

Development, Planning and Participation in New Brunswick: 1945-1975

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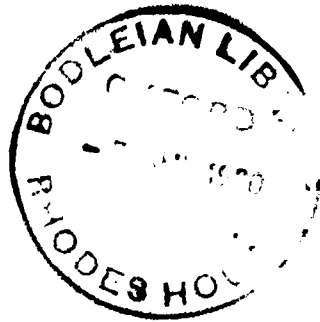
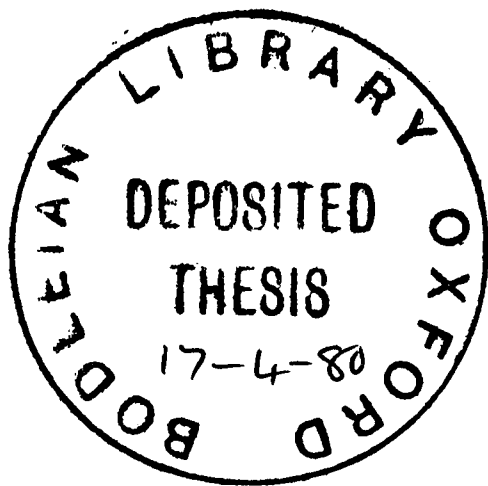
This is a study of political change in a small Canadian province. At its centre is the tension between rational plans for economic development and political demands grounded in existing attitudes and interests. This must be resolved for plans to be realised in new behaviour, and some elites will extend participation in planning, (which stimulates, informs, and commits participants to implement them), while minimising its effective impact on plans.

In 1940, New Brunswick was under-developed and typically peripheral, with regional political structures that coincided with economic clienteles based in primary production. Its political evolution is traced primarily through detailed studies of three exercises in development planning. These rely on newspapers, interviews, government documents both published and unpublished, and archival material.

Public participation was first conjoined with planning for post-WWII reconstruction. State spending, however, continued to support established regional elites. In the 1950s, New Brunswick's Electric Power Commission planned infrastructure for foreign investors in heavy industry. This case illustrates expertise's growing influence, the importance of implicit organisational goals, and the accommodation of interests by active organisations: these were relevant to the state as a whole after power was centralised in the 1960s. Then, a comprehensive plan for one region was designed, but the extensive participatory structures implanted facilitated resistance to an imposed plan rather than its implementation.

As development proceeds, ineffective participation in planning - involvement - becomes insufficient to generate consent. It is shown that individuals' political action is unlikely to be effective, so plans must be formulated, and consent secured, through interest-organisations.

Provincial interest groups are explored, through their incorporation records and a sample survey. Their relations with the state (itself treated as a purposeful organisation) are analysed. It is found that the working classes, rural inhabitants, and francophones are organisationally under-represented and lack an effective part in planning. The implications of their disaffection are briefly discussed.



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IN
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Preface

This is a study of political change in a society coming to be directed towards economic development. In this process arise the twin imperatives of rational planning and public participation in politics, and here their evolution and the changing pattern of their reconciliation are explored.

This is a complex relationship which must be understood historically, and so the solitary researcher is limited to a single case. I chose to study New Brunswick because it is a small society and yet not incomplete, and also because no sustained account of its recent political development exists. Much fresh material has been gathered here, notably in detailed studies of three important planning exercises, and in a comprehensive examination of organised interests in the province. But the present account is bound by a limited focus, and is not exhaustive; nor, of course, can it be definitive. I simply hope that scholars concerned with the theoretical relation of planning and participation will find the treatment of this case interesting, and that New Brunswickers may feel that the problems discussed here are central to their political world.

I owe thanks to the Canada Council for supporting the work. A greater debt is to those who aided me: first, my supervisor, L.J. Sharpe, who encouraged and gently guided the research over a considerable period of time, read manuscripts when already very busy, and, in many instances, saved the reader from perplexity and me from muddles and errors. Steven Lukes, Keith Hope, Andrew Cooper,

and Chris Brooks also discussed aspects of the study. So did Ed Aunger, Don Savoie, and Jean-Guy Finn, and my appreciation of their studies of New Brunswick is obvious in the following pages. I am indebted to those officials and politicians in New Brunswick who frankly discussed their work, and particularly to Marcel Massé and Frank Walton. For sharing their views and recollections, I am obliged to David Malcolm, Auguste Gallant, Angus MacDonald, David Tweedie, Edison Stewart, and especially Allan Chambers. Professor A.J. Wilson of the University of New Brunswick encouraged me to teach, and I am grateful to him and to the students who questioned many ideas.

Mr. Robert Kerr and his group at Consumer and Corporate Affairs were most helpful over a period of several months, as were the archivists of the New Brunswick Electric Power Commission and Michael Swift and his staff at the Provincial Archives of New Brunswick. A great debt is owed the staff of the Legislative Library in Fredericton for their constant help and encouragement, and especially to Eric Swanick, whose encyclopaedic knowledge of the documents he collects was invaluable.

Finally, I am happy to record my deepest gratitude to Louise Gadbois, my wife, who alone of all these people is, mercifully, not much interested in politics, but who still helped this work unstintingly, and believed in it without fail.

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List of Abbreviations of Agencies and Bodies

ABEID	Advisory Board for Economic and Industrial Development
APEC	Atlantic Provinces Economic Council
ARDA	Agricultural Rehabilitation and Development Act Agriculture and Rural Development Act (post-1966)
C.C.F.	Co-operative Commonwealth Federation
CFA	Canadian Forestry Association
CIC	Community Improvement Corporation
CMHC	Central Mortgage and Housing Corporation
CRAN	Conseil Régional d'Aménagement du Nord
DREE	Department of Regional Economic Expansion
E.O.	Equal Opportunity programme
FPA	New Brunswick Forest Products Association
FRED	Fund for Rural Economic Development
IJC	International Joint Commission
L&M	New Brunswick Department of Lands & Mines
MLA	Member of the Legislative Assembly
M.P.	Member of Parliament
N.B.	New Brunswick
NBEPC	New Brunswick Electric Power Commission
NBFL	New Brunswick Federation of Labour
NRDC	Northern Regional Development Council
N.S.	Nova Scotia
OGO	Office on Government Organization
RDB	New Brunswick Resources Development Board
RDC	Regional Development Council (CRAN and NRDC)
TFPA	Tobique Fisheries Protective Association
VB-M	Van Buren-Madawaska Corporation
UNB	University of New Brunswick

List of Abbreviations Used in References

<u>Accounts</u>	<u>Public Accounts of the Province of New Brunswick</u>
<u>Acts</u>	<u>Acts of the Legislature of New Brunswick</u>
<u>APSR</u>	<u>American Political Science Review</u>
<u>AR</u>	<u>Annual Report</u>
BAI	Business Administration Interviews, University of New Brunswick, 'Contributors to the Development of the Commercial and Industrial Relations Systems of New Brunswick and the other Atlantic Provinces'.
BP	Burchill [G.P.] Papers, PANB, MBU/IV
B.C. <u>Report</u>	Byrne Commission [Royal Commission on Finance and Municipal Taxation in New Brunswick], <u>Report.</u>
CF	Central Files of the New Brunswick Electric Power Commission
<u>CJEPS</u>	<u>Canadian Journal of Economics and Political Science</u>
<u>CJPS</u>	<u>Canadian Journal of Political Science</u>
<u>CPA</u>	<u>Canadian Public Administration</u>
<u>CPS10</u>	<u>Comparative Political Studies</u> , 10 (1977), special issue on 'Corporatism and Policy-Making in Western Europe', ed., P.C. Schmitter.
D.	Department
<u>EDCC</u>	<u>Economic Development and Cultural Change</u>
<u>Gleaner</u>	Fredericton, <u>Daily Gleaner</u>
IP	Incorporation Papers, of New Brunswick corporations, Department of the Provincial Secretary, Consumer and Corporate Affairs Branch, Fredericton.
<u>JDS</u>	<u>Journal of Development Studies</u>
K.P.	King's Printer
<u>National Accounts</u>	Canada, Statistics Canada, <u>National Income and Expenditure Accounts, Volume 1: The Annual Estimates 1926-1974.</u>
<u>R.C. Report</u>	New Brunswick Committee on Reconstruction, <u>Report.</u>
O.C.	Order-in-Council, New Brunswick.
P.C.	Order-in-Council, Canada.
PAC	Public Archives of Canada.
PANB	Provincial Archives of New Brunswick.
PP	Prince [G.H.] Papers, PANB, RG10, RS106.

Q.P.	Queen's Printer
<u>SR</u>	<u>Synoptic Report of the Proceedings of the Legislative Assembly of New Brunswick</u>
RCD-PR <u>Report</u>	Canada, Royal Commission on Dominion-Provincial Relations, <u>Report</u>
<u>T-J</u>	Saint John <u>Telegraph-Journal</u>
U.P.	University Press

PART A: THE PROBLEM AND THE CASE

This section defines the problem animating the study, and introduces the case in which it is examined.

Chapter 1 very briefly sketches the problem of non-congruence between expert rationality expressed in plans and popular desires expressed through political participation. This general problem is heightened in the drive for economic development, for the state becomes more active while demands upon it increase and diversify. If development plans are to be implemented, behaviour must change, and it is proposed that elites may extend limited participation in planning as a means of ensuring that those affected by plans acquiesce in them, and so help realise them.

