products Marketing Council (APMC), Unifarm submitted a request to government in September 1990 to amend the *Farmers’ Union Act (FUA)*.<sup>647</sup> The amendment would legally require a revenue collection

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<sup>644</sup> Letter from Don Getty, Premier to John Rebus, Vice-President, Unifarm. Dated October 3, 1989. PAA 1996.489 File 47.

<sup>645</sup> Getty’s reply was subsequently be cited by the Department of Agriculture as representing government policy on universal financing for general farm organizations.

<sup>646</sup> In September 1989, Unifarm launched a major membership drive with the goal of recruiting 8,000 new members by the end of April 1990. By February 1990, Brad Klak, the Executive Assistant to the Minister of Agriculture, noted that the results to date were “highly encouraging.” Klak argued that increased membership would provide the organization a with “stronger and more representative Alberta voice during the national review of agricultural policy” and “a stronger base for their universal “check-off” proposal. (Source: Letter from Brad Klak, Executive Assistant to the Minister (Agriculture) to Craig Krieger, Special Assistant to the Attorney General. Dated February 15, 1990. PAA 1996.489 File 47 p. 1.). Agriculture Minister Ernie Isley noted that: “If the drive is successful, Unifarm will have broadened its membership base, thereby strengthening its position with regard to its financing proposal.” (Source: Letter from Ernie Isley, Minister to Hon. Ken Rostad, Attorney General. “Membership with Unifarm Association of Alberta.” Dated March 28, 1990. PAA 1996.489 File 47. p. 1.) In the end, Unifarm was unable to reach the levels of individual members it had maintained even during the late 1970s. There was no groundswell of popular support for the organization to cause the government to re-evaluate its policy on universal financing.

<sup>647</sup> The month prior, Kenneth D. Smith, the General Secretary of the APMC, wrote that: “The Marketing of Agricultural Products Act by its definitions is limited to producer organizations who market specific agricultural products. It would therefore not be possible to incorporate an arrangement for Unifarm’s funding on some “omnibus” basis without significant alterations of this statute. It would be much simpler to amend the Farmers Union of Alberta Act, and thereby delegating to this organization the powers of direct taxation should it be decided that this request go forward. This act already puts in place the

from “all primary producers of agricultural products in the province of Alberta.”<sup>648</sup> Parliamentary Counsel Mike Clegg advised that universal financing for all agricultural producers could only be provided through a public Bill. The *Farmers’ Union Act* was a private bill that only governed the Farmers’ Union and not all provincial agricultural producers.<sup>649</sup> The Deputy Minister of Agriculture, H.B. McEwen, observed that a public Bill “would be a very hard sell without broad, demonstrated support in the farm community of Alberta.”<sup>650</sup> Once again, the government refused to establish specific criteria for determining sufficient support for universal financing. Presumably, the provincial government had viewed the declining numbers of Unifarm members since the 1970s as an indicator of support for general farm organizations. This was a poor indicator. Lee (1984) notes that: “Amongst farmers of the Prairie Provinces, there is a general perception, but not a unanimous one, that there is a need for a strong effective general farm organization (4).” Continuing on, Lee (1984) observes that “the vast majority of farmers in the Prairie Provinces” would support a general farm organization that made efforts to improve the economic and social well being of the agricultural producers, expand policy research, and provide membership services (Ibid.).” These were precisely the goals Unifarm hoped to achieve for provincial agricultural producers. Competition from marketing boards and commissions in addition to the free-rider problem beset the organization with considerable problems. Unifarm attempted to reconcile this problem by establishing an Agricultural

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Unifarm organization and prescribes its goals and objectives.” (Source: Letter from Kenneth D. Smith, General Secretary to Marketing Council to Brad Klak, Executive Assistant. “Unifarm-Refundable Levies.” Dated August 1, 1990. PAA 1996.489 Box 23 File 170.)

<sup>648</sup> Draft proposal for Amendments to the Farmers’ Union Act. August 1990. PAA 1996.489 File 47.

<sup>649</sup> Letter from H.B. McEwen, Deputy Minister to Hon. Ernie Isley, Minister of Agriculture and Hon. Shirley McClellan, Associate Minister of Agriculture. Dated September 7, 1990. PAA 1996.489 File 47.

<sup>650</sup> Ibid.

Forum to encourage a discussion in the broader agricultural community on how to create a new and more effective general farm organization.<sup>651</sup>

The Agricultural Forum concept had the support of many in the provincial agricultural community, but the government continued its resistance to mandating universal financing for independent agrarian sources. Jaques (2001) observes that, aside from the recalcitrant Alberta Cattle Commission (ACC): “Most other groups felt there was merit in pursuing the idea as long as the issues of structure, financing, and membership could be solved (300).”<sup>652</sup> The Alberta Soft Wheat Producers Commission (ASWPC) Vice-President Jorg Klempnauer communicated his organization’s support for the Agricultural Forum to the provincial government, “the time has come to unite in Agriculture since there are so many issues with common denominators. The Alberta Soft Wheat Producers Commission asks the provincial government to fund the initial set up period of such a Forum allowing the organization to be financially independent.”<sup>653</sup> Citing his personal opinions, Klempnauer argued that:

...financial independence is one of the main stumbling blocks of UNIFARM and if any new organization is to succeed into the next century, the financial independence from any other organization will be one cornerstone to its survival. Each and every farmer should be involved in this organization financially, if he approves or not. It should be brought to the farmers’ attention; the only way to solve problems is by their involvement and not by withdrawal.<sup>654</sup>

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<sup>651</sup> In the meantime, Unifarm’s individual membership continued to decline at an alarming rate. The Alberta Canola Growers’ Association and the Pembina UFA Co-operative, a founding member of Unifarm, withdrew from the organization (Jaques, 2001).

<sup>652</sup> The ACC publicly stated that it saw no difference between Unifarm and the new Agricultural Forum, an organization from which it had withdrawn in 1983.

<sup>653</sup> Letter from Jorg Klempnauer Vice-President, Alberta Soft Wheat Producers Commission to Hon. Ernie Isley, Minister of Agriculture. Dated July 15, 1992. PAA 1996.489 File 406 p. 2. The ASWPC represented some 2200 provincial agricultural producers on irrigated lands.

<sup>654</sup> Ibid.

The response from Provincial Agriculture Minister Ernie Isley noted the difficulty of trying to *unite* the heterogeneous group of provincial agricultural interests: “I wholeheartedly agree that farmers should unite, especially to deal with common issues.”<sup>655</sup> Nevertheless, Isley stressed that general farm organizations should be funded indirectly through existing producer check-offs provided only to marketing board and commissions:

...government funding to facilitate such a forum may not be appropriate. I am concerned that opponents of the process might view government funding as buying support and thus influencing the outcome. As well, requests for funding will likely be made by other groups in order to provide and promote alternative views. As you note in your letter, financial independence and independence from other organizations are paramount to future success. My preference is to see a producer forum (body and process) result from the efforts and financial support of producers, particularly since legislation now exists to provide funding mechanisms such as producer check-offs. Only then will it be truly meaningful and free of government influence and biases.<sup>656</sup>

Once again, all marketing boards and commissions were subject to provincial regulation through the *Agricultural Products Marketing Act* and the Agricultural Products Marketing Council (APMC). Recall that the government had previously maintained that marketing boards and commissions could not join or contribute to general farm organizations (i.e. Unifarm) without government consent. Isley’s reply was part and parcel of the government’s active policy of agricultural division. Outgoing Unifarm President, Hartmann Nagel, had observed the effects of the government’s strategy in December 1992:

...over the last 15 to 20 years our industry has been fragmented by the promotion of commodity specific groups and other who through a strong financial base have claimed to be the voice, each in its own way, for all of agriculture. By doing this the policy developed was heavily loaded in favour of the interests of the specific commodity or special interest group...There is of course a great need for all of the above mentioned groups, and this is not to be an attack. I do want to point out though as strongly as possible the need to once again recognize the interdependency of the total agriculture industry and

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<sup>655</sup> Letter from Ernie Isley, Minister of Agriculture to Jorg Klempnauer, Vice-President The Alberta Soft Wheat Producers Commission. Dated August 18, 1992. PAA 1996.489 File 406 p. 2.

<sup>656</sup> Ibid.

the dependency of the total agricultural industry and the dependency of urban centres in the rural settings on agriculture, as their need was created by the development of what is the base industry in almost all of rural Alberta.<sup>657</sup>

Moreover, the existing system was clearly beset by government biases and deliberate attempts to divide the agricultural community. Only with universal financing would the provincial agricultural community have an institution truly free of direct government interference. If it were to achieve financial independence and possess a forum independent of government interference, Alberta's agrarian community could unite.

By the end of 1992, a generation of provincial government interference in the agricultural field and the refusal to provide universal financing had helped take its toll on the Unifarm organization. Membership stood at 3,000. Despite Unifarm's drastic decline in members and weakened state, the government continued to intervene and sap the remaining strength of the independent organization. In February 1993, former Unifarm President Hartmann Nagel charged that the creation of a government Agricultural and Food Industry Council was a direct attempt to compete with Unifarm's Agricultural Forum: "They are stealing the thunder of the round table [Agricultural Forum]. The government wants to be in charge, but we don't need Big Brother to look after our affairs."<sup>658</sup> While the new government Council bearing a striking resemblance to the Agricultural Forum, Provincial Agricultural Minister Ernie Isley denied the claim:

The Government of Alberta fully supports Unifarm's efforts to serve the agricultural community via the forum...The Council complements Unifarm's Agricultural Forum rather than competes with it. I think that Mr. Nagel

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<sup>657</sup> Nagel, Hartmann. "President's Corner." *Trends*. December 1992. p. 1.

<sup>658</sup> Carter, Toni Owen. "A plethora of voices." *Alberta Report*. Dated February 8, 1993. Vol. 20 Issue 8, p. 24.

would agree with me that there is room for government to work with our agriculture industry to achieve goals agreed upon throughout industry.<sup>659</sup>

Isley noted that Unifarm had representation on the new government council and noted that the government had provided \$14,000 in funding to Unifarm's Agricultural Forum.<sup>660</sup> Considering the hundreds of thousands of dollars in annual expenses incurred by Unifarm in representing Alberta on the Canadian Federation of Agriculture, this funding was a drop in the bucket. The provincial government certainly had plenty of channels through which to communicate with the agrarian community without creating yet another institution. The whole point of the Agricultural Forum was to create a strong source of agency independent of government. But government strategy would not allow agricultural producers to decide their own fate without state intervention.

The government position on universal financing did not change when Ralph Klein became Premier. This came as a disappointment to many Unifarm members who thought Klein was sympathetic to their organization. After all, in a speech to the 1993 Unifarm convention, the new Premier had pledged to govern from the grassroots.<sup>661</sup> Several members wrote letters to Klein calling for the implementation of universal financing. The responses from Minister Isley and Premier Klein reiterated long-held government reticence to enact universal funding all the while feigning support for the organization. In one reply to a Unifarm supporter Minister Isley noted:

The Government of Alberta has considered similar suggestions regarding check-offs for broad based organizations like Unifarm. I have expressed

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<sup>659</sup> Letter from Ernie Isley, Minister of Agriculture to the Editor, Alberta Report. Dated March 15, 1993. PAA 1996.489 File 267 p. 1-2.

<sup>660</sup> Ibid. The request for government funding support for the Agricultural Forum emanated not only from Unifarm, but elsewhere from the agricultural community also.

<sup>661</sup> "New Premier, convention delegates engage freely in friendly exchange of views." *Trends*. February-March 1993. p. 2.

concerns with this approach in the past, and I must admit that I still have these concerns. I believe that organizations like Unifarm are important and can speak effectively on behalf of the agricultural community. However, I believe that the most appropriate place for producer check-offs is with commodity organizations. In turn, most commodity organizations should consider it highly desirable to join with individual farmers and fund one or more broad-based agricultural interest groups, thereby providing the umbrella organizations with the resources and the support network to work on behalf of the primary agriculture industry.<sup>662</sup>

Once again the government refused to authorize universal financing for any agricultural body it could not regulate or that would unite a broader community of heterogeneous commodity groups. Under such conditions, the government was not interested in providing any incentive to make it “highly desirable” for commodity organizations to join Unifarm.

Unifarm members had already questioned the incongruence of the government’s requiring universal financing for regulated marketing organizations and its refusal to provide the same for general farm organizations. In January 1993, Gordon Smillie of Bassano, Alberta wrote to the Premier complaining that the Conservatives were granting “commission rights to producer groups that lacked support from the commodity producers they supposedly represent, while at the same time refusing to grant a check-off right to a general farm organization such as Unifarm with a broad all Alberta base.”<sup>663</sup> The Premier forwarded the letter to Agriculture Minister Ernie Isley, who replied:

Regarding your concerns about commodity organizations and check-offs, the decisions to form the various commissions in Alberta were made by the majority of farmers who produce each commodity. The same applies for the application of check-offs. Check-off rights have generally been accorded on a commodity-specific basis, and no restriction exists on potential funding being provided by a check-off of funds to any general farm organization, including

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<sup>662</sup> Letter from Ernie Isley, Minister of Agriculture, to Mr. Ed Hoff. Dated March 15, 1993. PAA 1996.489 File 267 p. 1.

<sup>663</sup> Letter from Gordon Smillie to Premier Ralph Klein. Dated January 25, 1992. PAA 1996.489 Box 39 File 418.

Unifarm. Once approved by the majority of producers in a commodity organization, no check-off has been refused. Such organizations are free to allocate check-off and could, if they wish, provide for allocations to a general farm organization such as Unifarm.<sup>664</sup>

It was evident from Smillie's letter that he had concerns with respect to how several board and commission elections (i.e. the Alberta Barley Commission) had been conducted. This concern was certainly a legitimate one. The provincial government had not inspired confidence in the elections process when it included section 16(2) in the final version of the *Marketing of Agricultural Products Act (MARPA)*.<sup>665</sup>

The withdrawal of the Alberta Wheat Pool (AWP) from Unifarm in late 1993 effectively ended any hope that Unifarm could be salvaged or that a meaningful and effective successor farm organization could rise from its ashes. The loss of the AWP's \$150,000 membership fee meant that Unifarm, or any future general farm organization, remained dependent upon a universal financing system for its survival.<sup>666</sup> The AWP withdrawal came as a shock since the AWP had been the predominant force within the Unifarm organization for most of its history.<sup>667</sup> The December 3<sup>rd</sup> issue of the *Alberta Wheat Pool Budget* publication provided the official rationale for the organization's withdrawal from Unifarm:

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<sup>664</sup> Letter from Ernie Isley, Minister of Agriculture to Gordon Smillie. Dated March 15, 1993. PAA 1996.489 Box 39 File 418.

<sup>665</sup> As discussed in the previous chapter, this section allowed government to create marketing boards and commissions without producer consent.

<sup>666</sup> By March 1994, Unifarm was forced to adjust its operating budget to absorb the loss of the AWP membership fee cut by cutting the wage of its lowest salaried work force by 10 %, middle-management by 15 % and its top earners by 20 %. (Source: Jensen, Roy. "President's Corner." *Trends*. March 1994.).

<sup>667</sup> For example, Jaques (2001) notes that the Soft Spring Wheat Growers had refused to join Unifarm in 1991 because it felt that the organization was actually managed by just two organizations: the Alberta Wheat Pool and the UFA Co-operative Ltd. In the long standing grain transportation dispute, Unifarm had adopted a position that was closer to the AWP than the ACC at a critical stage. Strategically, the Unifarm organization might have better off had it supported the interests of cattle producers, or championed provincial government policy that was at times against the interest of the AWP.

Among the most notable resolutions was the decision not to renew Alberta Wheat Pool's corporate membership in Unifarm. Throughout the debate many delegates spoke highly of Unifarm saying it has done an excellent job of working with farms and representing their views with government, industry and within the Canadian Federation of Agriculture (CFA) framework. Alberta Wheat Pool has supported Unifarm with a financial donation since its inception in 1970 (this year's assessment was to be \$150,000). However, the majority of delegates now want Unifarm to base its strength on support from direct farmer membership and are encouraging individual farmers to get involved with Unifarm by purchasing their own membership.<sup>668</sup>

Notwithstanding AWP's mischaracterized claim that Unifarm was seeking to completely eliminate commodity memberships, remaining members took offense at the statement that the Alberta Wheat Pool had made "financial donations" to the general farm organization since 1970.<sup>669</sup> Moreover, Wilson (1995) offers a different politically and financially motivated rationale for the withdrawal of the AWP:

Beginning in late 1993, Pool delegates decided to keep a low profile after a bruising political fight with the government over barley marketing that cost the Pool business. In the future, the co-operative, farmer-owned grain company will lobby quietly in Edmonton for its interests, but will not send its leaders onto political platforms to fight more general political battles, even though it disagrees with many government positions on grain marketing and farm policy. The financial bottom line will not allow it. Farmers who agree with the government have shown they are willing to take their grain delivery business elsewhere. In the business climate of the 1990s, the Pool has decided financial returns are more important than the defence of political or ideological positions. It no longer chooses to throw its political weight around in Alberta (61).

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<sup>668</sup> "Alberta Pool is no longer member of Unifarm: Was it 'donating' or paying membership fee?" *Trends*. December 1993. p. 2.

<sup>669</sup> *Trends* clarified that indeed the AWP's contribution was not a donation, but a membership fee that had entitled it to 150 Unifarm delegates and three members of the Unifarm Provincial Council. Such representation had entailed that: "During the period of Alberta Pool's membership in Unifarm the Pool was a full participant in Unifarm activities. It has presented, for debate, many significant policy resolutions. It won some; it lost some. (It had some strong influence on, but did not dominate Unifarm policy decisions, as some non-member organizations have suggested). In any case the use of the words "financial donation" to describe the membership fees paid by the Pool may be misleading." (Source: *Ibid.*).