The second part of this chapter indicates that New Brunswick is a case in which this pattern may arise. Some of the problems with this selection are then discussed, along with the broader implications of studying a single case.

In Chapter 2, the problem is put in focus through analysis of the central concepts - development, planning, and participation - which define it. Development is a process of change with economic, social, political, and cultural components. It is distinguished from modernisation - an attitudinal change - and from industrialisation, which, in practice, has produced both the more active state and the increasing demands which set the problem. Planning is analysed as a rational exercise which is inherently political in its boundedness. Planners nevertheless make a claim to superior expertise, but their key problem is to implement development plans in the face of apathy and resistance. Participation is a possible solution,

for it is recognised to generate consent. Theorists have been basically concerned with its authenticity, a question arising from an ambiguity at the very core of the word, summarised as the difference between involvement and partnership.

Following these discussions, the guiding hypothesis is presented: in development, due to the need for the acceptance of plans, participation in formulating them will be encouraged by governments; so that plans are not actually distorted, however, participation will be limited for most groups, perhaps with increasing difficulty, to the level of involvement.

In Chapter 3, the development of New Brunswick is traced to 1940. Its colonial past is stressed, along with the decline of manufacturing within the Canadian federation. At the start of the period of interest here, it is shown to have been typically peripheral; that is, economically under-developed, socially dualistic because of the large traditional sector of near-peasants, and characterised politically by patronage structures which coincided with regional clientele networks based on primary production.

CHAPTER 1: INTRODUCTION

i. Brief statement of the problem

In this study, the concepts of development, planning, and participation are inter-related to define a concrete political problem. One aspect of this problem has always faced leaders: it is to secure compliance in change which they regard as necessary. As the Prince was warned,

there is nothing more difficult to take in hand,
more perilous to conduct, or more uncertain in its
success, than to take the lead in the introduction
of a new order of things.¹

This study concerns plans for new orders - changes rationally designed to bring about economic development. It focuses upon the tactics that elites which have limited resources use to have these plans realised in others' behaviour, and primarily upon the extension of limited participation in planning to induce the assent required for plan implementation.

The other, inverse, aspect of this problem is also a perennial concern, although it sharpens over the course of development. It is to ensure that collective initiatives actually reflect popular desires. These are expressed through political action, and so the general tension between expert planning and political participation is formed of two strands: rationally perceived necessity, and democratic control over leaders.

In Britain, with respect to physical planning, this tension

1. Machiavelli, The Prince (London, J.M. Dent, 1908), p.29.

was explored in the Skeffington report.¹ Planning was a professional task, and elected local authorities approved plans, but still demands for participation in planning arose: citizens aimed to influence experts and reshape plans, and ignoring them would only create 'alienation between the authority and the people.'² But it was maintained that the tension between planning and participation need result neither in public frustration nor in abandoning expertise. Public participation could not only reduce disaffection, but actually smooth the planning process. Indeed, participation might be essential, because the successful implementation of plans depends upon citizens not obstructing initiatives through physical resistance or litigation; it was to forestall these eventualities that a patterned series of public consultations was advocated.

It may seem that participation will only lengthen the period of dispute between an authority and the public; but we see the process of giving information and opportunities for participation as one which leads to greater understanding and co-operation rather than to a crescendo of dispute.³

The extent to which citizens really influence plans can be ascertained only by close study.⁴ But the rationale for encouraging their participation, (which can be provisionally defined as 'taking part' in planning), is clear enough: planners receive new data, and can estimate public reaction; information communicated by them allays unreasonable fears and educates participants; and, as hostility is defused by evidence of the authority's flexibility, a sense of joint commitment to the product of the process is generated, so such elements of resistance as remain cannot take root among a

1. U.K.: Committee on Public Participation in Planning, People and Planning (London, HMSO, 1969).

2. Ibid., p.3.

3. Ibid., p.5.

4. N. Boaden et al., 'Public Participation in Planning Within a Representative Local Authority', Policy and Politics, 7 (1979), 56-77.

generally informed and consenting public. In short, public participation makes planning more cumbersome, but eases implementation.

In the context of a developing state, the tension between planning and participation is more acute and complex. Expert planning is essential to allocate scarce resources with minimal waste. Exogenous forces must be understood and predicted, and the whole economy comprehended from a disinterested viewpoint, if external constraints and domestic opportunities are to be cast into a coherent development strategy. Finally, decision-makers must stand apart from prevailing attitudes and behaviour, for social and attitudinal changes may be essential to allow economic advance: planned development requires that the existing society be re-organised and re-oriented.

At the same time, however, economic change produces new conditions and opportunities which are the source of potential demands upon leaders. As well, state initiatives cause reactions which take the form of demands, and as the state becomes more active it comes to be held generally responsible for the life-chances of citizens, whose expectations are increasingly directed towards it. Moreover, social mobilisation may be stimulated by authorities to promote national integration, and while this breaks down barriers to planned change, it also carries the message that all share equally in the status of citizen, and have the right to a voice in collective affairs. Hence, the legitimacy of participating in decision-making is enhanced at the same time as demands upon the state increase.

In many instances, since expectations and demands are based in existing conditions, they will contradict plans for economic development, yet the realisation of plans can only occur through citizens adopting new behaviour. If acquiescence is not achieved, the implementation of plans may be delayed, distorted or frustrated

altogether by resistance and even by apathy. Where governments have limited resources to compel or entice adherence to plans, involvement in planning, which educates citizens, reduces opposition, and instils commitment, may be the most efficient way to secure the 'descent' of plans; that is, their embodiment in new behaviour.

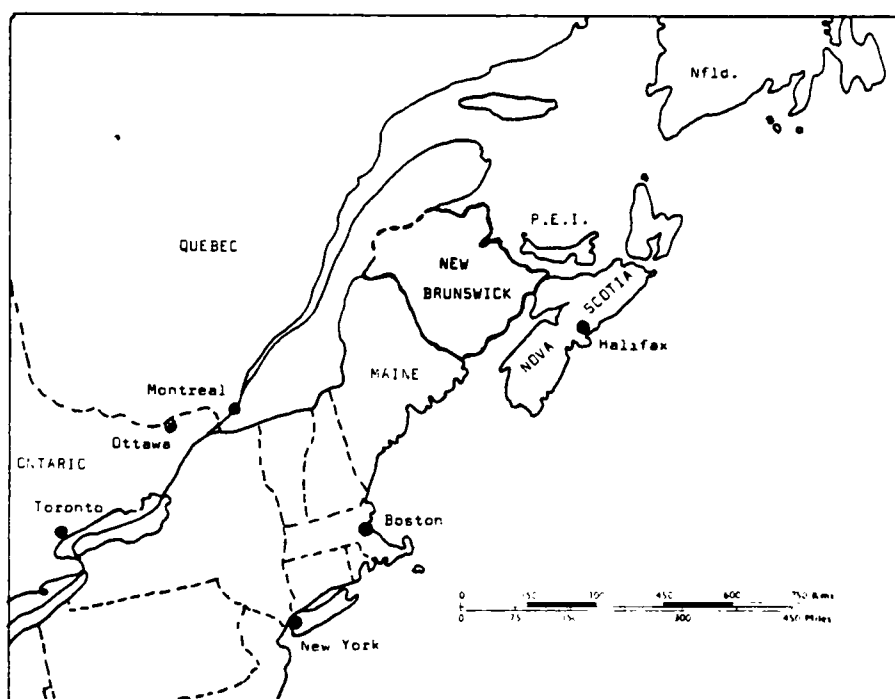
This pattern is by no means general in development. It is not relevant in isolated regions where secure elites may reject both planning and mass demands, nor in states where political activity is strictly channelled within the confines of a single organisation, the party or the military. But in dependent states, when moderately secure elites face rising demands, expert planning may be embraced to promote economic growth while, as an adjunct, public participation in planning is encouraged. The goal of elites then, if committed to economic development, is to restrict the effectiveness of participation in altering plans, while still securing its beneficial effects on implementation.

ii. New Brunswick as a case

New Brunswick is one of the eastern Maritime provinces of Canada. Slightly larger than Eire, it is physically insignificant in Canadian terms and is, moreover, thinly settled, with a population of 636,000 in 1971.

Roughly rectangular, the province meets Quebec on the northwest, and shares an international border with Maine on the west. The Chignecto isthmus forms a link with Nova Scotia on the east, but separates the baie des Chaleurs and the gulf of St. Lawrence from the great, ice-free bay of Fundy on the south.

The central highlands dominate the province, falling to a northwestern plateau and to a crescent of lowlands running from



the northeast to the southwest (except along the rugged Fundy coast). The terrain is particularly low on the Gloucester peninsula, where large peat bogs are found, and on the salt marshes approaching Nova Scotia. Most of the land is cut by rivers, and it rolls pleasantly through series of escalating ridges to those which define the five major watersheds.

Fertile soil lies along rivers in the lowlands and also in scattered deposits. Estimates of arable land have been pessimistic, but recent studies show that half the area is fertile soil.¹ Some farming areas do exist. For several reasons, however, the province has lent itself to tree growth: mixed coniferous ('softwood') and deciduous ('hardwood') forests regenerate rapidly and cover approximately 90% of the land.² These woods constitute the principal resource of New Brunswick. The fishery is also important, on both coasts, and in the north are major lodes of non-ferrous metals; elsewhere are deposits of salt, potash, oil shale, manganese, and coal.

Several objections arise to the choice of New Brunswick as a case. One is its size, for a truncated society would not contain the full range of phenomena relevant to the theoretical problem.³ New Brunswick, however, is in many respects a society in miniature. A distinct 19th century colonial history remains influential. It has a large ethnic minority (37%) of francophone Acadians. Its

1. J.L. Nowland, The Agricultural Productivity of the Soils of the Atlantic Provinces (Ottawa, Information Canada, 1975), T2, T3. A blocking technique isolated 3.7million acres in economic groupings; however, only 670,000 were cleared of trees.

2. M.G. Bowen, Canada's Forest Inventory - 1976 (Ottawa, Environment Canada, 1978), TA1.

3. E.T. Silva, 'A Note on Cross Societal Propositions and American State Data', Economic Development and Cultural Change, [hereafter, EDCC], 14 (1966), 355-57.

economic diversity is highlighted by its towns: Saint John is a major port and manufacturing centre; Fredericton is the seat of government and of the state university; Moncton is a transportation centre for the Maritime region. Sussex, Woodstock, and Grand Falls serve agricultural areas. Caraquet, Shippagan and St. Andrews are centres of fishing and tourism. Edmundston, Newcastle, Dalhousie, and Bathurst are all based on the forest industries, as are many smaller towns (but to find one preponderant industry in a study of development is not unusual). That there are fewer shipyards than in larger states, or that only 4,000 people live in coal-mining regions, does not affect the intrinsic dynamics of competition between domestic and foreign yards, or the reaction of mining interests to planned hydro-electric generation. In the smaller state, such processes may stand in sharper relief.

A more serious difficulty is that New Brunswick is part of a larger political unit. State action is limited by federal government control of tariff structures, interprovincial trade, and monetary policy. And, although several constitutional provisions for central government pre-eminence, such as the Dominion's power to veto provincial legislation, have been superseded by federal-provincial negotiation, Ottawa's influence over the smaller provinces like New Brunswick steadily increased after 1945 through a variety of conditional-grant programmes.

On the other hand, the federal system of legislative representation is based on provincial units, as are the political parties, and the federal cabinet is traditionally representative of the regions. So Ottawa is penetrated by the provinces. More important, Canadian provinces have constitutional jurisdiction over health, property.

civil rights, and natural resources, which are vested in the Crown in right of the province.¹ In New Brunswick these resources include ores, hydro-electric sites, and the forests, over 6.9million acres of which are ungranted Crown lands. The provinces also share responsibility with the Dominion for transportation, immigration, agriculture, labour, the fishery, and communications. In practice, as new policy sectors emerged and the inter-dependence of others was recognised, federal-provincial bargaining came to shape most policy in Canada.² In negotiations, the provinces are strong actors; not only is their position ultimately underpinned by separate (and, most would argue, equal) constitutional status, but they are also headed by unified executives controlling competent bureaucracies which consciously aim towards the development of their territories.³ That provinces have constitutional power permits the application of a framework broader than one suited to regional studies. But it is the drive towards province building, state-led, that makes a developmental framework fitting.

Evidently, however, comparisons between New Brunswick and independent states must be made with caution. While provincial over-spending, for instance, will produce a similar reaction from Canadian banks as national over-spending would from international agencies, currency devaluation and tariff changes are not within the province's range of possible policy responses. The most signific-

1. The significance of this vestiture is discussed in H.V. Nelles, The Politics of Development: Forests, Mines & Hydro-Electric Power in Ontario, 1849-1941 (Toronto, Macmillan, 1974), pp.1-47.

2. R. Simeon, Federal-Provincial Diplomacy: the Making of Recent Policy in Canada (Toronto, University of Toronto Press, 1972).

3. D.V. Smiley, Canada in Question: Federalism in the Seventies, 2nd ed., (Toronto, McGraw-Hill Ryerson, 1976), pp.54-87, 106-110; A.C. Cairns, 'The Other Crisis of Canadian Federalism', Canadian Public Administration, [hereafter CPA], 22 (1979), 175-195.

ant differences are the aid provided by the federal government and the absence of barriers to emigration, both of which reduce endogenous pressures for change. Yet comparability problems are not absolute, but depend upon the phenomenon of interest.¹ Here, this is the mobilisation of consent for development plans through the limited participation in planning of those affected by them, and this can realistically be examined in New Brunswick.

In world terms, New Brunswick is highly developed. Net provincial income in 1971 was \$1.8 billion, or \$2,090 per capita.² This immediately invalidates most comparisons with less-developed states. However, New Brunswick income in 1971 was far below Ontario's \$3,990 per capita. In the Canadian and North American context, the province is certainly under-developed. Such terms have been applied to richer units;³ provincial politicians do not hesitate to use them; and many scholars have adopted theories derived from other states, particularly in Latin America, to explain the region's economic weakness.⁴

Furthermore, New Brunswick's advance has been recent. In 1941, most (69%) of the population lived in rural areas, and many supplemented home production only with cash from irregular produce sales and seasonal labour in the forests. Many were Acadians - farmer-fishermen whose defensive isolation was reinforced by Catholic ultramontanist. In 1938, per capita income, including proprietor

1. R. Young, 'Reply', EDCC, 14 (1966), 357-60.

2. Canada, Statistics Canada, Provincial Economic Accounts: Experimental Data, cat. 3-1100-505, (Ottawa, 1978), T1. (Provincial income is at factor cost.)

3. I. Sharkansky, The United States: A Study of a Developing Country (New York, David McKay, 1975).

4. B. Archibald, 'Atlantic Regional Underdevelopment and Socialism', in L. LaPierre, et al., Essays on the Left (Toronto, McClelland & Stewart, 1971), pp.103-120; D. Alexander, 'Economic Growth in the Atlantic Region: 1880 to the Present', MS, Maritime History Group, Memorial University of Newfoundland, 1978.

withdrawals in agriculture, was \$273, equivalent to \$853 in 1971.¹ The manufacturing sector was small (accounting for 14.5% of 1941 employment); resources were underutilised (the forests) or undeveloped (hydro-electric sites) or undiscovered (base metals); political and economic hierarchies overlapped in regional clientele networks; and state activity was minimal (provincial government expenditure in 1937 being \$16 per capita²). New Brunswick, in sum, had characteristics typical of peripheral, raw-material exporting states. So it is not unreasonable to study its evolution with a framework derived in part from contemporary less-developed countries.

Other objections concern the utility of applying a general framework to only one case. Although the province is, or was, in the class of states where the tension between planning and participation arises in a certain form, can one be sure without comparison that its resolution there is similar to that occurring elsewhere? Moreover, if theory and data are mutually influential, as they inescapably are, then the generality of both findings and theory must be questioned. These are well founded objections, answerable only in part.

The problem investigated here has society-wide implications. In the drive for economic development, societies become re-organised for efficiency, and the political processes through which this evolution is planned and rationalised must be studied in depth and over time. Even to adequately describe planning exercises, much material must be located and weighed, and considerable gaps are still

1. J.R. Petrie, The Regional Economy of New Brunswick, appendix A of the New Brunswick Committee on Reconstruction, Report, (Fredericton, K.P., 1944), T62, inflated to 1971 equivalent by indices in Canada, Statistics Canada, National Income and Expenditure Accounts, Volume 1: the annual estimates 1926-1974, [hereafter National Accounts], (Ottawa, Information Canada, 1976), T7.

2. Petrie, Economy of N.B., T73.

inevitable: still more would appear in a similarly conducted comparative study. Two procedures would have allowed comparison. Quantitative indicators of the processes here examined descriptively could have been devised. But this requires knowledge of the context which, given the paucity of published material on New Brunswick, was lacking. Alternatively, interests ascribed to participants could have been simply compared with outcomes. Existing knowledge did not warrant this approach, and broader epistemological and strategic reasons for rejecting it have been argued elsewhere.¹

Instead, an inductive approach was adopted. The theoretical framework was not predictive but indicative, defining a general problem to which one solution is presented as a model. This model was explored in the case of New Brunswick. There is little doubt that politics there have been informed by the tension between planning and participation, but the extent to which other states share one pattern of its resolution is a question which this study does not address. It is worth noting, however, that systematic comparison is not necessary to demonstrate that some pattern exists.²

Neither can the present study be regarded as a test of the model. Data were sought to force theoretical revisions, and sub-studies were designed to allow unexpected findings to emerge, but the model guided the investigation and was shaped in turn by findings. So it is generalisable to an unknown extent, and constitutes an interpretation of political development in New Brunswick. The first limitation is justified by the intrinsic interest of the case; the second is due to the rich indeterminacy of political life anywhere.

1. R.A. Young, 'Steven Lukes's Radical Theory of Power', Canadian Journal of Political Science, [hereafter CJPS], 11 (1978), 639-49.

2. B. Glaser and A. Strauss, The Discovery of Grounded Theory (Chicago, Aldine, 1967), p.64.

CHAPTER 2: THE GENERAL PROBLEM IN DEPTH

i. Development

Like other central concepts in social science, development is a term which is value-laden and contestable in a political way.¹ Although definitions may be incorporated within reasoned theoretical positions, disputes about what should count as development reflect the ideological and disciplinary backgrounds of discussants.² Since it is the declared goal of most states, development is also a term in general currency; action taken under its banner is reflected in subsequent analyses, and so the concept evolves. Still, the notion must be explored. Here, development is considered as a process of economic and social change which is consciously undertaken, associated with the attitudinal change of modernisation, and generally, although not necessarily, centred on the economic strategy of industrialisation. Its central implication here is that, over its course, both state activity and demands upon the state increase.