Despite the withdrawal of the AWP, Unifarm vowed to “still go forward, and ... still do the work necessary to protect and enhance the farmers’ interests.”<sup>670</sup> This pledge proved unrealistic in to fulfil.

Despite its waning fortunes, Unifarm accomplished a great deal in the early 1990s. The organization had even earned the praise of the provincial Minister of Agriculture at the 1994 Unifarm convention as chronicled by its *Trends* publication: “Paszkowski commended Unifarm for its commitment to the continued and increased success of the industry. He cited the organization’s initiative which led to the formation of Agricultural Forum, and the Canada/U.S. grain trade symposium in Lethbridge last summer as examples of that commitment at work.”<sup>671</sup> Notwithstanding such praise, Unifarm was no further ahead in securing the financial lifeblood that was universal financing from government. With the writing on the wall, Unifarm delegates spent considerable time at the 1994 convention contemplating the “complete overhaul” of the Unifarm structure and the creation of a new general farm organization. Wilf Plosz described the deliberations over organizational reform: “It’s all on the table - task, function, structure, procedures and name.”<sup>672</sup> The proposals that

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<sup>670</sup> “Alberta Pool is no longer member of Unifarm: Was it ‘donating’ or paying membership fee?” *Trends*. December 1993. p. 2.

<sup>671</sup> “Ag minister wants producers to capitalize on new trade opportunities.” *Trends*. February 1994. p. 1. Unifarm, however, was confident that the economic complexities inherent in NAFTA and the GATT would necessitate a strong provincial farm organization. They were wrong. Unifarm also undertook a diplomatic role, meeting with U.S. farmers in an attempt to allay American fears and remove their misconceptions that Canadian farmers dumped heavily subsidized grain on U.S. markets and were guilty of unfair trade practices. (Source: “A Canadian perspective on the Canada-U.S. grain trade issues.” *Trends*. July 1993. p. 3.). Refuting such accusations, Unifarm President Roy Jensen testified before a U.S. House of Representatives agricultural subcommittee highlighting how the \$1 billion U.S. Export Enhancement Program was in violation of CUSTA. (Source: “Unifarm before Congressional Committee.” *Trends*. June 1993. p. 1.) With respect to the changing arena of international trade, *Trends* summarized Unifarm’s position with respect to the General Agreement on Tariffs and Trade (GATT): “Unifarm...support[s] the balanced approach which argues for different rules to apply to traditional export items, and to those items (mainly supply-managed commodities) which are producer for domestic consumption only.” (Source: “Unifarm-highlights of a year working for Alberta producers.” *Trends*. October 1993. p. 3.).

<sup>672</sup> Plosz, Wilf. “Complete overhaul of farm organization.” *Trends*. February 1994. p. 3.

came out of the annual convention called for a grassroots organization that would work with existing commodity boards and commissions and would be involved with “the dissemination of market information, the terms of trade agreements, and on-going review of policies and programs to ensure that new marketing and trading opportunities can be taken advantage of.”<sup>673</sup> Unifarm emphasized that this proposal was explicitly based on the government’s Creating Tomorrow vision statement whereby: “Alberta’s agriculture and food industry will be profitable, be environmentally sustainable, be globally competitive, (and) value its people.”<sup>674</sup> Desperation had resulted in the organization using the government’s own language to justify the need for a general farm organization in the province.

In an attempt to convince the province to finally provide universal financing for general farm organizations, Unifarm raised the spectre of Eastern Canadian interests dominating the federal agricultural policy arena. In August 1994, Unifarm argued that, under the new federal Parliament, “the power bases lies east of the Manitoba-Ontario border.”<sup>675</sup> This pressing reality, together with the fact that GFOs played an important role in the tri-partite safety net programs of the era, meant that a provincial general farm organization was needed to lobby on Alberta’s behalf. Unifarm had “some clout” in the CFA which had “significant clout” in Ottawa particularly under federal Liberal governments. Unifarm’s lobbying efforts would be to the benefit of all provincial producers, not just its own membership and without its efforts “an important part of the equation would be missing.”<sup>676</sup> This plea came to no avail. Within a year, the Canadian Federation of Agriculture reduced

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<sup>673</sup> “A new partnership offered.” *Trends*. February 1994. p. 3.

<sup>674</sup> *Ibid.*

<sup>675</sup> “GFO role in safety net plans.” *Trends*. July/August 1994. p. 2.

<sup>676</sup> *Ibid.*

Unifarm's role and authority because of its failure to pay the full \$60,000 membership dues.<sup>677</sup> There was concern that Alberta would be expelled from the CFA for non-payment. In the end, Unifarm was relegated to having reduced representation in the CFA because the province did not have an independent agrarian organization with sufficient resources to replace it in the CFA.<sup>678</sup> This amputation of much of Unifarm's national influence was a distressing state of affairs for the producers of the second-largest agricultural economy in Canada and bespoke Alberta's lack of independent agrarian agency relative to other jurisdictions.

Unifarm held a number of public consultations on universal financing in the hopes that this activity would meet the perennially secret, moving target of the Conservative government's threshold for its implementation. By August 1994, Unifarm had held 16 public meetings across the province. Unifarm President Roy Jensen argued that: "The meetings were very well advertised giving people no excuse for not showing up if they were opposed to a check-off for a General Farm Organization."<sup>679</sup> In the Peace Country, an area known as a stronghold of the rival NFU, Unifarm was pleasantly surprised at the lack of protest to its proposals at the meetings.<sup>680</sup> Jensen reiterated that funding was "the key to searching out the views, aspirations and needs of grassroots farmers, as well as researching every issue prior to approaching government in helping them make the best policy

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<sup>677</sup> McLoughlin, Paul (Political Scan). "Unifarm seeks assured funding from government." *Trends*. September 1995. p. 4.

<sup>678</sup> Holt, Alan. "News from the Canadian Federation of Agriculture." *Trends*. September 1995. p. 6.

<sup>679</sup> Jensen, Roy. "President's Corner." *Trends* July/August 1994. p. 3.

<sup>680</sup> Jensen, Roy. "President's Corner." *Trends*. April/May 1994. p. 1.

decisions.”<sup>681</sup> The provincial government did not consider that Unifarm had adequately demonstrated broader rural support for universal financing through this process.

After years of delay, the Conservative government finally provided Unifarm with a tangible, albeit disingenuous, threshold for universal financing in late 1994. Meeting with the government Standing Policy Committee on Agriculture and Rural Development on October 4<sup>th</sup>, Unifarm was told that their organization needed to get the support of *all commodity groups* (and not a simple majority) before the government would consider implementing universal financing.<sup>682</sup> This decision represented a clear double-standard. The provincial government certainly did not attempt to obtain unanimous consent from marketing boards and commissions before implementing major rural agricultural policy.<sup>683</sup> Another of Unifarm’s many concerns had to do with that fact that that some considered the Barley Commission and even the Alberta Cattle Commission to be appendages of government that would maintain a veto. Unifarm reiterated that it was seeking universal financing for a successor general farm organization not the existing organization. Once again, their arguments fell on deaf ears. Unifarm President Roy Jensen was rightly frustrated at the turn of events and hinted that even meeting the threshold might still not be enough: “I am particularly concerned about two things, first that some commodity groups might have strong biases and be difficult to convince, and secondly that the government might have more hoops for us to jump through even though we get the support of the commodity

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<sup>681</sup> Jensen, Roy. “President’s Corner.” *Trends* July/August 1994. p. 3.

<sup>682</sup> Jensen, Roy. “President’s Corner.” *Trends*. October/November 1994. p. 3.

<sup>683</sup> It is questionable whether the government even bothered to consult, let alone gain the consent of all groups before implementing agricultural policies.

groups.”<sup>684</sup> Marketing boards and commissions had a direct self-interest in rendering impossible the achievement of universal financing for general farm organizations. This implementation would practically limit the marketing boards and commissions’ capacity to raise their own mandatory fees. The entire episode demonstrated that the Conservatives never seriously entertained any universal financing proposal that would fund organizations beyond their regulatory reach.

At Unifarm’s 25<sup>th</sup> annual convention in 1995, members expressed profound frustration with the provincial government’s actions. At the convention *Trends* reported: “Alberta’s farming community has served notice that it won’t put up with fragmentation of its political agenda by design or default.”<sup>685</sup> Unifarm President Leonhardt stressed the need for producers to resist deliberate attempts to fragment them: “We must communicate, cooperate and develop consensus with each other. The need for this is greater today than ever, as our percentage of the population becomes smaller.”<sup>686</sup> Speaking to the convention, Provincial Agriculture Minister Walter Paszkowski reiterated the government’s position and argued that a general farm organization developed to deal with general issues such as taxation and, land use and to co-ordinate inter-commodity efforts could not do so, if it was routinely criticized by existing commodity groups. This was a curious argument coming from a government that routinely and regularly dealt with criticism of its governing including agricultural policies.<sup>687</sup> Nevertheless, delegates retorted that a new general farm organization would be explicitly designed to compliment, rather than compete with,

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<sup>684</sup> Jensen, Roy. “President’s Corner.” *Trends*. October/November 1994. p. 3.

<sup>685</sup> “Farm politics alive and raring to go: Action Plan chose first priority.” *Trends*. February 1995 p. 1.

<sup>686</sup> Leonhardt, Ron. “President’s Corner.” *Trends*. February 1995. p. 3.

<sup>687</sup> By Alberta standards, there was a large political opposition after 1986.

commodity groups and would not suffer from the same issues of old.<sup>688</sup> It was becoming increasingly clear to Unifarm members that the government's comments on universal financing were self-serving.

The Agricultural Forum made brief progress towards the creation of a new general farm organization before efforts ultimately stalled.<sup>689</sup> In January 1995, Agricultural Forum members were asked if they were "open to the possibility that by working together we could do a better job on behalf of agriculture?"<sup>690</sup> In March, members of the Agricultural Forum unanimously replied that a new provincial general farm organization was indeed needed.<sup>691</sup> In May, the Agricultural Forum's steering committee offered two proposals for a new general farm organization.<sup>692</sup> Unfortunately, the process stalled after the various the commodity groups and interests failed to agree on a new structure. The lack of universal financing also made it difficult for members to agree on how a new organization could be funded. Believing that agricultural producers could not afford any delay, Unifarm struck a committee in June to develop the foundations for a new general farm organization. If the proposal met with the approval of Unifarm members then that organization would be dissolved and a new provincial general farm organization created.<sup>693</sup> Having observed the slow but relentless decline of Unifarm over the previous generation, many members were of

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<sup>688</sup> Leonhardt, Ron. "President's Corner." *Trends*. February 1995. p. 3.

<sup>689</sup> Accentuating the positive, Unifarm noted that the recent general farm organization troubles were not without precedent as provincial general farm organizations in the past had historically undergone restructuring. Unifarm itself had been a merger between the Farmers' Union of Alberta and the Alberta Federation of Agriculture in 1970. The Farmers' Union of Alberta had been the result of amalgamation of the United Farmers of Alberta and the Alberta Farmers' Union twenty years earlier. Going back even further, the UFA was the product of a merging of the Alberta Farmers Association, the Society of Equity and the Non-Partisan League. (Source: Jensen, Roy. "President's Corner." *Trends*. October/November 1994. p. 3.)

<sup>690</sup> Leonhardt, Ron. "President's Corner." *Trends*. March-April 1995. p. 3.

<sup>691</sup> Leonhardt, Ron. "President's Corner." *Trends*. September 1995. p. 2.

<sup>692</sup> Ibid.

<sup>693</sup> Ibid.

the opinion that the organization should be dissolved and that provincial agricultural producers should begin anew.<sup>694</sup>

Unifarm recognized that the new GFO would be doomed to fail without secure universal financing from the provincial government. The organization continued to lobby for the implementation of such a funding scheme before the new organization was officially formed. That autumn, Unifarm presented yet another universal financing proposal to the Standing Committee on Agriculture whereby producers would pay a \$5 surcharge on each farm license plate expected to net \$750,000 for the new general farm organization.<sup>695</sup> The government committee told Unifarm that it was reluctant to implement an agricultural input cost on producers.<sup>696</sup> The government obviously ignored its own role in raising agricultural input costs (i.e. the *Municipal Government Act* etc.) as well as Unifarm's commitment to *refundable* universal financing.<sup>697</sup> Agricultural producers could simply request a refund if

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<sup>694</sup> Delegates had earlier defeated a resolution at the 1995 Annual Convention to dissolve Unifarm to provide space for a new general farm organization. Newly elected Unifarm President Ron Leonhardt argued that a new GFO should come about by design rather than by default. (Source: "Farm politics alive and raring to go: Action Plan chose first priority." *Trends*. February 1995 p. 1.) However, it became apparent to many that this could not be practically achieved.

<sup>695</sup> *Ibid.*

<sup>696</sup> McLoughlin, Paul (Political Scan). "Unifarm seeks assured funding from government." *Trends*. September 1995. p. 4.

<sup>697</sup> In the fall of 1994, the Agricultural Forum united to criticize provincial government policy. Its twenty-one participants agreed to support a proposal moved by the Alberta Cattle Commission that called for a review and amendment of the newly implemented *Municipal Government Act*. (Source: "New Municipal Act riles farm group." *Trends*. October/November 1994. p. 1.) The new legislation perpetuated the municipal business taxation powers of the old *Municipal Taxation Act* but omitted the previous exemption of agriculture from municipal taxation. Despite previous government concern over the dire impact of universal financing on agricultural input costs, the Conservatives now seemed unconcerned that Alberta's vulnerable producers would be beset with yet another agricultural expense. Certainly the provincial agricultural community could find unity in protesting increased taxation by local government, which had been authorized by the province. No new general farm organization could succeed, however, unless it found a way to reach consensus on issues that were not consistently universally beneficial to all members at all times. One should also consider that the provincial response to federal increases in fuel taxes and reduction in fuel rebates that raised agricultural input costs for agricultural producers. The 1990 provincial budget made changes to the Alberta Farm Fuel Distribution Allowance (AFFDA) that resulted in the cost of farm fuel rising by a net increase of 2 cents/litre. (Letter from John Chang, Energy Engineer to Bard Haddrell, Director Information Services Alberta Agriculture. Dated May 28, 1990. PAA 1996.489 Box 39

they did not wish to contribute to the financing of a new general farm organization. The government found additional excuses to refuse the request. Agriculture Minister Walter Paszkowski argued that: “We will have to find a process where there is some degree of consensus. We don’t want to see farm organizations lobbying against farm organizations; it is a waste of energy.”<sup>698</sup> Notwithstanding the fact that provincial general farm organizations were older than agricultural marketing boards and commissions, there already existed a considerable discord among the various agricultural organizations. It was unclear how the transformation of an existing general farm organization into a new one would exacerbate agricultural divisions. Was the government truly concerned about agricultural division, or was its concern more self-serving and indicative of a desire to see an end to a source of government criticism generated by an effective general farm organization? When Unifarm noted that many commodity groups had benefitted from statutory universal financing, Calgary MLA Jon Havelock retorted that just because commodity groups received funds did not mean a general farm organization should receive funds. In fact, Havelock threatened to eliminate the universal financing for agricultural marketing boards and commissions.<sup>699</sup> This threat did not earn Unifarm any allies among the agricultural marketing boards and commissions. Despite its failure to gain universal financing, Unifarm continued its plans for the creation a new general farm organization.

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File 412. p. 1.) In total, the provincial and federal changes resulted in an estimated additional increase of \$59.13 million in farm fuel input costs to Alberta farmers, with the federal government netting \$39.93 million and the province netting \$19.2 million. (Summary of Fuel Tax and Rebate Changes for 1990. Dated May 28, 1990. PAA 1996.489 Box 39 File 412.) Rather than shielding agricultural producers from the federal increase, the provincial government was not averse to allowing rising agricultural input costs to fill its treasury by millions. NDP MLA Derek Fox noted an interesting coincidence: “We all remember what happened in 1989 when Don Getty’s new-found love of rural Alberta demonstrated itself though an additional five cents per litre rebate on farm diesel fuel. But all he did was restore the five cents per litre he had cut in 1987, just after an election.” (Fox, Derek. “Tories playing games with family farms.” *Morinville Mirror*. May 8, 1990. p. 4.)

<sup>698</sup> McLoughlin, Paul (Political Scan). “Unifarm seeks assured funding from government.” *Trends*. September 1995. p. 4.

<sup>699</sup> *Ibid.*

### *The Decline of Unifarm*

In the post-1996 period, the new general farm organization, styled The Wild Rose Agricultural Producers, did not prove to be more effective than Unifarm. Officially organized on January 1, 1996, the new organization deferred many of the operational details to its founding convention that month. The previous month Unifarm President Ron Leonhardt had noted:

We're hoping for a large turnout for the convention. It would be a clear statement to all levels of government bureaucracy that the farming community is taking a firm stand and taking control of its own future. We're offering the agricultural producers of Alberta the opportunity to create from the ground up (including the election of a new eleven member board from the floor of the convention) a completely membership driven issue responsive organization that will be theirs to control on the basis of one member, one vote. It's democracy in its purest form. We are presenting a new organization that will deal with any issues brought forward by our members. The success of this association will depend on the support of the agricultural producers of Alberta.<sup>700</sup>

The Wild Rose Agricultural Producers held its first annual convention in January 1997. Jaques (2001) observes: "The new organization is leaner and more focused, but more pro-active when dealing with provincial and national farming issues. As a direct membership organization, Wild Rose Agricultural Producers returned to its own humble toots in individual farm and ranch homes across the province (311)." Wipf (2007), however, has rightly argued that the Wildrose organization was the weakest among the Western Canadian provinces.<sup>701</sup> Despite contributing to the second largest agricultural economy in Canada,

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<sup>700</sup> "Where...&When..." *Trends*. December 1995. p. 2.