The problems of the under-developed regions were long regarded as largely economic. Production was inadequate to generate savings for investment, and low internal demand restricted incentive to invest in any case, so entrepreneurs squeezed into the interstices of exchange and further diluted capital. Lacking wealth, these regions

1. W.B. Gallie, 'Essentially Contested Concepts', Proceedings of the Aristotelian Society, (New Series), 56 (1955-56), 167-98; C. Taylor, 'Interpretation and the Sciences of Man', Review of Metaphysics, 25 (1971), 3-51.

2. D. Seers, 'What Are We Trying to Measure', Journal of Development Studies, [hereafter JDS], 8 (1972), 21-36; pp.21-23.

were trapped in low-level equilibrium, and the prescription was clear: capital had to be diverted from consumption or furnished from abroad and concentrated upon saleable production, so that productivity would rise, higher wages spread, demand and savings increase, linked industries spring up, and the entire system accelerate into self-sustaining economic growth.¹

Persistent stagnation showed weaknesses, however, in purely economic approaches to economic development. Calculations were invalidated by external events which could be neither anticipated nor controlled.² Moreover, economic assumptions often did not fit the realities of less-developed countries.³ In some instances, this was due to institutional deficiencies which could be rectified, given sufficient resources. But other assumptions involved micro-economic behaviour upon which macro-economic models are based, and, at this level, development theory was joined by anthropologists and sociologists who argued that theories could not ignore cultural and social factors which impeded or distorted economic change:

Events having proved the invalidity of economic prophecies which neglected non-economic factors, it is now generally admitted that the economic problem of our time - the problem of development - is not explicable in purely economic terms.⁴

1. P.N. Rosenstein-Rodan, 'International Aid for Underdeveloped Countries', Review of Economics and Statistics, 43 (1961), 107-38; J. Viner, 'The Economics of Development', and W.A. Lewis, 'Economic Development with Unlimited Supplies of Labour', both in A.N. Agarwala and S.P. Singh, eds., The Economics of Underdevelopment (London, Oxford U.P., 1958), 9-31 and 400-499 respectively.

2. A. Waterston, 'An Operational Approach to Development Planning' in M. Faber and D. Seers, eds., The Crisis in Planning, Vol.I, (London, Chatto and Windus, 1972), 81-104; pp.88-90.

3. A.R. Abdel Meguid, 'The Methodology of Comprehensive Planning', in Faber and Seers, eds., Crisis in Planning, 109-25; pp.115-17.

4. R. Pieris, Studies in the Sociology of Development (Rotterdam, Rotterdam U.P., 1969), p.2 (original emphasis).

Research into the 'limited wants' of peasants and tribesmen, which seemed to contradict assumptions about maximisation, was accompanied by studies of cultural barriers to technological change and of the origins of entrepreneurial behaviour.¹ Much of this work in the Weberian tradition was integrated by Parsons and Shils, who proposed that 'traditional', weakly differentiated societies had cultural values and norms governing inter-personal relations which were antithetical to 'modern' ones; that is, universalistic standards of judgement based on (economic) achievement, specific evaluations, and individualistic, instrumental orientations.² Sometimes it was held that economic change would produce modern social and cultural patterns.³ More often they were treated as preconditions of economic growth, or as facilitating it.⁴

This work, and the Parsonian schema, was effectively criticised as ethnocentric and, in its treatment of values as ceaselessly integrating social and economic change, as inapplicable to development.⁵ It was shown, notably in the case of Japan, that apparently 'tradi-

1. W.J. Barber, 'Economic Rationality and Behavior Patterns in an Underdeveloped Area', EDCC, 8 (1960), 237-51; B. Higgins, 'The "Dualistic Theory" of Underdeveloped Areas', EDCC, 4 (1956), 99-115; B.F. Hoselitz, 'Problems of Adapting and Communicating Modern Techniques to Less Developed Areas', EDCC, 2 (1954), 249-268; E. Hagen, On the Theory of Social Change: How Economic Growth Begins (London, Tavistock, 1964).

2. T. Parsons and D. Shils et al., 'A General Statement', in Parsons and E. Shils, eds., Towards a General Theory of Action (Cambridge, Mass., Harvard U.P., 1959), 3-29; E. Shils, 'Society: The Idea and Its Sources', in E. Shils, Centre and Periphery (London, University of Chicago Press, 1975), 17-33.

3. G.A. Theodorson, 'Acceptance of Industrialization and Its Attendant Consequences for the Social Patterns of Non-Western Societies', American Sociological Review, 18 (1953), 477-84.

4. B.F. Hoselitz, 'Noneconomic Factors in Economic Development', American Economic Review, 67 (1959), 28-41.

5. A.R. Willner, 'The Underdeveloped Study of Political Development', World Politics, 16 (1964), 468-82; S. Huntington, 'The Change to Change: Modernization, Development, and Politics', Comparative Politics, 3 (1971), 283-322; esp. pp.306-09.

tional' orientations may be harnessed to economic growth.¹ In a sense, 'all societies are transitional'; hence, accurate understanding and useful prescription require multi-disciplinary and historical studies.² Continuing research into the interaction of cultural, social, and economic change is perhaps the surest indication of their inter-relationship.³ Even theorists relying ultimately upon the determining force of economic change admit that it may be inhibited or promoted by social and cultural factors:

Finally, it is not sensible to imagine that the rate of economic development of a low income country can be mechanically related to inputs of capital alone. The national income will also be affected by the growth of entrepreneurship, and by changes in attitudes and institutions which favour the growth of output.⁴

Among factors relevant to economic growth must also be included political structures. Power relationships may render conventional economic assumptions inapplicable.⁵ They can also thwart develop-

1. R.P. Dore, 'Agricultural Improvement in Japan: 1870-1900', EDCC, 9, pt.II (1960), 69-91; A.O. Hirschman, 'Obstacles to Development: A Classification and a Quasi-Vanishing Act', EDCC, 13, pt.I (1965), 385-93.

2. J. Finkle and R. Gable, 'Preface', to Finkle and Gable, eds., Political Development and Social Change, 2nd ed., (Toronto, John Wiley, 1971), p.viii; J.R. Gusfield, 'Tradition and Modernity: Misplaced Polarities in the Study of Social Change', American Journal of Sociology, 72 (1967), 351-62; H. Bernstein, 'Modernization Theory and the Sociological Study of Development', JDS, 7 (1971), 141-160.

3. J.S. Migdal, 'Why Change? Towards a New Theory of Change Among Individuals in the Process of Modernization', World Politics, 26 (1974), 189-206; M.P. Marple, 'Interpretation of Backward-sloping Labour Supply Curves in Africa', EDCC, 24 (1976), 399-406.

4. W.J. Elkan, An Introduction to Development Economics (Harmondsworth, Penguin, 1973), p.75.

5. M.S. Ahluwalia and H. Chenery, 'The Economic Framework', in H. Chenery et al., Redistribution with Growth (London, Oxford U.P., 1974), 38-51; p.39, p.47.

ment efforts more directly:

A familiar joke in the international scene today is the attempt by the 'progressive' economist, domestic or foreign, to sell land reform, or industrialisation, or more effective tax collection, or wider educational opportunity, or greater independence from a foreign power to a government whose *raison d'être* is precisely the prevention of such developments, or at least limiting them to the greatest extent possible.¹

Even barring extreme cases, it is clear that political dynamics will determine whether the state undertakes measures conducive to economic development, and, to the extent that economic advance depends upon such measures, government's administrative capacity is also a factor in determining the speed and direction of change.²

The first statement to be made about development, therefore, is that it is a process of change which embraces culture, social structures, and politics as well as the economy. There is broad agreement on this.³ And considerable evidence supports it: most striking, perhaps, was Adelman and Morris's cross-national analysis of the relationship between gross national product and a number of social and political variables. The latter accounted for 66% of the variance in GNP, and while the authors hesitated to draw causal inferences, the results suggested 'the existence of a systematic pattern of interaction among mutually interdependent economic, social and political forces, all of which combine to generate a unified com-

1. D. Seers, 'The Prevalence of Pseudo-Planning', in Faber and Seers, eds., Crisis in Planning, 19-34, p.24 (original emphasis).

2. A. Waterston, Development Planning: Lessons of Experience (London, Oxford U.P., 1966), esp. pp.249-92, 339-50.

3. N. Baster, 'Development Indicators: An Introduction', JDS, 8 (1972), 1-20; U.N., International Social Development Review, 3 (1971), 'Evolution of the United Nations Approach to Planning for Unified Socio-economic Development', 1-3.

plex of change in the style of life of a community.'¹ Given unexplained variance, it is evident that the unity of developmental change is not at all complete; nevertheless, economic development is an inadequate characterisation of the process:

However important the economic dimension of development, it is dangerous to use it as a proxy for development.²

Here, 'economic development' indicates an increase in the capacity to produce the economic component of a certain standard of life. It depends upon the available factors of production and the efficiency of their combination. The use of 'capacity' implies some permanence in economic structures, and avoids ascribing higher levels of economic development to states with temporarily inflated incomes; The notion of a standard dissociates the concept from growth in material output. In practice, however, the usual identification of economic development with increased production and consumption of goods - economic growth - is justified in less-developed countries, for grinding poverty contracts the range of standards which can be chosen to a single one: increased real incomes.