<sup>701</sup> The largest Saskatchewan and Manitoban general farm organizations completely collapsed in 1984 under the weight of the Crow debates among other issues. Manitoban agricultural producers created a new organization named the Keystone Producers soon after, based on the Unifarm model, which eventually became the strongest on the Prairies. The Saskatchewan Wheat Pool (SWP) took over as the *de facto* general farm organization for that province as the agricultural economy was more homogenously, but certainly not exclusively, grain based. In 1999, the Saskatchewan Association of Rural Municipalities

Alberta agricultural producers have a disproportionate lack of resources and institutions devoted to independent agrarian advocacy.

*Contrasting universal financing regimes in other Canadian jurisdictions*

During the late 1980s and early 1990s, several Canadian agriculture producing provinces implemented universal financing regimes to secure the efficacy of general farm organizations. Many of the general farm organizations in these jurisdictions were already more financially secure than those in Alberta. Moreover, successive Alberta Conservative governments argued that, if provincial agricultural producers truly supported general farm organizations, farmers would contribute to them. Thus, there was no reason for the state to approve universal financing. The situation in other Canadian jurisdictions proved much different. The Quebec government provided the *Union des producteurs agricoles* (UPA) with a monopoly and the greatest support of all Canadian jurisdictions. UPA was the best financed farm organization in Canada with an operating budget of \$33 million. By law: “All producers who market \$3,000 worth of product, or more, are required to pay an annual fee of \$155 plus varying levels of check-off on commodity sales.”<sup>702</sup> The other half of UPA’s budget (\$17 million) was derived “from membership fees, commodity check-off, and other revenue earmarked for research, policy development, and lobbying.”<sup>703</sup> In Quebec, the average producer with sales over \$3,000 contributed \$785.71 to the provincial general farm organization. Quebec producers with sales between \$50,000 and \$99,999 contributed on average \$252. Those with revenue between \$100,000 and \$249,000 contributed \$355 and

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(SARM) created a new provincial general farm organization: The Agricultural Producers Association of Saskatchewan.

<sup>702</sup> Ibid.

<sup>703</sup> Unifarm. Report on General Farm Organization Across Canada-July 1989. PAA 1996.489 File 47. p. 1.

those over \$250,000 contributed \$1050. In Alberta, the average producer with sales over \$5,000 contributed only \$10.48.<sup>704</sup> Under Unifarm's modest 1989 universal financing proposal, an agricultural producer with sales ranging from \$50,000 to \$99,999 contributed an average of \$96, those with sales between \$100,000 and \$249,000 for an average of \$143, and those with sales over \$250,000 for an average of \$304. Nevertheless, reasonably proposed increases to these modest fees were styled as an unjustified hardship on Alberta agricultural producers by the Conservative government. By the early 1990s, UPA received a compulsory \$180 annual fee from nearly 45,000 agricultural producers that produced over \$3,000 in agricultural produce.<sup>705</sup> This accounted for 60% of the organization's funding with the remainder generated through check-offs from commodity organizations. Although Alberta's Conservative government clearly sought to establish a monopoly, other provinces' models indicated the viability of alternative approaches.

Other provincial jurisdictions supported impressive universal financing regimes for general farm organizations. By the late 1980s, the Keystone Agricultural Producers had secured a "legislated means of financing operations" from the government of Manitoba with the 1988 *Agriculture-Producers Funding Act (APFA)*. The Keystone organization was comprised of direct and commodity group members with respective fees of \$100 and \$1,000.<sup>706</sup> One-third of direct members paid their contributions directly to the Keystone organization and the remainder through a check-off mandated by *APFA*, refundable upon the

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<sup>704</sup> Ibid.

<sup>705</sup> Allen, Elmer. "A Look at funding of farm organizations across the country." *Trends*. April 1993. p.

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<sup>706</sup> Ibid.

request of the producer.<sup>707</sup> Comprised of fifty-five commodity groups, the B.C. Federation of Agriculture (BCFA) did not have individual producer members *per se*.<sup>708</sup> However, under the *Farming and Fishing Industries Development Act (1989)*, the organization received financing based on the numbers of individual members of each commodity group that was part of the BCFA. These fees amounted to an average \$40-50 paid by the commodity organization on behalf of every producer member in addition to an indirect membership fee of \$10 that individual producers paid.<sup>709</sup> In the late 1980s, the Ontario Federation of Agriculture (OFA) had obtained multi-million dollar budgets as a voluntary organization with a membership fee of \$140 for each farm family and voting privileges costing an additional \$30. Commodity group members of OFA paid membership fees ranging from \$500 to \$25,000.<sup>710</sup> Direct individual memberships comprised 83% of the OFA's funding with commodity group members accounting for the remainder.<sup>711</sup> Despite the relative strength of OFA, the Ontario government, nevertheless, passed legislation in late 1993 making it mandatory for producers grossing over \$7,000 to contribute a \$150 membership fee to either the Ontario Federation of Agriculture (OFA) or the Christian Farmers' Federation of Ontario (CFFO).<sup>712</sup> Other Ontario general farm organizations could apply for accreditation status and producers were able to request a refund.<sup>713</sup> In comparison to other provinces' universal financing regimes, Alberta was a clear outlier. Of the major agricultural producing provinces in Canada, only Saskatchewan's regime remained in line with Alberta's.

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<sup>707</sup> Ibid.

<sup>708</sup> Ibid. p. 1.

<sup>709</sup> Ibid.

<sup>710</sup> Ibid.

<sup>711</sup> Ibid.

<sup>712</sup> "Ontario passes GFO funding legislation." *Trends*. November 1993. p. 1.

<sup>713</sup> Ibid.

### *Unifarm's missteps*

While this study has laid considerable blame at the feet of the Conservative political monopoly for the failure of Unifarm, the organization's shortcomings must be briefly considered as contributing to its own decline. At various points during the study period, Unifarm observed that marketing boards and commissions served as the greatest source of competition in terms of members and resources. Many members within Unifarm questioned at various times whether the organization had worked itself out of a job by promoting a competitive agrarian civil society.<sup>714</sup> This notion was repeatedly denied by the Unifarm leadership. For example, Unifarm's executive director Wilf Plosz argued in 1979 that the organization had not sowed the seeds of its own destruction with its promotion of marketing board and commissions: "What it did was to recognize that producers of a commodity or any group with a special interest must have the right to pursue that special interest."<sup>715</sup> This study must take exception with this interpretation. It was indeed highly detrimental to Unifarm to continue to support the proliferation of provincial marketing boards and commissions without somehow ensuring those organizations would have to be closely associated, or supported by a general farm organization.

Unifarm could be also faulted for its conservative and deferential attitude that contributed to its inability to aggressively challenge the government. The organization had voluntarily cooperated with the provincial government when it created the Farmers' Advocate position. Why could the organization's leadership not see that this would lessen the need for farmers to be a member of Unifarm? The creation of this position also allowed

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<sup>714</sup> Plosz, Wolf. "Major Changes Ahead? 1980 Convention Delegates will face questions on structure of our organization." *Farm Trends*. July 1979. p. 4

<sup>715</sup> *Ibid.*

the government to challenge Unifarm's once dominant position on surface rights. In addition, the organization also did not become more aggressive, or employ more "back-door" practices, even when it was convinced that the government was challenging its organizational capacity (i.e. the two-pronged attack in 1978). Unifarm-organized demonstrations at the provincial Legislature would have signalled to the government and, more importantly, to the media, that the concerns of Alberta producers were not being met. It might have forced the government to be more conciliatory.

Blame could also be directed towards Unifarm's organization and its financial strategies. Unifarm lobbied on behalf of provincial farmers at the federal level, when it could have perhaps shamed the province into providing funds to participate in organizations like the Canadian Federation of Agriculture. It might have been better to concentrate solely on provincial agricultural matters. During the study period, the organization launched a number of ultimately unsuccessful membership drives that failed to halt the loss of thousands of individual members. Nevertheless, the organization continued these unsuccessful drives. Often these failed membership drives would be followed by a new round of lobbying the government for universal financing. Additionally, the entrance of the Alberta Cattle Commission in Unifarm was problematic. While eager to get more funding, the organization ignored the warnings of a staunch Unifarm supporter and former ACC President, Harry Gordon, who argued that the membership of the cattle organization within the general farm organization would likely create, rather than solve more problems in the short-term. (Jaques, 2001) Although it provided Unifarm with a short-term capital influx, it created a long-term divisive Crow debate within the organization.

The declining influence of general farm organizations was not unique to Alberta. The largest Saskatchewan and Manitoban general farm organizations completely collapsed in 1984 from the weight of the Crow debates and other issues. Manitoban agricultural producers created a new organization named the Keystone Producers soon after, based on the Unifarm model, which eventually became the strongest on the Prairies. The Saskatchewan Wheat Pool (SWP) took over as the de facto general farm organization for that province as the agricultural economy there was more clearly, but certainly not exclusively, grain based. By being weak for so long the organization lost credibility. From this it could not recover.

### *Conclusion*

The theoretical framework of this study has been built on the argument that a vibrant civil society is vital for an effective democratic political order and community. Historically, general farm organizations were an essential element of Alberta civil society that promoted democratic reforms. Benefitting its political monopoly by deliberately attempting to stifle agrarian civil society, the Conservative government committed bias against participation, vertical accountability, equality, and responsiveness. In fulfilling its mandate as an independent general farm organization and watchdog, Unifarm adopted policies from time to time that conflicted with the Conservative government's agricultural/rural agenda. This civil society pillar posed a potential threat to the Progressive Conservatives' absolute need to perpetuate their rural voter support in over-represented ridings. By eroding the efficacy of agrarian civil society, the government enhanced its own control. Unifarm served as an independent agrarian organization that pursued the protection of agricultural producers' interests rather than blind acceptance of Conservative political imperatives. Unifarm was a

small-c conservative, rather than radical, organization that used a “front-door” political engagement strategy. Nevertheless, from the earliest days following their 1971 election, the Conservatives pursued the political goal of centralized agricultural power and at the expense of democratic, grass-roots organizations like Unifarm. As long as political and farmers’ interests were aligned, the period from 1971 to 1978 witnessed fair to good relations between Unifarm and the provincial government. Owing to several government actions aimed at actively challenging Unifarm’s capacity to recruit and retain members, the latter 1970s marked an era when relations between government and Unifarm soured. Unifarm, despite its demonstrably less radical philosophy than the NFU, failed to position themselves within the Conservative’s favour. By the late 1970s and early 1980s, both the NFU and Unifarm were categorized as “hostile” by the government. The government allowed little space for either organization to operate even to the point of interfering with Unifarm’s Agricultural Forum during the 1990s. Throughout the study period, Conservative governments had the capacity (but not the will) to save Unifarm and enhance independent civil society through the establishment of a universal financing regime. Despite universal funding being a cornerstone of a strong agricultural sector in other provinces, the Alberta government, instead, adopted disingenuous, contradictory, vaguely defined, constantly shifting approaches to destabilize and thwart the fulfilment of Unifarm’s potential as a united voice for Alberta’s farmers. Unifarm’s opposition to some substantive issues of government agricultural and rural policy neither improved its relationship with government nor further Unifarm’s drive for universal financing. The Conservatives worked against agricultural interests in ways that made Alberta dismally unique among other agriculture producing provinces.

## **Chapter Nine: Rural and Urban Electoral Malapportionment in Alberta from the rise of the Conservatives to 1996.**

### *Introduction*

Rural Alberta contributed to the rise of the Conservative government and was also a source of its stability during key political intervals. While winning overwhelming urban support from the mid-1970s to the early 1980s, this same support alone could not account for Conservative success from the mid-1980s to the mid-1990s. During those moments the Conservatives relied on over-represented rural areas, where the organization had established a political monopoly, to perpetuate a broader political monopoly throughout the rest of the province. Were it not for the support of rural areas and the high number of under-represented urban constituencies the Conservative organization would have likely been defeated during this period. The aim of this chapter is to determine the extent to which this program of rural overrepresentation and urban under-representation was achieved. This chapter will begin by recounting the commitment of the Conservatives to electoral reform and its espousal of ‘one-person, one vote’ while serving as the political opposition. It will also examine the important reversal on this front once the Conservatives became the government. Securing a majority of overrepresented rural constituencies in 1971, the electoral malapportionment that they had criticized in opposition now benefitted the Conservatives in government. As the government, they did not drastically reduce the numbers of rural seats to properly reflect provincial demographics. This policy decision not to act was chosen for several reasons: rural ridings were in the long-run more deferential to the government and urban seats were more simply competitive and more vulnerable to the opposition. Therefore, the Conservatives ensured their political monopoly in rural areas to ensure those electoral seats would remain deferential. Building on the broader comparative scholarship of Diamond and Morlino

(2005), what follows in this chapter is the argument that the malapportionment of electoral boundaries in Alberta during the period of study was consistent with competition and participation bias of the political monopoly heuristic. Malapportioned electoral boundaries are a characteristic of political monopolies (Trounstine, 2008). This was the case in Alberta where the Conservatives gained an important political advantage by perpetuating electoral malapportionment. While a more elusive concept than gerrymandering, electoral malapportionment is still an important shortcoming of electoral competitiveness that requires further study. Malapportionment, the very substantial population differences between electoral boundaries, violates an essential element of democracy: voter equality (Dahl, 1971, 1989; Snyder and Samuels, 2006). Samuels and Snyder (2006) argue that malapportionment may be calculated using the formula:  $MAL = (1/2) \sum |s_i - v_i|$ , where  $s$  is the percentage of seats allocated to district  $i$  and  $v$  is the population or number of eligible voters that reside in district  $i$ . This study will also include the traditional use of the Loosemore-Hanby index to measure disproportionality, a form of electoral bias. This chapter also draw on other measures (i.e. 1PSC, 1PVC, SL 1-2 (%), DISP and SBL) to contrast the electoral malapportionment of Alberta with other Canadian provinces.

### *The origins of malapportionment in Alberta*

Modern malapportionment was the result of widespread provincial migration from rural areas to urban centres that began in the 1940s. This factor was compounded by Social Credit's unwillingness to alter provincial electoral institutions for fear of alienating rural Albertans by reducing their voting power along with reducing government support. Archer (1993) finds that "Alberta was able to avoid the more extreme levels of malapportionment in its early history because of its relative lateness in urbanizing (182)." As rural Albertans

decreased to a minority, malapportionment worsened during the 1950s and 1960s. In 1941, rural Albertans represented 61% of the provincial population. By 1951 that number had declined to 52% and to 37% in 1961.<sup>716</sup> By 1966, rural Albertans accounted for only 31% of the population.<sup>717</sup> Despite this population decline and eight legislative redistributions during the period 1953 and 1967, rural Albertans continued to hold the majority of electoral seats.<sup>718</sup>

There were those in Alberta that argued that rural over-representation and urban underrepresentation were justified. Many, in rural areas, were influenced by what could be described as Turnerian perspectives. During the 1890s and in what became known as the Frontier Thesis, Frederick Jackson Turner argued that settlement of the Western United States had been a social leveller that accounted for the strength of American democracy. Under this argument, there was an explicit connection between agricultural producers and democracy - with rural areas seemingly producing better forms of democracy. With the Social Credit government subscribing to this point of view for political reasons, Long (1969) describes their basic argument in avoiding electoral reform: Alberta was “an agricultural province, and consequently the agricultural aspect of the economy should be proportionately over-represented. Implicit in this view, however, is a faith in the agrarian democracy, reflecting a basic cultural distrust of urban life, as well as the belief that city dwellers somehow cannot provide ‘good’ government (346).” These Turnerian perspectives certainly conflicted with more urban and metropolitan desires for one-person, one-vote. Again, the status quo benefited the Social Credit government immensely and that was undoubtedly their

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<sup>716</sup> <http://www40.statcan.ca/101/cst01/demo62j-eng.htm>

<sup>717</sup> Ibid.

<sup>718</sup> Long (1969) has noted that they occurred in 1953, 1957, 1959, 1961, 1962, 1964, 1966 and 1967.

primary consideration in overweighting rural areas. The large majority governments won by Social Credit were not always reflective of actual public sentiment. Malapportionment kept the party in power (Archer, 1993; Flanagan, 1979; Long, 1969; Pal, 1992; Pratt, 1986; Serfaty, 1979; Smith, 2001). Smith (2001) argues that had the seats been more evenly distributed in 1955, Social Credit would have been reduced to a minority government (285).

*The rise of the PC organization and their fight against electoral bias*

As Her Majesty's Leader of the Official Opposition, Peter Lougheed was confronted with the obstacle of malapportionment. By 1967, Lougheed had been introduced by Conservative counsel J. Herb Laycraft to the arguments of the renowned American legal scholar Zachariah Chaffee on redistribution.<sup>719</sup> Writing in the *Harvard Law Review* (June 1929), Chaffee argued that the U.S. House of Representatives bore a responsibility to reapportion their seats regularly on the basis of new census data. Failure in this democratic duty "permits the streams of legislation to be poisoned at their source (1016)." Adopting this Chaffeean view, Laycraft described the electoral situation of late 1960's Alberta: "Despite a few nominal gestures toward recognition of urban growth, it is a fact that more than 55 percent<sup>720</sup> of the voters of Alberta in the Cities of Calgary and Edmonton elect only 35

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<sup>719</sup> J. H Laycraft to Peter Lougheed, MLA Dated December 12, 1967. PAA 1972.0059 Box 22 File 297.

<sup>720</sup> Laycraft's estimation of the combined voting percentage of Edmonton and Calgary was a tad high considering the total population of those cities. In 1967, Alberta's total population was 1,457,924, of which only 49.1% of the province lived in Edmonton (381,230) and Calgary (335,806). However, if one were to include Lethbridge (37,022), Red Deer (26,173) and Medicine Hat (25,574) in the calculation of percentage of total population of the major five urban Alberta centres this would represent 55.2% of the provincial population.

(Source: <http://www.municipalaffairs.alberta.ca/documents/ms/population1967.pdf> and [http://www.municipalaffairs.alberta.ca/documents/LGS/Alberta\\_Official\\_Pop\\_History.pdf](http://www.municipalaffairs.alberta.ca/documents/LGS/Alberta_Official_Pop_History.pdf)).

percent of the members of the Legislature.”<sup>721</sup> At this point, Lougheed saw little justification for rural over-representation and urban under-representation. Therefore, Laycraft advised Lougheed on how to refute many of Social Credit’s traditional arguments in favour of the electoral status quo:

The argument usually advanced against equal representation is that the greater distances in rural constituencies is that the greater distances in rural constituencies put a physical limitation on the ability of a member to represent larger numbers of rural constituents. This, it is submitted, has little or no validity in a time of much improved communications. Indeed, several Alberta rural constituencies, and the Federal members have no difficulty.<sup>722</sup>

In 1967 the Conservative election platform (Supplement ‘E’) had proposed representation by population (one-person, one-vote), no new rural ridings, a significant increase in the size of the legislature (to ensure adequate urban representation and many rural boundaries remaining intact) and an independent commission (instead of a partisan legislature committee) to draw electoral boundaries.<sup>723</sup>

By the late 1960s, Edmonton and Calgary were respectively the first and second growing cities in Canada. Obvious and severe urban under-representation and rural over-representation began to provoke urban resentment. A September 7, 1968 *Calgary Herald*

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<sup>721</sup> In the 1955 election, Laycraft calculated that “one rural voter had the voting power of three Edmonton voters.”(5) Laycraft calculated that if equitable redistribution had been respected that in the 1955 election Calgary should have had 11 seats instead of 6 and Edmonton 13 instead of 7. In the 1959 election, Calgary should have had 13 seats instead of 7 and Edmonton 15 seats instead of 9. In the 1963, election Calgary should have had 14 seats instead of 8 and Edmonton 16 as opposed 10. For the 1967 election, Laycraft advised that Calgary should have been given 15 seats instead of 9 and Edmonton 17 rather than 11. (7) All of the above are from: Letter and report from J. H Laycraft to Peter Lougheed, MLA Dated December 12, 1967. PAA 1972.0059 Box 22 File 297.

<sup>722</sup> Letter and report from J. H Laycraft to Peter Lougheed, MLA Dated December 12, 1967. PAA 1972.0059 Box 22 File 297 p. 7. An *Edmonton Journal* article noted that “a model redistribution done by the University’s [University of Alberta] political science department with a 10 per cent population tolerance created rural ridings that were generally *smaller* than the present seats of Lac La Biche and Peace River. The added size is usually empty forest.”(Comment. “Time for majority rule.” *Edmonton Journal*. January 23, 1968. p. 4.).

<sup>723</sup> Supplement ‘E’-Platform-Alberta Conservative Party “Representation by Population.” PAA 1972.0059 Box 22 File 297 p. E-1 to E-2.

article entitled “Cities Have The People, But Farm Votes Hold The Power” was indicative of growing urban sentiments and complaints. Paraphrasing then U.S Chief Justice Earl Warren, the *Calgary Herald* article noted that “trees and acres - not people - control the distribution of political power in the Alberta Legislature.”<sup>724</sup> Mindful of such urban criticism Social Credit moved for minor electoral reforms at the end of the 1960s. A resolution in the Alberta Legislature provided for a nine-member commission on April 5, 1968 to be comprised of six Social Credit members (Hon. Fred Colbourne, Hon. Ray Speaker, L.E. Buckwell, J.W. Horan, L. Leavitt and R.M. Wiebe), two Conservatives (Dr. Hugh Horner and Lou Hyndman) and one Liberal (Bill Dickie).<sup>725</sup> In addition, reforms in Manitoba in 1955, Ontario in 1962, and the federal *Electoral Boundaries Readjustment Act, 1964* put pressure on other provincial jurisdictions (i.e. Alberta) to adopt more equitable and less partisan electoral processes (Qualter, 1970; Archer, 1993).

The work of the all-party legislative committee on redistribution process produced slight improvements of the boundary redistribution process without establishing equality in electoral boundaries. Social Credit’s initial concessions to the political opposition were even less ideal. In its initial December 1968 submission, Fred Colbourne, the Social Credit chairman of the legislative committee, proposed an ostensibly “fair” formula where urban ridings would average 14,500 voters and rural some 8,700.<sup>726</sup> The Conservatives calculated this proposal amounted to 22 urban seats and 43 rural.<sup>727</sup> Dismissing the Colbourne proposal as “a thinly disguised attempt to maintain the status quo,” the Conservative opposition

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<sup>724</sup> Don Sellar and George Russell. “Cities Have The People, But Farm Votes Hold The Power.” *The Calgary Herald*. September 27, 1968. p. 29.

<sup>725</sup> Dickie later left the Alberta Liberals and joined the Progressive Conservatives.

<sup>726</sup> Memorandum from Lou Hyndman, MLA to Peter Lougheed, Progressive Conservative Leader December 6, 1968. PAA 1972.0059 Box 22 File 297.

<sup>727</sup> *Ibid.*

proposed 33 urban seats and 32 rural instead.<sup>728</sup> The Conservatives were well aware that Social Credit did not really want to alter rural boundaries at all, but would concede ten new urban seats.<sup>729</sup> By December 1968, the opposition and government had agreed in principle to a number of reforms including: provincial review of general redistribution every eight years; an agreement on the composition of the independent electoral commission; a Legislative Assembly of seventy-five seats (instead of sixty-five); the north's retention of their five seats; and a general electoral quotient to apply to all boundaries.

The final report of the legislative committee on redistribution recommended a semi-independent boundary commission comprised of a judge (His Honour S. Lieberman), the Clerk of the Legislative Assembly (William MacDonald), an independent citizen (John Pierce replaced Rod Sykes upon his resignation), two government members (Hon. Ethel Wilson and William Ure), and an MLA from each of the largest opposition parties. The Conservative (Lou Hyndman) and the Liberal (Bill Dickie replaced William Switzer upon the latter's death).<sup>730</sup> Providing they occurred in an eight-year period, the boundary review process was scheduled to take place every two elections. The Opposition was able to convince the government that urban areas should receive all of the ten new seats and for the first time in provincial history urban ridings outnumbered rural by 38-37. The Conservatives failed to convince the Social Credit government to move away from separate urban and rural seats quotients and the additional deviations within those quotients. Many of the

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<sup>728</sup> Ibid.

<sup>729</sup> Ibid.

<sup>730</sup> Rod Sykes, the Mayor of Calgary (1969-1977), was forced to resign from the Commission after Peter Lougheed noted that he had not been consulted with respect to the appointment of the 'independent citizen' as required by legislation. Sykes, an open Social Credit supporter, was leader of that organization from 1980 to 1982.

recommendations of the final report of legislative committee were enshrined in *The Alberta Electoral Boundaries Commission Act, 1969 (EBCA)*.

Not for the first time or the last, the Conservative opposition accused the Social Credit government of “gerrymandering.”<sup>731</sup> Hugh Horner accused Social Credit of offering urban areas a “little bribe” and noted that a sentiment still prevailed among the government that “we mustn’t change the rural boundaries because we’ll upset some of the backbenchers.”<sup>732</sup> The establishment of separate electoral quotients was particularly upsetting to the Conservatives who called for a general quotient for all constituencies with an allotted +/- 25% deviation. This position, together with opposition to other Social Credit positions, was noted in a Conservative minority report and a statement on the redistribution issued by Hyndman and Horner:

1. On principle, there should be a general redistribution of the whole province to make all riding boundaries reflect Alberta in the Seventies. 2. On principle, all constituencies in Alberta should be roughly equal in voter population, with a 25% +/- variable to allow for sparsity and density of population, communications, community of interest, etc. 3. On principle, urban areas should not be singled out and designated-this divides urban and rural citizens, and is discriminatory. The two Conservative MLAs urged that consideration be given to arranging for special travel allowances to MLAs representing very large, sparsely inhabited constituencies. They also felt that the redistribution formula set out in the Report may be completely unworkable in practice.<sup>733</sup>

Although it may have appeared that the Conservative opposition only concerned itself with advancing urban interests, Peter Lougheed had written to a Conservative supporter in Rocky Mountain House that: “We carefully considered...this redistribution bill and have felt that we have got to be fairly cautious that we don’t get misinterpreted as being an urban party... Dr.

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<sup>731</sup>“Legislature backs electoral boundaries redistribution.” *Edmonton Journal* April 19, 1969. p.49.

<sup>732</sup> *Ibid.*

<sup>733</sup> Statement of Conservative Position on Redistribution Report January 1969. PAA PR 1972.0059 Box 23 File 298.

Horner agrees with you that the rural people are not nearly as upset about this redistribution and our position on it as the Socreds might think.”<sup>734</sup> In addition, Lougheed publicly indicated that the Conservatives had made significant inroads in rural Alberta since the 1967 election and that urban underrepresentation would not necessarily preclude their electoral victory.

### *Electoral Bias after 1971*

The 1971 election witnessed a Progressive Conservatives majority with 49 of 75 seats. Sweeping Edmonton and with a strong win in Calgary (9 of 13 seats), the Conservatives also won a total of 20 rural seats predominantly in central and northern rural areas in Alberta. Social Credit was reduced to 18 rural seats; most of southern rural Alberta with addition pockets in east central and north-east Alberta, as well as areas just south and east of Edmonton. Once in firm control of the levers of power, the Conservatives no longer pursued reapportionment. As Premier, Lougheed’s zeal for electoral reform that would better reflect the socio-political and economic realities of an urbanizing province evaporated. From 1971 to 1996, the Conservatives instead committed themselves to ensuring that rural malapportionment and over-representation continued. This behaviour would indeed be illogical for an urban oriented political party. However, such behaviour is practically required by a party with strong rural support and that was convinced that urban centres were hotbeds of potential opposition.

In May 1975, Lou Hyndman, now Government House Leader, wrote to Lougheed on possible amendments to the *Electoral Boundaries Act*. It was Hyndman’s opinion that an

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<sup>734</sup> Letter from Peter Lougheed, MLA to W.L Walsh, Rocky Mountain Life Insurance Company. Dated April 30, 1969. PAA PR 1972.0059 Box 23 File 298.

additional government member be added to the boundary commission “in view of representation in the house,” or in other words, the massive Conservative majority just won that March.<sup>735</sup> That election saw the PCs win 69 of 75 seats, with Social Credit reduced to four, the NDP remaining at one and one independent seat being won. The subsequent legislative session saw the government pass *The Electoral Boundaries Commission Amendment Act, 1975*. This Act included a provision that codified further subdivision of boundaries and complicated the job of the boundary commission to create equitable boundaries. Whereas a formula had previously determined the number of rural and urban seats, the amendments tied those numbers to the legislations provisions.<sup>736</sup>

The 1976 Electoral Boundaries Commission was comprised of Chairman Tevie Miller, Conservative MLAs Dallas Schmidt and David King, Social Credit MLA Ray Speaker and NDP MLA Grant Notley, Legislative Assembly Clerk Bohdan Stefaniuk, and independent citizen Ivor Strong. In response to complaints brought before it, the commission held tentative discussion on the establishment of a multi-member divisions and the implementation of proportional representation. The boundary commission was bound and guided by legislation which set “the average voter population for urban ridings of some 17,600 and for rural ridings a lesser figure [of] 8,700. This resulted in a ratio of 7:4 favouring the rural areas.”<sup>737</sup> Despite the addition of five new urban seats under the *EBCA, 1975*, Edmonton and Calgary still held only 43% of the seats while accounting for 51% of the provincial population. Now more populous than Edmonton, Calgary quite rightly argued

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<sup>735</sup> Memorandum from Lou Hyndman, Government House Leader to Peter Lougheed, Premier Dated May 28, 1975. PAA 1985.401 Box 91 File 1082.

<sup>736</sup> Report from Peter Owen to the Director of Constitutional and Energy Law, Alberta Attorney General and Fred Stewart, Deputy House Leader dated June 30, 1989. PAA 1998.922 Box 37 File 482 p. 13.

<sup>737</sup> Lou Hyndman in Alberta Hansard May 12, 1977. p. 1302.

that it was being short-changed a seat with only 16 electoral boundaries to Edmonton's 18. The recommendations of the commission raised concerns over the drawing of rural boundaries. Perhaps no greater resistance greeted the commission than that of angry residents from Sedgewick-Coronation and Hanna-Oyen. These rural Albertans objected strongly to the elimination of their separate ridings in favour of the amalgamated riding of Chinook. This amalgamation was required by the *EBCA, 1975* provision that one rural riding be eliminated. The strong rural resistance provided a signal to the PC government that large-scale redistribution resulting in a substantial reduction in rural seats would result in revolt. Any change would have to be done gradually and at the expense of urban Albertans. Rural Albertans were no longer as content with electoral redistribution as they had seemed to be at the beginning of the PCs rise to power. Press coverage of the Sedgewick-Coronation/Chinook constituency controversy was considerable. However, the media placed far less emphasis on urban areas outside of Edmonton and Calgary. The limited urban quota of the *EBCA* prevented Fort McMurray and the nascent City of St. Albert from getting their own seats that excluded those urban centres' surrounding rural areas, an oversight St. Albert's Mayor Richard Plain called "a mockery of natural justice."<sup>738</sup>

#### *Electoral Bias in the 1980s*

The Progressive Conservative government demonstrated little desire to rectify electoral bias through the 1980s. The 1982 election saw the Conservatives win 75 of 79 seats and 62.3% of the popular vote. During this contest, the NDP took 18.7% of the popular vote and two seats with independent candidates winning two seats. The election saw some of the highest levels of LHI (15.8%) since the Conservatives had taken office in 1971. An internal

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<sup>738</sup> "St. Alberta mayor says report is a 'mockery.'" Edmonton Journal November 17, 1976.

memo written by Marcel Dirk, a Conservative legislative intern, considered the levels of electoral disparity that had underpinned such overwhelming Conservative electoral success.

At the time of the last provincial election in 1982, there were 1,435,752 persons on the electoral list. Of these, 582,167 were enumerated in rural ridings and 853, 585 in urban ridings. In essence, then, this means the forty-one rural Members who hold 52% of the seats in the Assembly represent 40.6% of the electorate while thirty-eight urban Members, representing 59.4% of the people, hold 48% of the seats.<sup>739</sup>

Nevertheless, the PC organization continued not only to perpetuate, but even to strengthen existing bias during this period.

In August 1983, Attorney General Neil Crawford advised Premier Lougheed that a variable ratio between rural and urban seats be continued with urban constituencies being “larger in population by a ratio of approximately 8 to 5.”<sup>740</sup> Skirting a position fundamental to the Attorney General’s Office - to avoid blatantly partisan considerations as Alberta’s chief law enforcement officer - Crawford recommended the government position on the boundary commission be strengthened and its composition altered “from 2 Government Members and 2 Opposition Members to 3 Government Members and 1 Opposition

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<sup>739</sup> Memo from Rollie Cook, MLA to Peter Lougheed, Premier dated May 27, 1983. PAA 92.519 Box 2 File 31. This state of affairs might seem to cause some discrepancy given that the *EBCA, 1975* had established 43 urban electoral divisions and 36 rural divisions. It is apparent that Dirk adopted more exacting urban standards than provincial electoral legislation dictated and cannot be faulted for this. Of the 43 urban divisions established by the *EBCA*, only 16 were in Calgary and 18 in Edmonton, two in Lethbridge, one each in Camrose, Drumheller, Grand Prairie, Medicine Hat, Red Deer, Westaskiwin, and St. Albert. The total population of towns (indicated in parenthesis) demonstrates that the urban classification of electoral districts, particularly Camrose (12,357), Drumheller (6,380), Wetaskiwin (9,551) and even Grande Prairie (24,168) was not justified as the total populations did not exceed the mandated eligible voter population of an urban riding. Lloydminster with a population of 9,029 was larger than Drumheller but classified as rural. For partisan reasons, Alberta’s sixth largest city, Fort McMurray, with a population of 30,772, also continued to be classified as rural. Labour force data from the 1981 Census illustrates the numbers employed in agriculture (indicated in parenthesis) in these “urban” areas was significant: in Camrose (3,935) and Drumheller (3,180).

(Source: <http://www.municipalaffairs.alberta.ca/documents/ms/1981population.pdf> and Alberta Treasury Department Bureau of Statistics. Alberta Provincial Electoral District Profile Series. June 1984.).

<sup>740</sup> Letter from Neil Crawford, Attorney General to Peter Lougheed, Premier dated August 17, 1983. p. 1. PAA 92.519 Box 2, File 31 p. 2. It was fine for Lou Hyndman as House Leader to propose such a move in 1975, but the office of Attorney General should have been seen to operate above partisan considerations.

Member.”<sup>741</sup> The *Electoral Boundaries Commission Amendment Act, 1983* saw the government precisely follow Crawford’s advice on composition. The NDP opposition raised this change as a serious issue, finding that it impaired “the principle on which the commission is based, namely the prevention of government control of electoral boundaries.”<sup>742</sup> The Progressive Conservative organization possessed a clear majority, if not a monopoly on a boundary process that no longer be considered fully independent from the ruling party.