This goal, like other possible standards, points to a second characteristic of development. It is a conscious process. Essentially, this is because societies are now regarded as organisations which are manipulable towards some end.

All writing on under-development reflects this, as every analysis of its causes entails prescriptions for action. When Rosenstein-Rodan perceived that linked industries could produce ex-

1. I. Adelman and C.T. Morris, 'A Factor Analysis of the Inter-relationship Between Social and Political Variables and Per Capita Gross National Product', Quarterly Journal of Economics, 74 (1965), 555-578; p.557.

2. Baster, 'Development Indicators', p.1.

ternal economies, the recommendation was made to change 'the whole economic structure of a region.'¹ The impact of social factors, when recognised, implied the question of how 'such a social framework develops or is brought about by conscious design.'² To overcome cultural obstacles to growth, 'the people must be shown the connection between satisfaction of their wants and their own willingness to work, save, and take risks - a difficult but not impossible task.'³ In politics, to counter the anomie due to rapid change, 'leaders can increase their effectiveness by openly and vigorously committing themselves to utopian and xenophobic nationalism.'⁴ Such examples illustrate the view of society as contingent, as re-organisable towards an end, one which is not necessarily economic but which, in modern development, has been so.⁵ This goal requires 'the organization of social and cultural life so that growth is a built-in feature of the social system.'⁶

The view of society as a contingent organisation, Wolin has argued, depends upon the separation of the self from the social world,

1. 'Problems of Industrialization of Eastern and South-Eastern Europe', in Agarwala and Singh, Underdevelopment, 245-55, p.250.

2. Hoselitz, 'Noneconomic Factors', p.36.

3. Higgins, 'Dualistic Theory', p.104.

4. N.J. Smelser, 'Mechanisms of Change and Adjustment to Change', in B. Hoselitz and W.E. Moore, eds., Industrialization and Society (Paris, UNESCO-Mouton, 1963), 32-54, p.47.

5. C. Taylor, 'The Agony of Economic Man', in L. LaPierre et al., eds., Essays on the Left (Montreal, McClelland & Stewart, 1971), 221-35.

6. M. Nash, 'Some Social and Cultural Aspects of Economic Development', EDCC, 7 (1959), 137-150, p.140.

and is the essence of modernity.¹ 'Modernisation' has been used so variously - as productive advance,² growing institutional differentiation and capacity,³ and the acquisition of an image of progress⁴ - that the term may be vitiated by over-extension. It is used here, nevertheless, in a sense akin to Wolin's, to refer to an attitudinal change through which people cease to be immersed in a pattern of life and are therefore able to evaluate it. It implies the judgement of a standard of life. Modernisation is not a once-and-for-all change, nor is it purely attitudinal, since it requires a perceptible alternative to present conditions. But it is a precondition of voluntary change in behaviour and therefore of economic development. Peasant cultivators, for example, are unlikely to move towards an industrial work world which remains unknown to them: the shift can be made by force or by the deployment of large incentives. But the acceptance of innovations which will result in increased production can be achieved more efficiently if the awareness of alternatives is spread, so people are brought to evaluate and find wanting current standards of life. In this sense, in modernisation inheres the possibility of change.⁵ It also carries, ultimately, the view of society as convention.

Another term closely associated with development is industrialisation, which means the application of technology, in the form of capital equipment, to production. This method of increasing output

1. S. Wolin, Politics and Vision (London, George Allen & Unwin, 1961), esp. ch.VIII and ch.X.

2. P. Irwin, 'An Operational Definition of Societal Modernization', EDCC, 23 (1975), 595-613.

3. S.N. Eisenstadt, 'Breakdowns of Modernization', EDCC, 12 (1964), 345-67.

4. I. de Sola Pool, 'The Role of Communication in the Process of Modernization and Technological Change', in Hoselitz and Moore, eds., Industrialization, 279-95; p.291.

5. Huntington, 'Change to Change', p287.

and productivity is not synonymous with development. Nor does it fully encompass economic development or even economic growth, which may occur through bringing unexploited resources into production or by re-organising production. Along with trade, however, industrialisation has driven economic growth, producing many of the effects characteristic of contemporary development and of under-development.¹

Now, to consider change in under-developed states less abstractly, it is useful to begin with Meier's delicate contention that 'Development sprouts from a seed of modernism that has been introduced into a traditional society.'² Contemporary development is marked by its global extent, stemming first from western European merchantilist trade and later from the drive for markets.³ Early penetration shaped a pattern of integration in which peripheral regions serve as exporters of raw materials to manufacturing metropolises. It is not necessary to claim also that metropolitan exigencies have strictly determined peripheral social and economic structures: isolation, domestic innovation, and nodes of resistance render adaptation flexible, and change in less-developed countries has resulted not only from direct penetration but also as environmental pressures have been transmitted by local elites (those possessing the authority to take decisions on behalf of the society as a whole). Nevertheless, the requirements of

1. S. Chodak, Societal Development: Five Approaches with Conclusions from Comparative Analysis (New York, Oxford, U.P., 1973), pp.55-75.

2. R.L. Meier, Developmental Planning (New York, McGraw-Hill, 1965), p.39.

3. I. Wallerstein, The Modern World-System: Capitalist Agriculture and the Origins of the European World Economy in the Sixteenth Century (New York, Academic Press, 1974), esp. pp.224-343; G. Lichtheim, Imperialism (Harmondsworth, Penguin, 1974), pp.60-61, pp.126-34.

metropolises have shaped the paramount activities of less-developed regions, and local elites obtain the resources necessary to maintain their pre-eminence from these key sectors. Their essential role is to mediate between the international system, whence are derived their standards and resources, and the internal society.¹ Necessarily modernised, they will adopt economic development as a goal.

This may seem to beg important questions. Black, who employs 'modernisation' much as 'development' is used here, maintains that the 'central problem' in the process is the transition to leadership which has adopted this goal.² As his analysis indicates, however, this can occur for various reasons and take one of several patterns. Of much greater relevance is that there are degrees of elite commitment to the mix of goals set by contemporary standards of development.³ Assuming some commitment merely eliminates cases where international standards and economic innovation are successfully resisted by elites, which is possible only where mass modernisation has not spread and economic penetration has been minimal or segregated; that is, where external dependence is low and internal demands are restrained.⁴

In the pursuit of development, industrialisation will be supported. To industrialisation have been ascribed many consequences, social and attitudinal as well as economic.⁵ The inevitability of

1. J.P. Nettl and R. Robertson, International Systems and the Modernization of Societies: the Formation of National Goals and Attitudes (London, Faber & Faber, 1968), pp.17-61, esp. pp50-57.

2. C.E. Black, The Dynamics of Modernization: A Study in Comparative History (New York, Harper & Row, 1966), pp.62-67; p.63.

3. S. Huntington and J. Nelson, No Easy Choice: Political Participation in Developing Countries (Cambridge, Mass., Harvard U.P., 1976), esp. pp.26-41.

4. J.R. Friedmann, 'Developmental Planning in Haiti: A Critique of the U.N. Report', EDCC, 4 (1955), 39-54; p.41.

5. Pieris, Sociology of Development, pp.61-77.

some, such as extended family breakdown and secularisation, is debatable, since their cause may lie in the social organisation of production rather than in technology as such. It seems certain, however, that industrialisation is accompanied by the division of labour, because higher technology and larger scale require specialised skills, and new service functions emerge. These changes are politically significant, for new groups are defined by new common interests, and people change status in moving from the primary sector to new occupations. Another concomitant of industrialisation is urbanisation, as capital equipment requires concentrations of workers and services. Finally, as a consequence of opportunities for geographic mobility and occupational change, modernisation will spread.

The second major effect of the adoption of economic development as a goal is the expansion of state activity. The state establishes the framework of the internal economy, regulating exchange and maintaining order, but as industrialisation proceeds, new requirements emerge, including the creation of infrastructure in the form of transportation and urban services, and the training of workers for new tasks. In so far as the internal society requires re-organisation to accommodate economic growth, the state is the coordinating agency.¹ The example was set both by the socialist states and by economic management in the West.² And not only has state planning been imitated in less-developed countries, it has also been bolstered by international agencies:

1. Black, Modernization, p.18.

2. C. Furtado, 'Development', International Social Science Journal, 29 (1977), 628-50, p.640.

We see not only how this much more than half of mankind living in poverty and distress begins to pursue on a grand scale a line of policy where the state takes responsibility for economic development, but that positive advice to do so is given to them by all scholars and statesmen from the advanced countries, and by their governments when participating in solemn resolutions of all the intergovernmental organisations. Apparently nobody in the advanced countries sees any other way out of the mounting difficulties in under-developed countries, however different his attitude may be towards economic problems at home.¹

The central political implication of the pursuit of economic development is that an increasing number of demands are directed towards the state. The spread of modernisation means that new standards of development are popularised, and improvements in transportation and communications speed this process.² Hence, new expectations and new needs become potential political demands.³

A major influence on demands is the increase in state activity. The state penetrates its social space, no longer only collecting taxes, but building infrastructure, supporting schools, and more closely regulating production and trade, and this provokes reaction when, as must happen, existing economic and social arrangements are disrupted, and new opportunities are opened. New initiatives elicit demands for a voice in shaping them. Nie found the link between status and political participation to be entirely mediated by attitudinal variables, two of which were attentiveness and the sense of a stake in outcomes: obviously these are influenced by previous state activity.⁴ Cornelius found, for instance, that whether needs

1. G. Myrdal, Economic Theory and Under-Developed Regions (London, Methuen, 1963), p.80.

2. D. Lerner, The Passing of Traditional Society: Modernizing the Middle East (New York, Free Press, 1958).

3. R.D. Brunner and G.D. Brewer, Organized Complexity: Empirical Theories of Political Development (New York, Free Press, 1971), pp.11-12.