The 1983/1984 Electoral Boundaries Commission was comprised of the Honourable Justice Russell Dixon as Chairman, the former Alberta Lieutenant Governor Ralph Steinhauer (later replaced by Lawrence Olsen due to Steinhauer’s illness), Progressive Conservative MLAs W.E. Payne, T.W. Chambers, and Henry Kroeger, Leader of the Opposition Grant Notley, and the Chief Electoral Officer Kenneth Wark. As in previous redistribution processes, the commission was forced to overlap rural and urban areas.<sup>743</sup> The *EBCA, 1983* had increased the number of electoral divisions from 79 to 83, of which 42 were to be urban and 41 rural.<sup>744</sup> With such increased numbers, the new commission was able to rectify some electoral oversights the previous committee had left unresolved. The

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<sup>741</sup> Ibid.

<sup>742</sup> NDP Resolution X. 1. 83. PAA 85.120 Box 1 File 13.

<sup>743</sup> As a result of the redistribution, Keith Alexander, the PC MLA for Edmonton-Whitemud, noted that: “I gather I’m now going to become a partly rural MLA, since my constituency will now extend to Ellerslie Road, where there are a number of small farms and small holdings. Whether I’ll be invited to become a member of the agriculture caucus or not is not in unknown at the moment.” To which an honourable member replied: “By all means.” (Source: Alberta Hansard April 29. 1985 p. 672.).

<sup>744</sup> The political opposition was critical of the addition of four new seats finding that, in relation to other Canadian jurisdictions, Alberta was already overrepresented. In terms of size, Alberta’s assembly ranked smaller only compared to the federal House of Commons, the Legislative Assembly of Ontario, and the National Assembly of Quebec. The average MLA in Albertan represented 26,506 citizens, in contrast to British Columbia (47,368), Ontario (69,600), Quebec (52,459), and a federal MP (86,832). Despite this large number of seats, Edmonton and Calgary, with the majority of the population, did have a majority of seats. (Source: “4 new MLAs needed, say Tories; ‘a crock’ says NDP.” *Edmonton Journal*. January 20, 1985.

City of St. Albert proper was granted its own seat with surrounding rural areas joining the electoral division of Sturgeon. Previous urban oversights were partially rectified as the other three electoral divisions included Red Deer North, Calgary Montrose, and Calgary Shaw. The *EBCA* precluded the City of Fort McMurray proper from getting its own electoral division. Partisan considerations surrounding Fort McMurray are likely given the advice offered by PC Executive Director, Rick Hewson, to Premier Lougheed that: “Fort McMurray remain a rural constituency for the purpose of enumerating the rural area that remains.”<sup>745</sup> Additional feedback provided by the Conservative party during this period was troubling, including a binder that originated from Party headquarters suggesting clause by clause amendments for the new *EBCA*.<sup>746</sup> In addition, several PC members voiced concern, during the legislative debate, over the final report of the 1983/84 Electoral Boundary Commission. At issue following the interim report’s release were concerns of breaches of communities of interest in rural and urban areas alike, the size and complexity of rural ridings, and the lack of efficacy of their representations to the commission.<sup>747</sup> Bob Bogle and Shirley Cripps, two members most critical of the commission’s report in the house, came to be directly involved in subsequent redistricting efforts in the 1980s and early 1990s.

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<sup>745</sup> Memo from Rick Hewson, Executive Director of the Progressive Conservative Association of Alberta, to Peter Lougheed, Premier, dated July 15, 1983. PAA 92.519 Box 2, File 31. Indeed, the continued rural status of urban areas such as Grande Prairie and Fort McMurray later provoked concern from government lawyers that “this provision is based about selectivity rather than equality.” (Source: Report from Peter Owen to the Director of Constitutional and Energy Law, Alberta Attorney General and Fred Stewart, Deputy House Leader dated June 30, 1989. PAA 1998.922 Box 37 File 482 p. 19. )

<sup>746</sup> PAA 92.519 Box 2 File 31. In addition, an August 14, 1984 a memo from Rick Hewson and other party functionaries (Bob Griffin and Frank McMillan) briefed Lougheed on the Interim Report of The Electoral Boundaries Commission noting ominously that: “The Chief Electoral Office has not widely distributed these numbers.” (Source: Memorandum from Rick Hewson, Bob Griffin, Frank McMillan to Premier Lougheed dated August 14, 1984. Cover Letter. p. 1. PAA 92.519 Box 2 File 30.)

<sup>747</sup> Alberta *Hansard* April 29. 1985 p. 670-681.

There were some within the PC organization who argued for electoral reform and greater urban representation. In May 1983, an Edmonton government backbencher named Rollie Cook indicated to the Premier that, if federal electoral standards were applied to provincial constituencies, he along with 3 other *urban* MLAs would lose their seats.<sup>748</sup> Cook attached a report that he had commissioned from Marcel Dirk to contrast Alberta's electoral systems with other Canadian and Commonwealth jurisdictions. Dirk observed that the provincial government had simply been increasing the number of urban seats without effectively redistributing all seats and that this process was neither sustainable nor desirable.<sup>749</sup> In August 1984, Rollie Cook once again wrote to Lougheed outlining his concern with the provincial redistribution process.

Frankly, I'm concerned at the wide variance between urban and rural ridings and the variance between the small and large populations within those two categories. We have a major headache facing us in the next redistribution. We have only put off the inevitable...A citizen living in Pincher Creek Crowsnest can have three times the voting impact that a citizen will have in Calgary Forest Lawn. In a representative democracy this variance is extraordinary. If there are extra problems serving larger ridings, the MLA should get extra staff or privileges. A basic principle in our representative democracy is being stretched to the breaking point.<sup>750</sup>

Cook's concern was noted by Premier Lougheed, but largely ignored.<sup>751</sup> Not surprisingly, the PC organization still saw strategic value in rural overrepresentation. That April, Lou

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<sup>748</sup> Memo from Rollie Cook, MLA to Peter Lougheed, Premier dated May 27, 1983. PAA 92.519 Box 2 File 31. (Federal standards required a mean average for constituencies and a maximum +/- 25% deviation from the mean.)

<sup>749</sup> The 1970 to 1981 period had seen the provincial population grow by 507,900 and the legislature by 14 seats. In comparison, the Canadian population had grown by 2,240,800 and the House of Commons only by 18, Ontario's population had grown 897,000 and its legislature by 8, and B.C.'s population had grown by 502,000 and its legislature by only two during that same period.<sup>749</sup> (Source: Ibid.)

<sup>750</sup> Letter from Rollie Cook, MLA to Premier Peter Lougheed dated August 22, 1984. p. 1 PAA 92.519 File 30 Box 2.

<sup>751</sup> During the legislative debate over the 1983/1984 Boundary Commission Final Report, Cook reiterated his objections that electoral conditions that allowed for the discrepancy between Calgary Forest Lawn and Pincher Crowsnest was "a gross distortion in the basic principle of democracy in this system, which is representation on the basis of population" as well as noting that "the votes in the Assembly should be on

Hyndman, the Provincial Treasurer, chastised a young consultant named Preston Manning for proposing government cost-saving measures that would have included “the elimination of 16 rural Members of the Legislative Assembly.”<sup>752</sup>

### *Gettymandering*

The levels of electoral bias employed by the Conservative organization under Premier Getty did not exceed the levels seen under Premier Lougheed. Nevertheless, the tenure of Don Getty became renowned for “Gettymandering.” In part, this situation was due to the collapse of the PC organization in Edmonton and its weakening in Calgary in the 1986 election. Any nascent public criticism over Lougheed’s penchant for rural overrepresentation was mitigated by his electoral track record after 1975. From that year on, the Conservatives consistently won nearly every provincial seat, urban or rural. In Lougheed’s last election in 1982, the PC organization won all 16 of Calgary’s seats and 17 of Edmonton’s 18 seats (the NDP won the remaining riding). Of the remaining 45 predominately rural seats, Lougheed won 42. The NDP won one rural seat and rural independents took the remainder. In Getty’s first election in 1986, the PC organization won 15 of Calgary’s 18 seats and only four of Edmonton’s 17 seats. Of the remaining 64 seats, the Conservatives took 61, the NDP won a rural seat and the former rural independents formed the Representative party taking the remainder. With their extremely weak support in Edmonton and a weakening situation in Calgary, the Conservative organization continued on the tactically sound political course of

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the basis of representation by population as closely as possible.” (Source: Alberta Hansard April 29, 1985 p. 678.)

<sup>752</sup> Letter from Lou Hyndman, Provincial Treasurer to E. Preston Manning, President Manning Consulting dated April 9, 1984. PAA 95.445, Box 5, File Preston Manning. p. 2.

rural over-representation.<sup>753</sup> Although the perpetuation under Getty of electoral bias was largely consistent with the previous policies of Premier Lougheed, the practice garnered increased and broader criticism during Getty's tenure.

#### *The Alberta response to Dixon*

With the *Dixon*<sup>754</sup> decision in British Columbia, the Alberta Attorney General's sought outside counsel from the Field & Field firm<sup>755</sup> to determine whether provincial electoral legislation was constitutional. Field & Field's Peter W. Owen, Q.C. soon came to the conclusion that Alberta's *Electoral Boundaries Commission Act (EBCA)* and the *Electoral Divisions Act (EDA)* "are likely to be held to be of no force and effect in that they violate the Charter."<sup>756</sup> Many of the problematic features were not novel provisions and had been part of Alberta's electoral legislation for some time. In his June 30<sup>th</sup> commentary Owen noted: "Alberta's Boundaries Commission includes a degree of direct political participation unmatched by any such other Commission in Canada; Alberta is clearly 'out of step' with the rest of the country in this respect. Federal and provincial Commissions typically rule out such political participation; Commissions in Great Britain and Australia similarly are

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<sup>753</sup> During the 1986 election, metropolitan Edmonton and Calgary's combined population was 1,210,086 residents in 35 electoral divisions that varied 19.9% over the provincial average.<sup>753</sup> At the same time, 48 electoral divisions that varied 20.4% under the provincial average were assigned to the 1,164,914 residents who lived outside of metropolitan Edmonton and Calgary. In light of the new vibrancy of the political opposition in urban areas, many questioned whether the PC organization would survive if metropolitan Edmonton and Calgary got their fair share of electoral divisions.

<sup>754</sup> In that case, provincial Chief Justice McLachlin was entreated to determine whether B.C. electoral boundary legislation met the threshold of section 3 of the *Constitution Act, 1982*. Despite repudiating notions of one-person, one-vote as a Canadian Constitutional value, provincial Chief Justice Beverly McLachlin did nevertheless strike down British Columbia's electoral legislation as unconstitutional. She found that section 3 of the *Constitution Act, 1982* guaranteed "relative equality of voting power" rather than absolute parity.

<sup>755</sup> Former Progressive Conservative cabinet minister Lou Hyndman was a senior partner at Field & Field.

<sup>756</sup> Report from Peter Owen to the Director of Constitutional and Energy Law, Alberta Attorney General and Fred Stewart, Deputy House Leader dated June 30, 1989. p. 2 PAA 1998.922 Box 37 File 482 Using the tacit standard set by McLachlin in *Dixon*, 51% of Alberta's constituencies ( 42 ridings) violated the +/- 25% deviation.

independent of political influence...”<sup>757</sup> In a subsequent July 4<sup>th</sup> commentary Owen reinforced this point:

Alberta’s legislation respecting the composition of its Boundaries Commissions runs counter to developments everywhere else in Canada and the western world. If this state of affairs were the only perceived flaw in Alberta’s legislation, it might survive a charter challenge. In combination with the other more controversial aspects of Alberta’s legislation, however, it is likely to be swept into a general net of unconstitutionality.<sup>758</sup>

Ultimately, the government response to *Dixon* and Owen’s legal advice was to strike an all-party Select Special Committee on Electoral Boundaries and to redraft provincial electoral boundary legislation.

This Select Special Committee on Electoral Boundaries was comprised of Conservative MLAs Bob Bogle (Chairman), Stockwell Day (Vice-Chairman), Pat Black, and Mike Cardinal. Opposition MLAs were NDP Pam Barrett and Tom Sigurdson and Liberal MLA Frank Bruseker. The Select Special Committee conducted 39 public hearings receiving testimony from 340 people and considered written submissions from 299 people. Engelmann (1992) notes, “Most witnesses favoured the status quo, or some other form of strong rural representation. Heavy workload of rural MLAs and the difficulty of seeing rural MLAs in person were predominant points in the submissions (157).” An important electoral reform was the new composition of the boundary commission. The new proposal purposefully excluded sitting MLAs from subsequent Electoral Boundary Commissions. Sitting politicians had constituted the majority in all previous commissions. Boundary

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<sup>757</sup> Report from Peter Owen to the Director of Constitutional and Energy Law, Alberta Attorney General and Fred Stewart, Deputy House Leader dated June 30, 1989. p. 2 PAA 1998.922 Box 37 File 482.

<sup>758</sup> Letter from Peter Owen to Fred Stewart, Deputy House Leader dated July 4, 1989. PAA 1998.922 Box 37 File 482 p. 2.

commissions were now comprised of a judge, the Chief Electoral Officer, two government appointees, and one opposition appointee.<sup>759</sup>

Despite its all-party nature and agreement between the opposition and the government on a number of electoral issues, partisan government considerations prevailed. In an undated and handwritten note, Vice-Chairman Stockwell Day intimated to the Premier: “Re: Electoral Boundary Report yesterday and today we got into the hand-to-hand combat on tough issues. It got a little nasty but we’ve now pushed, cajoled, or massaged everything through.”<sup>760</sup> In terms of the “hand-to-hand combat”, it is clear that the greatest conflict was over electoral quotients. Fritz (1996) notes that: “the Committee split along party lines on the issues of permitted percentage deviations from the electoral quotients (252).” In opposition to the government, the Liberals and the NDP favoured tighter quotient deviations with most boundaries being within +/-10% and a maximum exception of +/-25%. Another partisan consideration of the Select Committee was the rebranding of rural and urban into single-municipality and multi-municipality. Premier Getty was eager to move beyond labels of rural versus urban that threatened to fracture his political organization. The Stettler Progressive Conservative Board of Directors noted that the urban/rural relationship was the major issue in the Premier’s own riding and that broadly “[rural] over-representation results in urban/rural tensions.”<sup>761</sup> It was hoped that the frictions between rural and urban interests regarding the boundary process could be reconciled by this new nomenclature and indeed that this would help preclude any future constitutional challenges.

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<sup>759</sup> The Leader of Her Majesty’s Official Opposition was required to consult with the Leader of the Third Party on this appointment.

<sup>760</sup> Note from Don Getty, Premier from Stockwell Day. Undated (circa Spring 1992). PAA 1998.922 Box 33 File 418.

<sup>761</sup> Undated handwritten Memorandum entitled “Stettler Constituency Urban/Rural relations.” (Circa 1992) PAA 98.922 Box 39 File 503 p. 1.

## *Bill-57*

The final recommendations of the report of the Select Special Committee culminated in Bill 57. Bill 57 failed to gain the support of the opposition, who voted against it, but it nevertheless became the new *Electoral Boundaries Commission Act* of 1990. The new legislation moved towards a maximum +/- 25% deviation (for a majority of constituencies) and “represented a considerable movement toward greater voter equality on the part of the government (Archer, 1993:186).”<sup>762</sup> On February 7, 1991, the provincial government referred the constitutionality of the new *EBCA* to the Alberta Court of Appeal. Knopff and Morton (1992) note that the government wished to “confer the aura of constitutional legitimacy on [an] otherwise controversial policy (sic) (98).” An even more cynical view would conclude that the reference precluded a more effective legal challenge and hamstrung the Court of Appeal. The government asked the court: “Is the manner in which the boundaries and areas of electoral divisions are proposed and established under the Electoral Boundaries Commission Act (Chapter E-4.01, Statutes of Alberta, 1990) inconsistent with the Canadian *Charter Rights and Freedoms*, and, if so, in what particulars and to what extent?”<sup>763</sup> The reference decision of the Alberta Court of Appeal was delayed in light of activities surrounding a similar reference asked by the government of Saskatchewan (*Saskatchewan Reference*) the previous year, which was subsequently appealed and granted expedited leave to the Supreme Court of Canada.

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<sup>762</sup> However, despite the commitment of the PC organization in 1969-70, it was a promise that remained unfulfilled for twenty years.

<sup>763</sup> *Alberta Reference, 1991.*

The decision of the Supreme Court in the *Saskatchewan Reference* limited the degree to which lower courts could act in adjudicating electoral boundary decisions. Lower courts could not interpret absolute voter parity as an element of s. 3 of the *Charter* and instead had to abide by highest court's conception of 'effective representation.' The decision certainly influenced the Alberta Court of Appeal reference on provincial electoral legislation on November 6, 1991.<sup>764</sup> The Supreme Court ruling had weakened an effective challenge to Alberta's electoral legislation and system of malapportionment. Fritz (1996) argues that so had the shrewd move of the provincial government's reference, which forced the Court of Appeal to consider the scheme of the *EBCA, 1990* and not the resulting operation of the Act (i.e. the subsequent *Electoral Divisions Act*).<sup>765</sup> Knopff and Morton (1992) found: "Without an electoral map in place, moreover, the charge of 'Gettymandering' remained purely hypothetical (104)." These limited conditions provided an adversarial vacuum, only the government (represented by Peter W. Owen) and the Alberta Association of Municipal Districts and Counties (AAMDC), both close allies in championing rural overrepresentation, remained as intervenors.<sup>766</sup> The Appeal Court limited its comments to section 3 of the *Charter*. Choosing not to consider sections 15, 27, and 28 of the *Charter*, the court indicated these sections were nevertheless important for electoral legislation. (5) Courtney (2002) notes that: "The court limited its ruling to the 50 percent population limits, the urban or

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<sup>764</sup> The Alberta Court of Appeal, responding in its *EBCA* reference noted: "We also note the direction in Carter that the Courts show deference to the judgement of the legislature about the adequacy of specific means to achieve these standards (8)."

<sup>765</sup> The Court noted: "In our view, it would be dangerous to approve part of the whole without first seeing the whole. We therefore refuse to comment about the specific divisions mandated by the Act. We will limit our comment to the general idea of the use of urban and non-urban categories as a criterion of selection of boundaries, and the 40/43 split (5)."

<sup>766</sup> With this adversarial vacuum, the court found that: "This situation also created a difficult challenge for Mr. Owen, counsel for Alberta. He came to defend the law from attacks that, in the end, were not made. His solution was to walk us through the statute, clause by clause, and respond to attacks made previously, in legislative debate or elsewhere (4-5)."

rural/hybrid categorization of districts, and the legislated allocation of forty-three and forty seats respectively to the two categories. It accepted as reasonable the use of 50 percent tolerance limits for a small number of districts, but expressed reservation about restricting a commission's discretion by allocation of a fixed number of rural and urban seats (161).” The Court also considered the level of disparity afforded by the new legislation

...the total population of the 43 single municipality or ‘urban’ constituencies amount to about 60% of the total population of Alberta, but accounts for only 51.8% of the total seats. Indeed, the average population of the 43 will be 33,090, and of the 40 multi—municipality or “rural” and “hybrid” ridings will be 23,573. If voter parity applied, the population in that group of 40 should elect members but for 33 seats. In percentage terms, the 43 will among themselves average 6 % above the province-wide average, and the 40 will be 17% under (3).

Nevertheless, constrained by the Supreme Court, the Alberta Court of Appeal noted in its decision that: “the manner in which boundaries and areas are proposed and established under the Act seems not to offend section 3 of the *Charter* in the sense of the general scheme of the 1989 Act is of the sort approved by the Supreme Court of Canada in *Carter* (9).” It did question why seven unnecessary rural seats were needed (12). Knopff and Morton (1992) note that the Court attempted to “force a wider opening” for future legal challenges (107). This is demonstrated with the closing message of the Court of Appeal which stated that “the real issue may not be about adequate representation of the less populated areas but under-representation of more populated areas. No argument for effective representation of one group legitimizes under-representation of another group (14).” The court hinted that the size of the Legislature itself would inevitably provoke a legal challenge, but to date, it has not.

### *Drawing and re-drawing Boundaries*

Despite a period of legal uncertainty, Alberta established an Electoral Boundaries Commission in January 1991. It is clear that the Progressive Conservative Association

wanted strong advocates for rural overrepresentation on the commission. The potential appointees suggested by Bob Bogle to the Premier in December 1990 give a sense of the composition of the rural PC network. The recommendations included: Shirley Cripps (a farmer, former Conservative MLA and Associate Minister of Agriculture), Doug Johnson (President of The Stettler PC Association), Gordon Miller (President of Alberta Association of Municipal Districts and Counties), Ron Shuster (former Mayor of Fahler and then President of the Smoky Lake PC Association), LeVaun Thompson (a member of PC Constitution Review Committee and wife of a former government MLA) and Henry Tomilson (Chairman, Federation of Alberta Gas Co-ops Ltd.).<sup>767</sup> LeRoy Fjorbotten indicated to the Premier that he would support the appointment of Cripps, but would not support Shuster or Tomlinson and doubted if “Miller would be strong enough.”<sup>768</sup> The Premier had questions whether Tomlinson would be “tough enough.”<sup>769</sup> The final composition of the Electoral Boundaries Commission included Assistant Chief Justice Clare Linden (who replaced Justice Virtue in August 1991), Chief Electoral Officer Patrick Ledgerwood, Shirley Cripps and Tom Biggs, an engineer and practicing rancher, represented the government appointees, and Jean McBean Q.C. was the opposition appointee. The remaining three members of the boundary commission were residents of Edmonton. Incredibly, Calgary - Alberta’s largest city - had no representation on the boundary commission. The partisan structure of the commission and the heavy rural bias effectively shut down any effectively opposition to the Conservatives’ agenda.

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<sup>767</sup> Letter from Bob Bogle, MLA (Taber-Warner) to Hon. Don Getty, Premier of Alberta. December 10, 1990. PAA 1998.922 Box 36 File 481 p 1-2.

<sup>768</sup> Ibid.

<sup>769</sup> Ibid.

The Alberta Electoral Boundary Commission stalled as a result of the conflict over multi-municipality ridings, the alleged complexity of rural ridings, and the constraints imposed on the number of urban seats authorized by the legislature. The commission delivered an interim report in December 1991 that was deferential to rural overrepresentation, a tactical necessity of the PC organization. By including the classification “multi-municipality” as part of the *EBCA, 1990* the government had been too clever by half. In attempting to change the nomenclature to preclude “rural/urban” tensions and weaken a constitutional challenge, the government left itself vulnerable to the majority proposal of the boundary commission to combine some parts of Edmonton and Calgary with surrounding rural areas to form multi-municipality ridings. Owing to the limited quota on the number of urban divisions, this process was the only one that would decrease overall voter inequality and increase the urban share of the seats. However, this was clearly not the intended result preferred by the government (or its supporters).<sup>770</sup> A concern expressed by the political opposition when “multi” or “hybrid” ridings were first proposed was that they were designed “...to swamp slices of urban population in predominantly rural constituencies, thus benefitting rurally based Conservatives at the expense of urban New Democrats and Liberals (Knopff and Morton, 1992: 98).” Initially, only one of the commissioners, Shirley Cripps, opposed the recommendations of the interim boundary commission report and the proposed use of the multi ridings:

I do not believe the legislative term “multi,” nor Section 13(2) means putting large numbers of Edmontonians and Calgarians into the already multi adjacent constituencies...I believe that the regional balance could have been reached as successfully without in excess of 89,000 Edmontonians and Calgarians going to the multi’s which led to the elimination and/or vast

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<sup>770</sup> Archer (1993) notes this gave the effect of decreasing the population percentage of single municipality districts from 61.1 to 56.6% (189).

changes to the demography of a number of rural constituencies. Neither group is well served (Interim Report 1991/92, 15).<sup>771</sup>

Fritz (1996) argues “this representational concern did not extend to the “rurban” constituencies proposed for Red Deer, Lethbridge, Grande Prairie, Medicine Hat, and Fort McMurray because those centres were viewed as being very dependent on their surrounding areas (363-364).” The Conservative position also highlighted the concerns of the proposed rurban ridings surrounding Edmonton and Calgary at the same time it downplayed similar and historic concerns expressed by residents in traditional Tory strongholds in Grande Prairie, Medicine Hat, and Red Deer. Overlap between areas of Edmonton or Calgary and rural areas were not without precedent. During early 1980s, many residents of the Calgary neighbourhoods of Applewood, Douglas Heights, and McKenzie were surprised to learn they were a part of the rural Drumheller Constituency.<sup>772</sup> The Premier’s former riding of Edmonton-Whitemud contained a significant rural/agrarian component given its boundaries reached Ellerslie Road. Moreover, the real concern was that, with the Conservatives’ weakening grasp on Edmonton and Calgary that these “multi” ridings would swing to the political opposition and help defeat the Conservative government.<sup>773</sup>

After the release of the interim report, 23 public hearings were held in 19 locations that heard from 402 presenters and received 327 written submissions (Final Report, 1990: 2-3). There were many complaints of how the proposed “rurban” ridings violated the rural community of interest and notions expressed that the role of a rural MLA was far more

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<sup>771</sup> This raised an interesting question. Were many of the residents that lived so close to Edmonton and Calgary in rural? Or were they better viewed as quasi-urban given the number of acreages and bedroom communities that surround the cities?

<sup>772</sup> Alberta *Hansard* April 29, 1985 p. 672.

<sup>773</sup> Despite the relative strength of the NDP during the 1980’s, the government faced an even greater foe: a reinvigorated provincial Liberal party.

complicated that of an urban MLA. Notwithstanding reasons of geography, the increased complexity of rural areas was explained by larger numbers of government boards, organizations and communities that a rural MLA had to contend with.

In May 1992, the commissioners released the final report without a majority decision and with separate minority reports. Citing a lack of public support among other concerns, Thomas Biggs, Patrick Ledgerwood, and Jean McBean withdrew their support of the interim report and for hybrid divisions that encompassed Edmonton and Calgary. For varying reasons, Ledgerwood and McBean found “that it was not possible to both follow the legislation and comply with the *Charter* (Archer, 1993: 189).” The commission’s chair, Assistant Chief Justice Clare Linden, found no such conflict and remained the only commissioner that supported the interim report, providing minor changes were made (Final Report 1991/92, 11). Linden instructed commissioners that it was not appropriate for them to suggest changes to the electoral legislation itself. There was a legal way for the commission to carry out its mandate (i.e. the use of hybrid divisions that included Edmonton and Calgary) and this must be carried out in spite of public opinion (Ibid, 78). Despite this, both McBean and Ledgerwood advocated that existing legislation be amended to allow for more than the allocated 43 seats for urban ridings and less than the 40 allocated seats for rural ridings allowed by section 14 of the *EBCA, 1990*. The crux of the matter for McBean was the uproar produced in the public hearings, which included government MLAs renouncing the very essential features of the *EBCA, 1990* they had duly authorized in a legislature where they outnumbered the Opposition by 59 to 24. McBean viewed the situation more naively. Advocating the need “to represent people, not land”, and finding it “difficult to endorse malapportionment,” Ledgerwood rejected any increases of the average variance from the

interim report, a course advocated by the Conservative members (Ibid, 88-91). Ledgerwood did endorse the recommendations of the Lortie Commission that included a more appropriate introduction of representation by population and a maximum electoral deviation of +/-15% without any exceptions. In the end, Premier Getty decided that, in light of the failure of the commission, the task of drawing electoral boundaries would fall to the Select Special Committee.

The Select Special Committee proved even more advantageous to the PC position than initially envisioned by the government. On July 2, 1992, the government passed a motion for a Special Select Committee on Electoral Boundaries, comprising four PC MLAs, two NDP MLAs and one Liberal MLA to draw new electoral divisions. Arguing that it was inappropriate for politicians to draw boundaries, the Opposition boycotted the committee and the new boundaries were entirely drawn by government MLAs Bob Bogle, Stockwell Day, Pat Black, and Mike Cardinal. These members promptly discarded hybrid electoral divisions. The effects of this unilateral process were evident to Archer (1993): "The Gini index of inequality increased from .070 under the Interim Report of the Electoral Boundaries Commission to .094 under Bill 55 (190). The final recommendations of the Special Select Committee on Electoral Boundaries culminated with Bill 55, which was enacted as *The Electoral Divisions Statutes Amendment Act, 1993*.

#### *Malapportionment under Ralph Klein*

Despite his ostensibly populist predilections and the very nature of his victory, the ascendancy of Ralph Klein as Premier of Alberta in December 1992 did not mean the end of electoral malapportionment. Challenges to the inequitable provincial electoral regime did not

end either. The first challenge came when the *Electoral Divisions Statutes Amendments Act, 1993 (EDSA)* was passed and given Royal Assent under Klein's first legislative session. Nearly immediately, the Town of Lac La Biche sought an injunction against the *EDSA, 1993* alleging a breach of their community interest under section 3 of the *Charter*.<sup>774</sup> An injunction would have prevented an election from being held, or forced the government to call the election under the even more constitutionally dubious *EDA, 1983*.<sup>775</sup> The town was granted an interim injunction by Smith J. of the Court of Queen's Bench on March 23, 1993. The government referred the constitutionality of the *EDSA* to the Alberta Court of Appeal the following day.<sup>776</sup> On April 6, Ritter J., of the Court of Queen's Bench, adjourned the original challenge refusing to stay the proclamation of the *EDSA, 1993*. The injunction had been refused "on the basis of a balance of convenience."<sup>777</sup> This decision was appealed by the town of Lac La Biche to the Alberta Court of Appeal. On April 30, 1993 in *Lac La Biche (Town) v. Alberta (1993)*, the Alberta Court of Appeal denied an injunction against the *EDSA, 1993*. The Alberta Court of Appeal issued concern that "any voter would be able to prevent a duly elected government from calling an election" if injunctions were granted simply on the basis allegations of a community of interest breach under section 3(2) As such, a circumstance would result in "unwarranted interference with the legislative process

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<sup>774</sup> The town of Lac La Biche argued that an electoral division that severed the town from the northern forest regions disrupted their community.

<sup>775</sup> In *Lac La Biche (Town) v. Alberta (1993)*, the Court of Appeal wrote: "Even if some of the electoral divisions formulated under Bill 55 [the *EDSA, 1993*] were found to be unconstitutional, their number would be far fewer than those prescribed by the 1983 Act."(2)

<sup>776</sup> The government of Alberta posed this question to the Court of Appeal: "(1) Did the boundaries of the electoral divisions established pursuant to Pt. 3 of the *Electoral Divisions Statutes Amendment Act, 1993* infringe rights guaranteed by the Charter; (2) if so, how; and (3) if so, was such an infringement justified under s.1 of the Charter."

<sup>777</sup> *Lac La Biche (Town) v. Alberta (1993)*, 17 C.P.C (3d) 238, 102 D.L.R. (4<sup>th</sup>) 499, 141 A.R. 26 (C.A) p. 2 There was some urgency in having a provincial election. The Conservatives had already exceeded Constitutional convention by going four years without having an election. The deadline for the constitutionally mandated limit of five years, as provided by section 4(1) of the *Constitution Act, 1982*, was March 20, 1994.

and an infringement of the government's right to call an election...<sup>778</sup> Refuting the previous legal interpretation of Ritter J., the Court of Appeal did note that the judiciary *could* compel a government to not to proclaim the *EDSA*. If the *EDSA, 1993* was found inconsistent with the *Charter*, it would be of "no force or effect."<sup>779</sup> However, this course of action was not warranted in this instance as noted by Hetherington J.A.:

It was necessary to consider the perception of the public as to what was in the best interest. There was no evidence that anyone other than the town had challenged the statute, although four other organizations were granted intervenor status in the reference and all but one had knowledge of these proceedings. It was inferred that aside from the electors in the town, Albertans had no objection to an election based on the electoral boundaries delineated in the 1993 Act. In these circumstances, the court should not enjoin the government from proclaiming the Act.<sup>780</sup>

Arguing that this position seemed inconsistent with the Justice's position expressed elsewhere in the ruling, Fritz (1996) questioned whether this was an element of judicial pragmatism. It was not the last judicial word on provincial electoral boundaries. The Alberta Court of Appeal began its reference proceedings on June 30<sup>th</sup>. A general provincial election was held in Alberta on June 15<sup>th</sup>.

The 1993 Alberta general election saw the Progressive Conservatives win their seventh consecutive majority government with 51 seats to the Liberals' 32. The Conservatives experienced great success in the overrepresented and predominately rural areas. Of the 44 single-municipality electoral divisions defined by the *EDSA, 1993* the Conservatives won: 17 in Calgary, one in Lethbridge, and one in Medicine Hat. The Alberta Liberals won 27, or 61.3% of single-municipality divisions: 18 in Edmonton, three in

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<sup>778</sup> Ibid.

<sup>779</sup> As provided by s. 52(1) of the *Constitution Act, 1982*.

<sup>780</sup> Ibid. p. 3.

Calgary, and one each in Fort McMurray, Lethbridge, St. Albert, and Sherwood Park. In addition, the Progressive Conservatives won a total of 44.7% of the seats in Edmonton and Calgary, which comprised 52.6% of the provincial population and only 45.7% of electoral divisions. The Alberta Liberals won 55.3% of the electoral divisions assigned to Edmonton and Calgary. In terms of the multi-municipality electoral divisions defined by the *EDSA, 1993*, the Progressive Conservatives won 32 or 82.0% of those divisions and the Alberta Liberals the remainder.

On October 24, 1994, the Alberta Court of Appeal delivered its ruling in *Reference re Electoral Divisions Statutes Amendment Act, 1993 (Alberta)*.<sup>781</sup> The government of Alberta and the Alberta Association of Municipal Districts had submitted arguments in favour of the *EDSA, 1993*, whereas the Town of Lac La Biche, Alberta Civil Liberties Association, Alberta Liberals, and New Democrats submitted arguments against. The Appeal Court argued that it was impossible to determine whether the electoral divisions completely met the threshold of the *Charter* given that it was *not* fully appraised of the rationale the 1992 Special Select Committee on Electoral Boundaries used to determine deviations between electoral divisions.<sup>782</sup> It was felt the lack of a riding-by-riding justification for deviations between electoral divisions violated fundamental principles.<sup>783</sup> The Court determined that

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<sup>781</sup> The full citation is: *Reference re Electoral Divisions Statutes Amendment Act, 1993 (Alberta)* 24 Alta. L.R. (3d) 1, 157 A.R. 241, 77 W.A.C. 241, 119 D.L.R. (4<sup>th</sup>) 1, 25 C.R.R. (2d) 347.

<sup>782</sup> Indeed the Special Select Committee on Electoral Boundaries had not even provided the Court with transcripts of meeting proceedings although the Committee had referenced such transcripts in their Final Report. Members of the Committee were instead cross-examined.