4. N. Nie, G. Powell, K. Prewitt, 'Social Structure and Political Participation: Developmental Relationships, II', APSR, 63 (1969), 808-32.

were regarded as possibly satisfiable by government helped determine whether demands were expressed, and this perception varied with the preceding pattern of state activity.¹ Recent longitudinal studies have built in feedback loops from policy to participation.² In general, the state's remoteness, based on its passivity, disappears, and interests can only be protected then by political action: penetration provokes participation.³

Demands arise most in conjunction with industrialisation. It has often been argued that urbanisation in itself increases the propensity towards political participation, as new needs become apparent and officials are nearby. This has been cited by Lipton as one cause of the 'urban bias' in development policy.⁴ However, a major study found the correlation between participation and urban residence to be largely due to involvement in organisations, and another found urban residence unrelated to orientations conducive to political participation.⁵ Such analyses illuminate causal mechanisms, but with regard to total demands they are beside the point:

1. W.A. Cornelius, 'Urbanization and Political Demand Making: Political Participation Among the Migrant Poor in Latin American Cities', APSR, 68 (1974), 1125-46, esp. p.1128, pp.1131-33.

2. Brunner and Brewer, Organized Complexity, pp.16-23; B.G. Peters and T.M. Hennessey, 'Political Development and Public Policy in Sweden: 1865-1967', in C. Liske, et al., Comparative Public Policy (New York, SAGE, 1975), 127-151.

3. S. Rokkan, 'Models and Methods in the Comparative Study of Nation-Building', in T. Nossiter, A. Hanson, S. Rokkan, eds., Imagination and Precision in the Social Sciences (London, Faber & Faber, 1972), 121-56.

4. M. Lipton, Why Poor People Stay Poor: A Study of Urban Bias in World Development (London, Temple Smith, 1977), pp.63-70.

5. Nie et al., 'Structure and Participation, I', APSR, 63 (1969), 361-378, T1; A. Inkeles and D. Smith, Becoming Modern: Individual Change in Six Developing Countries (Cambridge, Mass., Harvard U.P., 1974), pp.216-235.

urban residence, controlled for factory experience, may be insignificantly related to participatory orientations, but since most factories are located in cities, the absolute level of participation will increase with urbanisation. It is the simple correlation which is relevant, in practice, and it is strong.¹ Similarly, organisations capable of political mobilisation are most common in cities; one careful study found that the level of demands expressed was indeed closely related to forms of organisation rare in the countryside.²

Political participation also increases as occupational differentiation allows social mobility.³ So new demands will arise from the beneficiaries of economic change, from the newly interested and efficacious, as well as from the less mobile - those insecure in employment, over-crowded, and poorly paid.⁴ Huntington and Nelson have suggested that efforts channelled into individual mobility may take precedence over those devoted to collective political action.⁵ It has also been maintained that demands need not result in increased participation, for elites may anticipate them and satisfy them in advance.⁶ But Hirschman has argued that unless inequalities are narrowed, individual mobility will relieve

1. Inkeles and Smith, Becoming Modern, T8-1, T15-2.

2. Cornelius, 'Demand Making', esp. p.1134.

3. Nie et al., 'Structure and Participation, I'.

4. See, for instance, D. Klingman, Social Change, Political Change, and Public Policy: Norway and Sweden, 1875-1965, SAGE Professional Papers, Series 06-019, (London, 1976), pp.15-16.

5. No Easy Choice, pp.103-112.

6. H. Bienen, Kenya: The Politics of Participation and Control (Princeton, Princeton U.P., 1974), p.194.

demands for improvements in collective welfare only temporarily.¹ Moreover, in the course of development, demands arise not only for particular benefits but also for political participation itself; that is, for a voice in determining public policy.

Modernisation focuses attention on possible change in individuals' circumstances. When state activity increases, it is a small step to recognise that those circumstances are produced by conscious action on the part of political authorities. Eventually, state planning shows that the factors determining life-chances are not the outcome of impersonal forces, and consequently participation in decision-making will be demanded. This realisation need not occur endogenously, for the demonstration effect transcends material goods to include democratic ideology:

The universal political myth of equality requires that people be involved, be consulted, and be informed, or that they be manipulated to believe they are.²

A final factor in stimulating demands for participation, discussed below, is that democratic ideology and active involvement in politics are often promoted by governments, as a means to achieve national integration and development goals. Even apart from this influence, demands upon the state and the perceived necessity and legitimacy of making them will both increase over the course of economic development.

1. A.O. Hirschman and M. Rothschild, 'Changing Tolerance for Inequality in Development', Quarterly Journal of Economics, 87 (1973), 544-566.

2. F.G. Burke, 'The Cultural Context', in B.M. Gross, ed., Action Under Planning: The Guidance of Economic Development (New York, McGraw-Hill, 1967), 68-83, p.68.

ii. Planning

By planning is meant the rational organisation of means to achieve goals, in a scheme set out before action begins. In economic development, state planning is essential. Less-developed countries have scarce resources which must be deployed to achieve maximum returns. Where industrialisation is little advanced, coherent plans allow linked plants to realise efficiency increases. Vital gaps in production chains may require state enterprise. In any case, infrastructure suitable to foreign and domestic enterprise must be installed, and its massive costs minimised by careful calculation of costs and benefits. These factors gain potency with the rise of demands, for these are met from the returns on state investments, which must then be efficient to decrease popular pressure upon elites. Finally, international actors promote rational planning, indirectly through example, and directly as a condition of aid.

The world-wide acceptance of planning as a means of achieving national developmental objectives has made academic the doctrinal debate about whether a country should plan.¹

Prevailing notions of planning regard it as an expert function, as a 'comprehensive and superior way of making and implementing policy', which involves 'control of complex networks of interdependencies on the basis of scientific knowledge'.² Within this

1. Waterston, Development Planning, p.44.

2. H.R. van Gunsteren, 'Constructing a City in Speech: Planning as Political Theory', in B. Barry, ed., Power and Political Theory (London, John Wiley, 1976), 181-198, p.182.

conception, however, lie problems of control over means, the selection of ends, and the nature of rationality. The last question can be approached conveniently through the distinction between 'functional' and 'substantive' rationality made by Karl Mannheim.

Substantive rationality involves 'intelligent insight into the interrelations of events in a given situation'.¹ It differs from false apprehensions as well as irrational impulses and feelings. Functional rationality is the organisation of action 'in such a way that it leads to a previously defined goal, each element in this series of actions receiving a functional position and role.'² In planning, these two forms of rationality must come together.

Plans impose a functionally rational pattern upon weakly organised or inefficient activity. Yet the initial situation is always structured, and to design functionally rational changes the planner must understand (in the sense of substantive rationality) this planning environment. The new elements to be organised, if they are to be combined correctly, must be similarly understood, and planners must also apprehend the laws governing the inter-relations of the means: these are not the rules currently governing activity in the planning environment, nor the regularities to be implanted by the plan, but the causal relationships governing both, the rules within which functional rationalisation occurs.³

For example, consider an English traffic engineer dealing

1. K. Mannheim, Man and Society in an Age of Reconstruction (New York, Harcourt, Brace, 1940), pp.51-58, p.58.

2. Ibid., p.53.

3. Mannheim called these principia media (Ibid., pp.177-90).

with a troublesome intersection. He examines existing travel patterns, for if one road is predominant a traffic light may be desirable. To propose an optimal solution, he must know about traffic lights' visibility, the carrying capacity of various roundabouts, and other elements. Finally, the solution will be based upon generalisations ranging from the influence of growing suburbs upon travel to the effect on accident rates of countervailing the English drivers' preference to continue slowly rather than make a full stop. These generalisations are the framework, historically given, yet changeable, within which planning is done.

The inter-relation of substantive with functional rationality means that planning is always bounded. First, knowledge of the planning environment and of means is not complete. This produces unforeseen consequences and sub-optimality, although the lack of basic information has also caused spectacular plan failures.¹ As well, the causal generalisations underlying the functional arrangement of means are fallible, for they are inductively derived from previous or comparable experience, and may be unexpectedly invalidated by endogenous or exogenous change.

Planning's boundedness has supported a more modest conception in which plans are not 'blueprints', but are frankly experimental:

Accordingly, the idea of planning involves a confrontation of expected with intended performance, the application of controls to accomplish the intention when expectations are not met, the observation of possible variances from the prescribed path of change, and the repetition of this cycle each time significant variations are perceived.²

1. F.G. Burke, Tanganyika: Preplanning (New York, Syracuse U.P., 1965), pp.34-39.

2. J. Friedmann, 'A Conceptual Model for the Analysis of Planning Behavior', Administrative Science Quarterly, 12 (1967), 225-52, p.227.