<sup>783</sup> To this point it was stipulated: “We affirm again that there is no permissible variation if there is no justification. And the onus to establish justification lies with those who suggest the variation (12).” The Alberta Civil Liberties Association submitted affidavits from former Saskatchewan NDP Premier Allan Blakeney and former Alberta PC Cabinet Minister Connie Osterman speaking to the argument that the complexity of rural areas warranted such deviations between urban and rural districts. The factum cited Blakeney as noting “the effort of an urban representative was no less, per voter, than that required of a

the 1992 committee had made “irrelevant considerations,” including its conclusion “that changes would have to be implemented slowly so as not to offend the political sensibilities of rural electors.”<sup>784</sup> Although the Court identified several inadequacies, it determined the legislation did not include any provision(s) “large or glaring enough to declare the existing legislation invalid.”<sup>785</sup> In order to avoid a political crisis, the court had previously employed judicial restraint. An additional factor impacting the decision had been a sense of urgency imposed by the government’s imperative to comply with the fast-approaching Constitutional mandate to call an election. There was little time to perform a significant judicial review prior to March 20, 1994 and the election proceeded.<sup>786</sup> The Court could do little after a general election. Angered by interpretations of its 1991 reference decision whereby the Court was said to have approved of rural and urban disparities, the Court of Appeal now provided damning criticism of this practice:

...the origin of the problem before the Legislature is the historic imbalance in the level of representation between agrarian and non-agrarian populations in Alberta. Each year this problem worsens, because each year urban populations increase and non-urban populations decrease. We call this a problem because it impacts significantly on the right to vote of urban Albertans. This cannot be permitted to continue if Alberta wishes to call itself a democracy.<sup>787</sup>

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rural representative (Fritz, 1996: 373).<sup>783</sup> Osterman noted that urban MLAs spend a great deal of their time with local groups and organizations, just as do rural MLAs.

<sup>784</sup> The Court also noted “...it was common ground before us that the population figures indicated the need, in the absence of special considerations, to reduce the number of divisions in southern Alberta by two. Mr. Bogle acknowledged this in his affidavit (para. 37a) but explained that the committee chose instead to reduce the number of divisions by one, despite the fact that a further reduction would eliminate one of the smallest divisions in the province, which, by happenstance, was that for which he was then the sitting member. One reason he gives in his affidavit for this decision was that a further reduction ‘would have meant a sudden and substantial reduction in the level of representation.’ That is, we observe, exactly the concern of some electors. The concern, we feel constrained to add, of *other* electors, those in Metropolitan Alberta, was that their existing inadequate level of representation would *remain* reduced (14).

<sup>785</sup> Ibid.

<sup>786</sup> Circumstances could have been significantly different had the government had more time left in its mandate.

<sup>787</sup> Ibid. p. 15.

The Court tacitly warned the government that failure to alter its electoral boundary process would trigger an abandoning of judicial restraint. Fritz (1996) critiqued the inconsistency of the conclusion in light of the forceful statements of the Court, its failure to consider the Alberta Civil Liberties Association's argument that the *EDSA, 1993* violated Edmontonians' and Calgarians' section 15 *Charter* rights, and finally to the lower court's emphasis on avoiding a "political crisis."<sup>788</sup>(377-378) The Supreme Court refused to hear appeals from the Alberta Civil Liberties Association and the Town of Lac La Biche given that the government of Alberta had passed new legislation in response to the 1994 *Alberta Reference*. Nevertheless, the new legislation continued to violate Edmontonians' and Calgarians' section 15 *Charter* rights.<sup>789</sup>

In 1995, the provincial government amended the *EBCA* with *Bill 20* and created an electoral boundary commission. The 1995/1996 Electoral Boundary Commission was chaired by Justice Edward Wachowich and comprised of government appointees Joe Lahane from Innisfail and John McCarthy of Calgary along with Opposition appointees Robert Grbavac from Raymond and Walter Worth of Edmonton. Representing an improvement over the *EBCA, 1990*, the new legislation did not facilitate the drastic reduction of rural seats

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<sup>788</sup> This study readily concurs with the assessment of Fritz (1996, 1999) that judicial pragmatism and deference has resulted from jurisprudence that has considered electoral boundaries. Again, this study cites the decision of the Supreme Court in *Carter* as a causal factor. Another consideration should be the extent to which the judiciary in a political monopoly feels at liberty to criticize and hold the government in check in contrast to other jurisdictions. In 1994, Macdonald J. of the Alberta Court of Queen's Bench found that "that the Alberta Provincial Court was no longer independent." (Cited by the Supreme Court of Canada in Reference re Remuneration of Judges of the Provincial Court (P.E.I.), [1997] 3 S.C.R. 3.) This finding came in response to a dispute between the government and the judiciary on salaries. During this conflict, Premier Ralph Klein had noted that "ultimately . . . yes, cabinet can fire a judge" and that "if we can hire, then ultimately the authority [to fire] should be ours as well." (Source: Engman, Kathleen. *Klein* must retract, law society says; [EARLY Edition] *Edmonton Journal*. Edmonton, Alta.: May 4, 1994. pg. A.1.). Although this statement was later retracted by the Premier, it did raise some serious concerns.

<sup>789</sup> Fritz (1996) notes: "All appeals in the Supreme Court were abandoned when the intervenors withdrew due to the lack of funding (379)."

recommended by the Alberta Court of Appeal in 1994. The new legislation abandoned an explicit distinction between urban/single-municipality and rural/multi-municipality electoral divisions.<sup>790</sup> Implicit distinctions remained and fulfilled a function to the erstwhile distinctions. With the exception of four sparsely populated northern ridings that were allowed a deviation of +/-50%, Section 17(1) of the new Act provided that the maximum permissible deviation for all electoral divisions was +/-25%. An additional factor was the relevant mandated considerations for the drawing of electoral divisions as prescribed by section 16 of the Act. These provisions, in concert with sections 17 (1) and 2, required that exactly half of the four appointees be rural residents. The Speaker would nominate two on the behalf of the Premier and the Opposition leaders would nominate the other two. This nomination process enabled for considerable rural bias to remain operative throughout subsequent Commission proceedings. The continued requirement that the opposition recommend a rural member was certainly designed to hamper opposition arguments for greater urban representation on the Commission.

Building upon section 16 of the *EBCA*, the Commission adopted a matrix of quantitative factors to determine electoral divisions. These represented functions of the difficulty of representation and effective representation ranked from 0 to 100, the larger the number the greater the difficulty. The matrix factors included: “1. Geographic Areas in square kilometres;<sup>791</sup> 2. Population according to the 1991 Statistics Canada Census; 3. Population Density/Sparsity by square kilometre; 4. Number of Households (a single unit in

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<sup>790</sup> Fritz (1996) argues this move “clearly gives the commissioners a signal from the Legislative Assembly that the old approaches are no longer acceptable (380).” However, Fritz (1999) is more cautious about the new process.

<sup>791</sup> Rather ironically, the Commission listed square kilometres before population. Although this choice might be an inadvertent oversight, it nevertheless explains the rationale of the Commission.

the structure of communities); 5. Elected and Appointed Bodies (with reference to governance and includes the number of Indian Reserves and Métis Settlements); and 6. Distance from the Legislative Assembly in Edmonton by the most direct route in kilometres to the midpoint of the electoral division (1995/1996 Electoral Boundary Final Report, 30).”<sup>792</sup>

The proposed electoral divisions in Edmonton<sup>793</sup> and Calgary<sup>794</sup> averaged levels of electoral difficulty of 29.4 and 37.1 respectively. This process allowed for the average electoral divisions in those cities to vary 9.9% and 5.4% respectively above the provincial quotient. Other major urban centres averaged levels of difficulty of 34.2 and divisions 0.85% above the provincial quotient.<sup>795</sup> Divisions outside metropolitan and major urban centres had an average level of electoral difficulty of 49 and divisions that were 9.4% below the provincial quotient.<sup>796</sup> Many of the dubious factors were redundant and clearly favoured a more rural community of interest.<sup>797</sup> The Commission justified its use of the number of households to ensure that population had twice the weight of other variables, but this was to

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<sup>792</sup> Was the government really that concerned with Aboriginals issues, or did the prevalence of reserves and settlements through rural areas simply work to the electoral advantage of government? Overall, this methodological approach was the modern equivalent of the December 1968 Colbourne proposal, duly rejected by the Conservative Opposition as an attempt to maintain the status quo. Superficially, the matrices had the benefit of looking very reasonable on paper. Upon calculation and further analysis, it perpetuated unjustifiable rural overrepresentation at the expense of urban underrepresentation.

<sup>793</sup> The average Edmonton scores were: an area difficulty of 1, population score of 8.7, density score of 1, household score of 4.9, number of bodies score of 1 and distance from legislature score of 1.

<sup>794</sup> Calgary possessed an average: area difficulty score of 1, population score of 9.4, density score of 1, household score of 5, an appointed/elected body score of 1 and distance from the legislature score of 5.

<sup>795</sup> These include: Fort McMurray, Lethbridge, Medicine Hat, Red Deer, and St. Albert. These areas possessed an average area difficulty score of 1.13, population score of 8.25, density score of 1.25, household score of 4, number bodies of score of 1, and distance from the legislature score of 5.4.

<sup>796</sup> These areas averaged an area score of 3.9, population score of 6.3, density score of 8.1, household score of 2.8, elected/appointed bodies score of 3.5 and a distance from the legislature score of 4.6.

<sup>797</sup> Under a similar scheme, the 2002/2003 Electoral Boundary Commission reduced the number of seats in Edmonton from 19 to 18.

be achieved by multiplying population by a factor of two.<sup>798</sup> The measurement of the number of households, as well as that of area and population density, merely diluted the proportional weight of the metropolitan populations. These measures of rural bias not only helped cancel out the efficacy of large urban populations, but justified larger deviations from the provincial quotient for smaller population areas. Other than population, there was an absence of matrices that clearly advantaged urban complexities (i.e. the prevalence of non-official languages, poverty, and the greater heterogeneity of urban problems etc.).<sup>799</sup> Overall, a practice whereby boundary commissions adopt measurements of communities that coincidentally benefit the government in power is hardly desirable.<sup>800</sup> Democracy means election by individual citizens, not greater representation for communities that support the government. Moreover, the reformed quantitative practice of the Commission resulted in electoral divisions that produced LHI levels of 6.3% and 7.6 for the 1997 and 2001 provincial elections. With 52.8% of the provincial population, Edmonton and Calgary continued to hold a minority of seats with 48.1% of electoral divisions. The Commission had only provided Edmonton and Calgary with one additional seat each, which came at the expense of rural areas. This move was consistent with the recommendations of previous boundary commissions throughout the 1970s and 1980s that were bound by more explicit

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<sup>798</sup> There was no need to measure area and population density and population and number of households. The Commission offered the excuse that households represented “the first strata of community in rural and urban Alberta,” as well as “it is also a measure of visitations required to completely canvass an electoral division.” (31) The first argument is highly contestable. With respect to the second point, why would the Commission also include the redundant measure of population density if it served the same purpose?

<sup>799</sup> Fritz (1996) notes: “In its factum and supporting materials the Association analyzed census data showing that a disproportionate percentage of the following disadvantaged groups lived in Calgary or Edmonton: ethnic minorities, the elderly, disabled persons, the poor and the unemployed. The disproportionality was even greater when comparisons were drawn between the 10 most underrepresented constituencies (5 each in Edmonton and Calgary) and the 10 most overrepresented constituencies were all located in inner city areas (378).”

<sup>800</sup> Any Alberta government could under section 16 influence future electoral matrices used by boundary commissions in their political favour.

legislative restraints. Despite producing slight improvements over its predecessor, the 1995/1996 Electoral Boundary Commission failed to establish more equitable conditions prevailing in other Prairie Provinces and elsewhere.<sup>801</sup> In 1996, Alberta's rural population amounted to just 21% of the provincial total.

*Quantitative findings over the study period*

This study has also included a calculation of the Loosemore-Hanby index using available voter population (vp) and total population (tp) shown below. Despite Alberta's use of voter population instead of total population for the redistribution process, the level of voter population was, at times, more malapportioned than that of total population. It is certainly not an impossibility to draw electoral boundaries that include parity of both total and voter populations.

Loosemore-Hanby Index Alberta 1952-2008

<b>Year</b>	<b>LHI (vp)</b>	<b>LHI (tp)</b>	<b>Year</b>	<b>LHI (vp)</b>	<b>LHI (tp)</b>
1952* <sup>8</sup>	17.2		1986	12.7	
1955*	20.8		1988		12.7
1959	22.4		1989	13.8	
1963	21.1		1993	7.8	7.0
1967	21.4		1997	6.3	
1971	15.1		2001	7.6	

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<sup>801</sup> The 1992 Select Special Committee was the predecessor given the failure of the 1991/1992 Electoral Boundary Commission.

<sup>802</sup> \*From 1926 to 1959 Alberta had a transferable vote electoral system. All subsequent years reflect a single-member district electoral system.

1975	17.6	20.1	2004	5.2
1979	14.1	13.8	2008	6.4
1982	15.8	15.7	Average (1971-1993)	13.8

Using a small sample size of seven, this study performed a simple linear regression to discern if there was correlation during the period 1971 to 1996 between levels of LHI (voter population) as the independent variable and the electoral measures taken from Siaroff (2006) as dependent variables. Indicating R-sq and p-values in parenthesis, no statistically significant correlation was found between LHI and: DISP/SBL (0.3497362 and 0.162), SL1-2% (0.5371534 and 0.0609) and 1PVC (1.4095897E-5 and 0.9936). A statistically significant positive linear correlation was found between LHI and 1PSC (1PSC=26.827526+7.2073097LHI) with an R-sq value of 0.7734039. The two-sided t test of the slope  $H_0: \beta_1 = 0$  versus  $H_a: \beta_1 \neq 0$  produced a p-value of 0.0091. The coefficients and confidence levels of the linear relationship between the constant (LHI) and 1PSC are shown below.<sup>803</sup>

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	-26.828	24.756		-1.084	.328	-90.464	36.809
	LHI	7.207	1.745	.879	4.131	.009	2.723	11.692

a. Dependent Variable: PSC

The linear regression provides quantitative evidence that the PC organization directly benefitted from rural overrepresentation, specifically from a correlation between levels of malapportionment and government seat share. This level of government overrepresentation

<sup>803</sup> This table was produced using SPSS.

discriminated against minority political interests and precluded their effective representation in the Legislative Assembly of Alberta during the period 1971 to 1996.

### *Quantitative Comparisons*

This study has previously contrasted the electoral system of Alberta with that of its western neighbours.<sup>804</sup> It is helpful to demonstrate the extent of electoral bias in the province relative to other Canadian jurisdictions during the period 1971 to 1996. Siaroff (2006) has calculated a number of electoral measures among the Canadian provinces applicable throughout the study period. These measures offer guideposts on the extent of electoral bias and the health of the electoral system. These include: levels of total disproportionality (DISP), seat bias in favour of the governing party (SBL), lead of the winning party over the second-place party in percentage of seats SL1-2(%), the percentage of seats won by the winning party (1PVC) and the percentage of the popular vote won by the winning party. Another measure includes provincial gini coefficient numbers.<sup>805</sup> Such measures should be considered with a measure of the number of changes of government during this same period. This analysis will be represented by a turnover (Tnvr) column. When turnovers are few, the turnovers contribute to the conclusion that electoral weaknesses contribute to government longevity. This study will also determine which province had the lowest voter turnout (%)

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<sup>804</sup> Archer (1993) has noted that Alberta's "record of voter inequality went from among the best in the country in the pre-reform period (although it deteriorated in the 1960s), to one of the worst by the 1980's (182)."

<sup>805</sup> The gini coefficients for the 1970s were obtained from Pasis (1990), numbers for the 1980s from Blake (2006) and gini coefficients from the early 1990s from Courtney (2002). This dissertation does not have as much confidence in the gini average as it does the electoral factors calculated by Siaroff (2006). Firstly, the gini coefficients obtained from Pasis (1990) included an incomplete data set. In addition the scholars (Blake (2006) and Courtney (2002) have calculated their gini coefficient averages on the basis of redistribution reports, elections, and a combination of both affecting the accuracy somewhat. In coming to the average, the 1970s, 1980s and early 1990s were given equal weight skewing the average slightly (given that the 1990s are statistically overrepresented). Given that the purpose of the table was to rank the provinces in terms of electoral equality the table does nevertheless reflect an appropriate course.

during the period, represented by the column labelled “turnprov.”<sup>806</sup> The hypothesis is that Alberta would rank among the worst in most of these indicators in contrast to other Canadian jurisdictions during the period 1971 to 1996.

Electoral indicators of the Canadian provinces circa 1970-1996

Province	DISP	SBL	SL1-2%	1PSC	1PVC	Gini	Tnvr	turnprov
Alberta	<b>26.1</b>	<b>26.1</b>	<b>61.2</b>	<b>78.8</b>	52.7	0.1673	<b>1</b>	<b>59.6</b>
British Columbia	18.1	17.8	31.2	63.2	45.3	0.162	3	66.7
Manitoba	13.3	10.3	4	53	42.7	0.0905	3	72.3
New Brunswick	21.6	21.6	43.6	71	49.4	0.1542	2	79.0
Newfoundland	16	15.5	34.1	67.6	52.1	0.1162	2	77.6
Nova Scotia	18.4	18.4	37.2	65.6	47.2	0.1541	3	75.1
Ontario	14.4	14.1	29.8	55.5	41.4	0.1146	3	64.5
PEI	21	21	49.9	74.7	<b>53.7</b>	<b>0.2335</b>	3	83.5
Quebec	23.4	23.4	49.5	72.2	48.7	0.1068	4	80.6
Saskatchewan	24.5	24.5	49.6	73.1	48.5	0.0703	3	79.6

The extent of electoral bias in Alberta is self-evident and ranks worst or second worst in all the measures thereby supporting the hypothesis. Only PEI ranked worse with respect to gini coefficients and higher levels of government share of the vote. However, political monopoly is not in play in PEI. During the period of study, PEI saw transitions of power in 1979, 1986, and 1996, whereas Alberta saw only one in 1971. British Columbia, New Brunswick, and Nova Scotia saw similar levels of malapportionment, but also experienced higher frequency in changes of government.<sup>807</sup>

<sup>806</sup> This data was kindly provided by Simon Labbé St-Vincent, a graduate student at *L'Université de Montréal*.

<sup>807</sup> In considering the gini coefficients, Alberta's electoral condition worsened relative to the other provinces from the 1970s to the 1980s. During the 1970s, the levels of malapportionment in Alberta were only better than PEI, Nova Scotia, and British Columbia. Due to the improving situation among other Canadian provinces and the slight worsening of its gini coefficient, Alberta ranked only behind PEI during the 1980's (the average LHI improved from 15.6 to 14.1 during the same period).

### *Conclusion*

At key moments, the Conservative government relied on overrepresented rural Alberta to win provincial elections and maintain political power. Despite subsequent academic perceptions that it was principally an urban political organization rural support was crucial to the Conservatives winning power in 1971. This victory and the ruralisation of the Conservative organization saw a reversal of the proposed electoral reforms that they had advocated while in political opposition. While once an electoral weakness, overrepresented rural constituencies were now a source of Conservative political strength. It was apparent to the Conservatives, that as it had been historically, rural areas remained more deferential to governments than the more electoral competitive urban constituencies. While the Conservative organization did do very well in urban constituencies during its first decade in power, were it not for its rural political monopoly the organization would have likely been defeated sometime between the mid-1980s and the early 1990s. The quantitative analysis in the chapter demonstrated that levels of malapportionment were connected to the number of seats the Conservatives won in the provincial legislature. It also showed that when contrasted with other provincial jurisdictions during the study period Alberta ranked among the worst, if not the worst in Canada.

## *Chapter Ten: Final Conclusions*

### *Introduction*

This dissertation sought to account for the one-party dominance of the Progressive Conservative Association of Alberta between 1971 and 1996 by challenging prevailing explanations for the peculiar longevity of this provincial political monopoly. Most studies of Alberta failed to adequately consider the broader comparative politics field. Adopting a more comparative turn, this dissertation proposed that great academic purchase would be found in examining the limitations of the provincial regime as contributing to one-party dominance. Building on the scholarly work of Trounstein (2008), this theoretical framework constructs the Conservative regime as a political monopoly that used democratic bias to maintain their tenure of office during the period 1971 to 1996. An important dimension of Social Credit's ability to perpetuate power, rural Alberta and agriculture, the central areas of study, have been largely neglected by the scholarship since the Conservatives rose to power in 1971. Although the Conservatives are often characterized as an urban political organization, this study demonstrated that rural Alberta was an essential support to the rise of the Conservative organization. Therefore, before evaluating the democratic bias employed by the political monopoly, it is necessary to briefly consider the economic and political nature of rural Alberta. However, it is important to reiterate the novelty of taking a comparative turn to the study of Alberta politics that also focus on rural areas.

### *Political Economics of Rural Alberta*

This study has challenged the notion that agriculture ceased to play a prominent role in the economic and political affairs of the province. In fact, agriculture was essential to

developing an understanding of rural/agrarian dynamics. By no means had the petroleum economy supplanted agriculture. The rural dynamics of the Progressive Conservative Association watershed victory in 1971 were overlooked as was the importance of the agricultural economic decline that preceded that event. Many scholars simply regarded rural areas as the Social Credit heartland. The Conservative victory was attributed to the result of modernity and large-scale social change brought about by the increasing provincial affluence after 1947. The decline of Social Credit was facilitated by exogenous economic circumstances, its own political missteps and an effective political opposition that targeted rural areas. The efforts of their rural Lieutenant Hugh Horner must be considered an essential part of the Conservative victory. The new government was able to secure considerable political success by virtue of the nearly unprecedented agricultural boom of the 1970s and by increasing government supports, programs and infrastructure to agricultural producers and other rural residents. Moreover, establishing rural Alberta's essential role in the Conservatives' rise allows for the consideration of a new previously overlooked theoretical perspective. The agricultural economy continued to play an important role in provincial political dynamics in the 1980s to the mid-1990s. Having established very effective rural policy and political control in the 1970s, the Conservative government built upon these efforts in subsequent years. The provincial government needed to act cautiously in rural areas with the worst collapse in the agricultural economy since the Great Depression occurring in the 1980s. Therefore, the Conservatives increased government supports to agricultural producers often resulting in huge losses at the provincial treasury but gains at the ballot box. Their political cause was furthered during this period by ineffective political opposition in rural areas and strong rural lieutenants. By the 1990s, strong government support for rural areas was becoming politically untenable in the face of a declining

economy and the need to undertake considerable budget cuts to urban residents' services and programs of. The provincial government substantially dismantled the rural regime that had nurtured and supported since 1971. With no effective rural political opposition there was little rural Alberta could do to retaliate. The Conservative political monopoly had been very successful in consolidating its control over the course of the previous generation.

### *Evaluating Democratic Bias*

The *sine qua non* of a political monopoly is its substantive use of democratic bias to maintain power. Building on the framework of Diamond and Morlino (2005), this study demonstrated how the Conservative government constituted a political monopoly. It employed bias against the essential features of democracy including: participation, competition, vertical accountability, freedom, equality, and responsiveness. These features have considerable covariance and often bias against one feature requires a further violation against another. Before proceeding to evaluate the degree to which this goal was accomplished, it is helpful to re-examine the attributes of democratic quality established by Diamond and Morlino (2005). Moreover, under substantive participation all citizens have the rights to influence decision making through rights of organization, protest, assembly, and lobbying. Despite the general weak political opposition of the study period, this dissertation looked principally at the capacity of independent civil society organizations to participate in rural areas. Was there tolerance for this participation or did a political monopoly attempt to suppress it? Notwithstanding competition, this work posited that other instances of democratic bias (i.e. freedom, vertical accountability, equality, and responsiveness) often had the aim of limiting participation of rural residents in institutions or organizations beyond government control. Substantive democratic competition requires that elections are not only

regular and free, but are fair and open allowing for the alternation of political power. The Conservatives' run of majority governments prompted questions concerning whether the electoral system was structured in their favour. Substantive vertical accountability requires a dialogue between power-holders and electors to allow the latter to adequately evaluate the actions of the former and provide reward or punishment at the ballot box in response. The uncompetitive nature of provincial elections meant that electors were unable to deliver punishment during elections. The efforts of independent civil society to hold government to account and inform rural residents of public policy or propose policy of their own were compromised when those groups began to fear retaliation from government. Substantive freedom requires that all citizens have equal political rights (i.e. right to vote, contest office, organize etc.), civil rights (i.e. liberty, security, privacy, freedom of expression, and right of assembly etc.), and socio-economic rights (i.e. civil economic rights). This dissertation focused on the civil economic rights (i.e. right to private property, entrepreneurship etc.) that are afforded by the democratic quality of freedom. Meaningful democratic equality means that all citizens are afforded the same rights and protections under the law and that all have the same access to power-holders, irrespective of race, creed, wealth, gender, or any other distinguishing feature. In evaluating bias against democratic equality, this work proposed that some rural groups had greater access to power-holders than others excluded from the public policy process. Substantive democratic responsiveness requires that governments convert the widely expressed preferences of the citizens into public policy. This dissertation proposed that the state-centric pursuit of public policy saw the Conservatives ignore even widely expressed views.

The Conservatives' provincial administration of grain policy employed bias against participation, equality, vertical accountability, and responsiveness. Meeting the threshold of participation bias, the province used state-centric corporatist structures (i.e. the Alberta Grain Commission) to actively challenge the politically inexpedient positions of independent producer groups that supported the Canadian Wheat Board and the statutory rates. This conflict, fostered by the Conservative government in Alberta, contributed to the decline of those groups, not only in that province, but throughout Western Canada as well. When it co-opted agrarian institutions and provided them with considerable funding, the government also challenged democratic participation. The government met the threshold for bias against democratic equality. By adopting their state-centric approach and favouring minority interests and cattle interests, the government marginalized and excluded the role of the majority of provincial grain producers from developing provincial grain policy. While many agricultural producers continued to oppose the grain policies of the provincial political monopoly, by the 1990s there was little resistance from independent civil society. The hallmark of vertical accountability bias was apparent: voters and groups believe it easier to acquiesce than to dissent. Unifarm had altered its position on the statutory rates with the hope that the province would be more amenable to its universal financing requests. Democratic unresponsiveness was also clear when the government adopted policy positions that were opposed by a majority of provincial producers, who supported the Canadian Wheat Board (CWB) and the statutory rates.

By privileging energy producers' rights over surface rights, the Conservative government propagated bias against the democratic values of participation, equality, freedom, and democratic responsiveness. The threshold of participation bias was partially

met by the creation of the Farmers' Advocate which was ostensibly intended to be a government institution available to assist rural residents in the protection of their surface rights. In reality, the office conveniently eliminated much of the traditional advocacy role of general farm organizations. The government subverted the efficacy of the Farmers' Advocate by affording it limited authority, inadequate resources, and circumscribed independence. It was important for the Conservatives to control the relationship between rural residents and the state by limiting the capacity for independent rural civil society to challenge industrial development. After all, surface rights represented a potentially ripe political issue that could cost the government the support of overrepresented rural areas if properly exploited by opposition forces. While technically vertical accountability was challenged, it did not raise to the level of bias since the province replaced one vertical accountability institution with that of a limited horizontal accountability institution. Providing rural residents with limited advocacy through weak checks and balances, the equality rights of agricultural producers and rural residents were also partially violated. The limited scope of the *Surface Rights Act* supports the argument made by rural residents that energy interests had greater influence with government – though even these limited protections were better than none. Most conspicuous among the Conservatives' uses of democratic bias was the bias against the civil economic rights, or democratic freedom, of agricultural producers. The rights of private property, entrepreneurship, and employment of surface rights owners were substantially less than that of sub-surface rights owners. According to a literally medieval logic, sub-surface ownership trumped surface rights, irrespective of the length of tenure or productivity of the latter. Bias against democratic responsiveness was also evident with the government failing to adequately consider the clearly expressed desire of rural residents to possess greater surface rights. Finally, the

Conservative government favoured energy interests in a manner similar to its Social Credit predecessors.

The Conservative government's pursuit of an interventionist provincial marketing thrust saw breaches against equality, responsiveness, vertical accountability, and participation. The heavy promotion of the government marketing thrust established a cultural hegemony that marginalized agricultural producers from the development of public policy. There was clear evidence that the government had failed to adequately consult producers on agricultural marketing strategy. While marketing boards and commissions were intended to be democratic and accountable to the producers, the government seriously compromised the *raison d'être* of these agricultural institutions through its regulatory bodies and interventions. The province indeed challenged responsiveness by ignoring democratically decided policy that was contrary to its own interests or position. It also violated vertical accountability when it used state institutions such as the Agricultural Products Marketing Council (APMC) in heavy-handed ways to enforce government policy. While the government was in fact encouraging increased participation in marketing boards, it was certainly aware that the very same efforts were proving detrimental to independent civil society organizations beyond its regulatory control. Thus, government actions in this respect met the threshold of participation bias.

Attempts by the government to challenge the Unifarm organization certainly constituted bias against democratic participation and vertical accountability. The new government was demonstrably suspicious of Unifarm and sought to limit the general farm organization's power and influence over provincial agricultural affairs. While the early

relationship between Unifarm and the Conservative government was largely cordial, relations between the two relations soured towards the late 1970s. Meeting the threshold of participation bias and also vertical accountability because it had retaliatory intent, the provincial government launched a two-pronged attack on Unifarm in 1978. This included an Attorney General's ruling that barred marketing boards and commissions from joining or contributing to Unifarm without government consent. The dismantling of Unifarm's co-op insurance pool by the government represented the second prong to the attack. The insurance pools were an important incentive to maintain and recruit members. The government's entrenched and hostile position on universal financing for Unifarm also represented another element of both participation and vertical accountability bias. The Conservatives had supported universal financing for independent agrarian organizations while serving in Opposition. Upon securing power, the Conservative government reversed their position and denied universal financing during the entire study period. This Alberta government policy was unique compared to nearly all other Canadian jurisdictions which mandated statutory support for general farm organizations.

The Conservative government committed both competition and participation bias by deliberately malapportioning electoral boundaries so that less politically competitive rural areas had proportionally greater representation than more competitive urban areas. The origins of widespread malapportionment were a consequence of rural depopulation that began in the 1940s. By the late 1960s, the Conservative political opposition campaigned on voter parity and successfully fought for limited electoral reforms. Upon winning power with considerable rural support, the Conservatives repudiated its previous commitment to the notion of one-person, one-vote. Over the next generation, the Conservative government

implemented only very minor reductions to the numbers of rural seats preserving those regions' over-representation to persist. The competition bias inherent in the electoral system strengthened the government's capacity to win malapportioned rural seats. The electoral boundary commissions of the period were also structured to limit the efficacy of the political opposition and to improve the political position of the government. Quantitative measures of electoral bias demonstrate that Alberta ranked among the worst of the Canadian provinces during the study period. These same measures demonstrate a correlation between levels of bias and the government seat count – the worse the bias the greater the number of seats. By the mid-1980s, malapportionment had become essential to sustaining the Conservative political monopoly in the face of increased opposition competitiveness in Edmonton and Calgary. This situation met threshold of participation bias since it limited the ability of the opposition parties to participate in the political process. Had the electoral boundaries better reflected urban population trends there would have been a larger opposition and a greater probability for political turnover (i.e. the watershed 1993 election). The Alberta Court of Appeal threatened to overturn future election results that relied upon the same legislation that had returned the Conservatives to power in 1993. While the government did concede minor reforms, it shrewdly exploited the limitations inherent in the *Saskatchewan Reference* in enacting subsequent electoral boundary legislation. Judicial precedent precludes Canadian courts from enforcing more absolute voter parity. As a consequence, Canada as a whole remains one of the worst violators of electoral malapportionment in the world. Over time, Alberta has relinquished its place at the top of worst Canadian offenders and repositioned itself as a mid-range offender.

### *Evaluating the dissertation*

It is necessary to assess this study in terms of limitations of methodology and argument and offer changes that would be made if one was to start a fresh study with unlimited time and funds. Beginning with the methodological issues, this work endeavoured to adopt a mixed-method approach. Aside from the study of competition bias, the quantitative analysis of other elements is at times lacking. Many elements of democratic quality do not readily lend themselves to quantitative assessment. It was determined that one source of quantitative data could be obtained from survey data. However, there is a paucity of survey data from rural Alberta during the period of study. This study was also limited by lack of funds precluding the commissioning of new surveys to determine the views of rural Albertans on the strength of their provincial democracy during the study period. This evaluation would have only been helped by an urban survey of provincial democracy to contrast differences between rural and urban opinions. Quantitative information could also have been forthcoming from a study of the democratic bias involved in hypothesized provincial political clientelism. It was determined that the complexity of such an assessment was beyond the scope of adding one or two chapters to a lengthy dissertation. Further, it was determined that the topic of political clientelism deserved its own dissertation. This work identified and briefly analyzed those select rural programs and infrastructure initiated by twenty-five years of Conservative governments that such a dissertation on political clientelism in Alberta could have assessed in better detail. Another methodological limitation was the lack of interviews with rural residents. This work had also intended to conduct interviews with agricultural producers formerly associated with the Unifarm organization, particularly those involved in a leadership role. Unfortunately, many of the former leaders of Unifarm are now aged, deceased, or have moved to other jurisdictions.

While several suitable former leaders were identified and located, their numbers did not amount to an adequate sample-size.

The argumentation of this dissertation also had limitations. Although the heavy focus on rural Alberta was justified, it meant urban centres' role and contribution to sustaining the Conservative political monopoly were given but cursory attention. It should be reiterated that, while important, the employment of democratic quality bias in urban areas in sustaining Alberta's political monopolies is a subject for another monograph. This dissertation avoided going as far as attempting to categorically define Alberta as an undemocratic or authoritarian regime. Nevertheless, critics might suggest that going as far as this study did in categorizing Alberta as a political monopoly is problematic and that argument should have centred one regime type or the other.

#### *The contemporary and future situation*

This dissertation limited the study period from the Conservatives' rise to power in 1971 to the arrival of Premier Ralph Klein in 1996. Future research is needed to determine the impact of rural areas on the contemporary political dynamics of the province. Is this dissertation's theoretical framework able to account for the contemporary situation? Given the comprehensive and profound changes in Albertan political life since 1996, it is likely that only some elements of the argument can be applied to a contemporary study of the continuing Conservative political monopoly. Although competition bias still persists in rural Alberta, its efficacy is not as potent. The examination of the impact of participation bias on independent rural agency would prove a worthwhile study. Is agrarian civil society extinct? Does Unifarm's successor organization, the Wildrose Agricultural Producers, punch above

its weight? If events that occurred during the writing and production of this dissertation are any indication, agrarian civil society has failed to mount a comeback over the past 15 years. While historians and political scientists talk about how traditional monopolies (i.e. railways and grain companies) once influenced the province, it should be observed that the shackles of these monopolies were cast off only to be refitted by a monopoly that calls itself the provincial government.

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