As in any experiment, careful observation will improve knowledge of means (variables) and also of the causal relations underlying their interaction. Means are controlled in experiments, and so unsuspected impinging factors can be isolated: similarly, as plans proceed and fail in part, the knowledge of factors affecting their success increases.¹ These factors become conceptually assimilated to the means which are co-ordinated to an end, and they may also be practically assimilated, a result which Apter called the 'omnivorousness' of planning:

The greater the measure of control, the more burdensome the planning requirements. More planning requires more information and certainty, the quest for certainty leads to greater control.²

Control, of course, is not required over all factors, nor is it possible. But in integrated socio-economic planning, if there is strong commitment to the goal, any factor may be drawn into plans. Meier, for example, found education vital in development; it was 'logical, therefore, to propose that every medium for the transfer of information and training be considered as an educational channel.'³ Hence his suggestion that to teach industrial skills early, toys requiring dexterity should be disseminated. The inclusiveness of planning will vary with commitment to the goal sought, and control over means will be subject to resistance and apathy, but theoretically the range of means to economic growth quite encompasses society:

1. N. Baster, 'Introduction' to U.N., The Use of Socio-Economic Indicators in Development Planning (Paris, UNESCO, 1976), 9-29, esp. re 'analytic indicators'.

2. D. Apter, 'Nationalism, Government and Growth', EDCC, 7 (1959), 117-36, p.135.

3. Developmental Planning, p.288.

The problem becomes not that of making right decisions with an existing social, economic, and political framework. Rather, having made optimum decisions, the problem is to determine the necessary social, economic, and political framework.¹

This suggests that as the range of measured intervention widens, substantive rationality grows, basic causal processes are more precisely understood, and so optimum functional rationality can be progressively approached as society is increasingly organised.²

Not only do these organizations impart regularity and predictability to the major realms of our existence, thereby furnishing the conditions whereby methodical inquiry can pursue its goal of scientifically verifiable knowledge with reasonable hopes of success - for what could be more hopeful than to know that the political and social world is deliberately fashioned to produce regular and predictable behavior? - but also, since these organisations are uniquely the product of mind, rather than of mysterious historical forces, we are able to say with far greater confidence than Hobbes and Vico, who first announced the principle, 'we can know it, because we made it.'³

This is the limiting argument against boundedness. It falls, however, on several grounds. One is that men's irrationality cannot be eliminated. Chance, or random change, is a further obstacle: it was relied upon theoretically to explain the very motivation for a notable programme to eliminate it from society.⁴ Finally, men act creatively, so behaviour can never be fully accounted for by the structures within which it occurs.⁵ In the social world,

1. Abdel Meguid, 'Methodology of Comprehensive Planning', p.121.

2. J.D. Straussman, The Limits of Technocratic Politics (New Jersey, Transaction Books, 1978), pp.14-18 on the 'transitional model'.

3. S. Wolin, 'Political Theory as a Vocation', APSR, 63 (1969), 1062-1082, p.1081.

4. B.F. Skinner, Beyond Freedom and Dignity (New York, Knopf, 1971).

5. C. Taylor, 'The Explanation of Purposive Behaviour', in R. Borger and F. Cioffi, eds., Explanation in the Behavioural Sciences (London, Cambridge U.P.), 49-79.

therefore, the boundedness of planning rationality is quite inescapable.

This is one reason why planning is necessarily normative. The selection of means cannot be entirely guided by considerations of functional rationality, but is partly dictated by an 'operating ideology', which excludes some possible means to ends.¹ Operating ideologies change under the pressure of events and demands, but in the short term a certain normative framework surrounds planning.

The normative aspect of planning is due not only to boundedness but also to the impact of means upon goals, or upon the operationalisation of goals (specifications no less subject to dispute than the ends they embody).² Means' availability can shape goals, a common process in less-developed states where conditional aid has the effect of realigning or re-defining development priorities. More generally, ends form a hierarchy, so that plans are arranged to meet sub-goals in part according to a larger functional rationality dictated by higher goals. For instance, state allocation of wood supplies may optimally supply both a lumber and a pulp and paper industry, and so maximise sectoral returns; if, however, encouraging foreign investment in all sectors is a higher goal, the plan may be rejected as creating an inhospitable investment climate. Goal structures may change, so the framework within which certain means were functionally rational alters. But the process can also operate in reverse: commitment to certain means can impose rigidities which can force the re-specification of superior goals. This pro-

1. L.J. Sharpe, 'Instrumental Participation and Urban Government', in J.A.G. Griffith, ed., From Policy to Administration (London, George Allen & Unwin, 1976), 115-138; pp.126-32.

2. M. Phillipson, 'Theory, Methodology and Conceptualization', in P. Filmer et al., New Directions in Sociological Theory (Cambridge, Mass., MIT Press, 1973), 119-63; Seers, 'What Are We Trying to Measure?'

cess has been thoroughly discussed in connection with durable technological means, and Langdon Winner has called it 'reverse adaptation':

The goals, purposes, needs, and decisions that are supposed to determine what technologies do are in important instances no longer the true source of their direction. Technical systems become severed from the ends originally set for them and, in effect, reprogram themselves and their environments to suit the special conditions of their own operation.¹

Means, once rational with respect to some goal, can persist for reasons which are non-rational with respect to that goal or a higher one, and so shape goal-selection and operationalisation. In economic planning, as will be shown in Chapter 5, reverse adaptation may be caused by the planning agency itself.

Planning involves control over means, and since the rationality of social planning (and hence of economic planning) is necessarily incomplete it is normative. If by 'politics' is meant something like a continuing dialogue between fallible actors committed to values which results in collective projects binding on individuals, then planning is a political process. It is not merely an adjunct to politics.² Nor are planning and politics related in a zero-sum way, with planning removing items from the ambit of politicians.³ Instead, planners are participants in the political dialogue, aiming to shape policy and re-structure decision-making processes to increase their influence.

1. Autonomous Technology: Technics-out-of-Control as a Theme in Political Thought (Cambridge, Mass., MIT Press, 1977), p.227.

2. Straussman, Technocratic Politics, pp.23-38.

3. Meier, Developmental Planning, p.246.

It is more generally held that planning and politics are contrasting, the first characterised by detachment, rationality, measurement, and universality; the second interested, affective, intuitive, and particular. This view rests squarely upon superior expertise, which constitutes the planner's claim to influence, and which results in the displacement of politics:

Measurement and calculation are driving intuition and wisdom into more and more exclusive spheres, whereas the rapidity of change renders tradition meaningless¹ as a source of decisions oriented towards the future.

As experts, planners have a specialised knowledge of the planning environment; that is, a superior substantive rationality. Knowledge is not confined, like that of ordinary actors, to a segment of economic or social life, but extends over the entire society, and beyond, as planners understand both solutions adopted elsewhere and the constraints imposed by the external environment. Expertise results from study of comparable systems and potential means, and prevailing generalisations permit the isolation of relevant attributes of the planning environment which are not apparent to those within the system.² Finally, the planning environment is conceived in numerical terms, and when goals are similarly framed, the relative contribution of factors can be dispassionately weighed, so allowing the functionally rational organisation of means which is the essence of planning.

Expertise requires detachment, and society is regarded as

1. Friedmann, 'Conceptual Model of Planning', p238.

2. Meier, Developmental Planning, p107.

an organisation producing ends with more or less efficiency. Since development requires re-organisation, plans cannot embody the values, attitudes, and behaviour of the existing order, and must be independent of demands. On the one hand, for instance, efficiency may be increased by taking measures demanded by no one:

Social desiderata such as public health or sanitation may not even be considered needs by potential beneficiaries. Yet the planner ignores them at the cost of high morbidity rates and epidemic diseases, which negate savings accruing from denial of public health measures.¹

On the other hand, actors may not take account of others, with the result that total demands are inflated: the planner must then conclude either 'that whatever amounts and kinds of social development projects come out of the political process are right or that the political process is imperfect in its appraisal of relative social demands.'² The planner, with fuller information, draws the latter conclusion, and proposes to minimise waste, just as in the case of under-demand. This detachment does not mean that existing demands and attitudes are regarded as irrelevant. On the contrary, they are part of the planning environment which must be understood. But in planning, such factors are variables, to be evaluated as means and re-shaped if necessary and possible.³

The most serious planning problem is not the design of changes to achieve economic development. It is implementing them. This

1. Pieris, Sociology of Development, p.188.

2. B. Higgins, 'Planning Allocations for Social Development', U.N., International Social Development Review, 3 (1971), 47-55, p.48.

3. Burke, 'Cultural Context', pp68-69.

is the real 'crisis in planning' in less-developed states.¹

The obstacles to implementation are several. External change upsets plan parameters. Political leaders may employ experts only to legitimate their favoured policies, and if committed to economic development they may still respond to pressures and order plan modifications which have a cumulatively disorganising effect.²

As a consequence, it has been argued that planning should be concentrated first in sectors of marginal political sensitivity, and that politicians should be brought into the planning process from the outset.³ A second obstacle is administrative. The state apparatus in less-developed countries has not deeply penetrated the society. Not only is the information essential for planning scarce, but the skills, resources, and will to carry out plan components are lacking in most public bureaucracies, due to patronage appointments, hierarchical rigidity, lack of - or very strict - financial controls, and inadequate co-ordination.⁴

The greatest obstacles to implementation, however, are the subjects of plans. Planned change will be resisted. Some groups will seek to preserve traditional values. Others will propose different readings of the existent than those found substantively rational by planners. Challenges will arise from those with different goals or a different goal hierarchy than the plan's. Finally, plans will

1. 'Highlights of the Symposium on Social Policy and Planning', in U.N., International Social Development Review, 3 (1971), 16-22, p20.

2. T.Y. Shen, 'Macro Development Planning in Tropical Africa: Technocratic and Non-Technocratic Causes of Failure', JDS, 12 (1977), 413-27.

3. C. Leys, 'A New Conception of Planning?', in Faber and Seers, eds., Crisis in Planning, 56-76, pp64-65; Waterston, Development Planning, pp.346-49.

4. Waterston, Development Planning, pp.249-92.

be resisted by those whose interests are threatened by change. In all these cases, opposition may be based on a realistic appreciation of proposals or upon misapprehensions. But challenges are not the only threat to plans, for they may also fail through indifference. If target populations ignore the choices opened by plans, then projections will not be realised. A fisheries development plan, for example, may require large numbers of welders for ship-building. Trade schools may be established to train them, but if potential students do not enroll, the whole plan will founder.

Implementation is problematic, as Leys has said, because societies are not organised with a fixed hierarchy of command or monopoly of expertise, like armies.¹ Cases which do approximate this situation are of no concern here. These are 'mobilisation regimes' in which mass demands are channelled through a single organisation, a party or the military, to accord with the national plan. Where power is more dispersed and popular demands stronger, plans are confronted with attitudes, behaviour, and interests crystallised in institutions which cannot be swept away by force or controlled mobilisation. Here is the crux of a problem. Economic development requires rational planning to conserve scarce resources and produce maximum returns. At the same time, demands increase, as do demands for participation in decision-making, as a result of non-directed change and in reaction to state initiatives. These demands are based upon existing conditions and attitudes. How, then, in the face of demands, resistance, and indifference, can plans be implemented? How can the realisation of plans occur through the voluntary action of those whose attitudes, behaviour and interests are to be changed by them?

1. Leys, 'New Conception?', pp62-64.

iii. Participation

The basic hypothesis of this study is that governments will attempt to secure the 'descent' of plans by encouraging those affected by them to be involved in planning. This strategy may reconcile the apparently contradictory imperatives of planning and participation, the first of which is necessary to achieve efficient economic development, the second arising as a demand as change proceeds and is increasingly directed by the state. Participation facilitates planning by making information available. It also increases the power of the state through political integration. Most important, it facilitates the implementation of plans: modernisation, a pre-condition of voluntary change in behaviour, is promoted, misinformed resistance to innovation is defused, and commitment to plans is increased, for they are jointly formulated rather than imposed.

It is also hypothesised that governments will attempt to secure these benefits without changing plans; that is, that participation will be deployed, where possible, only as a device of involvement, and that effective influence will not be extended. This use of participation accords with the position of Huntington and Nelson:

For most political elites political participation is, at best, an instrumental rather than a primary value. Their attitude about the desirable levels, forms, and bases of participation will be determined in large part by the effects these have on their ability: (a) to get into power and to remain in power; and (b) to achieve other social, economic, and political goals, such as national independence, revolutionary change, economic development, and socio-economic equality.¹

(Here, however, the term 'elite' refers to those holding power, so

1. No Easy Choice, p.29.

participation, as deployed by elites, will not be instrumental towards revolutionary change or socio-economic equality, except in so far as the latter maintains the elite's power; instead, it will be instrumental to the goal of economic development.) Huntington and Nelson regard mass participation as thoroughly opposed to economic development, so that 'no easy choice' has to be made between them. If, however, the strategy of extending limited participation is feasible - if participation can promote acceptance of plans - then conclusions need not be so pessimistic. In fact, the extension of participation may be an efficient way to realise developmental goals.

It is evident that consultation can provide information to improve plans. A fisheries development scheme, for instance, requires knowledge of catch locations to choose between vessel designs, and in the absence of systematic research, fishermen's experience can serve as an interim guide. More important, consultation can reveal whether micro-economic planning assumptions are correct. Inshore fishermen could hesitate to join planned offshore fleets, despite higher cash returns, because they have 'disguised employment' in small-scale farming or because their sons would be unable to receive training and assist them: involving fishermen in planning will bring such features to light, so they can be taken into account.

Participation also increases the power of the state by eroding traditional loyalties, for equal (formal) membership is extended within a single polity having one visible centre of authority. It is therefore integrative, increasing the state's power absolutely as well as relative to other institutions. This mechanism has been explored in the context of organisation theory.¹ It is also

1. C.J. Lammers, 'Power and Participation in Decision-Making in Formal Organizations', American Journal of Sociology, 73 (1967), 201-16.

a recognised effect of social mobilisation in developing states.¹

Plans depend upon information, and implementation requires power, but plans may still fail due to apathy and resistance. Modernisation is a pre-condition of voluntary behavioural change. It depends upon available alternatives, and plans, which represent images of alternative futures, are a powerful modernising device. Involvement in planning promotes susceptibility to change, and propagates the notion that action may improve the conditions of life. Plans may also be opposed because they are misunderstood. But the rationale of change may be communicated to participants, and at the same time demands contrary to the plan may be weakened or deprived of support as participants are educated in the planners' realities:

The manifest function of planning as a technique for allocating resources so as to reach determined targets of growth may be less important for development than its latent functions of providing objective diagnoses of national needs, capabilities and limitations; rationalizing the national struggle over development priorities; clarifying the full implications of alternative lines of policy; and helping to bring forth images of the future society that will justify national mobilization for development.²

Finally, participation may improve implementation by generating commitment to plans, a proposition supported by evidence from several fields.

Small-group experiments reviewed by Verba showed that member enthusiasm and acceptance of change was higher when leaders involved members in discussing alternatives and selecting a course

1. Rokkan, 'Comparative Nation-Building'; K. Deutsch, 'Social Mobilization and Political Development', APSR, 55 (1961), 493-514.

2. M. Wolfe, 'Between the Idea and the Reality: Notes on Plan Implementation', U.N., International Social Development Review, 3 (1971), 32-40, p.34 (original emphasis).

of action.¹ Satisfaction with collective decisions varied with the extent to which the individual felt involved in making them. In studies of participation in formal organisations, results are certainly not conclusive, but it has been argued consistently that efficiency increases as participating subordinates contribute new ideas, accept authority more willingly, and sense responsibility for production.² Even representative consultations may induce a sense of control over decisions and remove resentment of their arbitrary character.³ Planned organisational change can be similarly facilitated:

The more difficult the change program, the more client internal commitment is necessary if it is to be effective. The more internal commitment is necessary, the more the clients need to be involved in the design, execution and monitoring of the changes.⁴

Theorists of political participation provide further insight into the mechanism of commitment. Pizzorno finds the essence of participation to lie in an area of equality within which individuals are solidary; hence, 'participation can only exist between equals.'⁵ It is this collective equality which allows the submergence of narrow self-interest: Pateman, following Rousseau, contends that men are equally interdependent when making collective decisions,

1. S. Verba, Small Groups and Political Behavior: A Study of Leadership, (Princeton, Princeton U.P., 1961), pp.206-243; pp208-14.

2. C. Pateman, Participation and Democratic Theory (London, Cambridge U.P., 1970), esp. pp.60-66.

3. K.F. Walker and L. Greyfié de Bellecombe, 'Workers' Participation in Management: The Concept and Its Implementation', International Institute for Labour Studies, Bulletin, 2 (1967), 67-100; pp.93-96.

4. C. Argyris, The Applicability of Organizational Sociology (Cambridge, Cambridge U.P.), pp.120-21.

5. A. Pizzorno, 'An Introduction to the Theory of Political Participation', Social Science Information, 9 (1970), 29-61, pp44-5.

and so the resulting rules have an impersonal character which alleviates any sense of imposition and makes them acceptable.¹ The relation is like that between obligation and consent. The familiar doctrine that if (and only if) consent has been given authority one is obliged to obey its dictates is confounded when obligation endures while consent is infrequent. But the committing effect of participation is so similar that it might replace consent as a criterion of legitimate authority.²

Finally, the benefits of participation have been recognised in planning. The Skeffington report is one instance, and elsewhere participation has been recommended as 'cost effective through cost avoidance'.³ Waterston strongly advocated integrating implementation into development planning, through involving politicians, administrators, and the public.⁴ And the U.N. summarised succinctly:

The most visible benefit of increased popular participation is the elimination of popular resistance to decisions.⁵

The U.N. paper also made clear, however, that extending participation would complicate planning and curtail leaders' power.

To this point, participation has been considered only as facilitating the descent of experts' plans:

1. Participation, pp.25-27.

2. G. Parry, 'The Idea of Political Participation', in Parry, ed., Participation in Politics (Manchester, Manchester U.P., 1972), 3-38, pp36-7.

3. F.C. Thayer, Participation and Liberal Democratic Government, study for the Committee on Government Productivity, (Toronto, Q.P., 1971), p.20.

4. Development Planning, p.336, pp447-464.

5. U.N., Department of Economic and Social Affairs, Popular Participation in Decision-Making for Development (New York, 1975), p.11.

participation in all these senses is thought of as getting people to do or believe in those things advocated by governing elites, not participation in the sense of giving individuals and organized political groups access to the making of public policy.¹

But the key questions are obviously the extent of participation and the form it takes. If those subject to plans which entail change in their attitudes, behaviour and interests do play a major part in shaping decisions, then efficient economic development is threatened, for plans will be modified. On the other hand, if participation is restricted in the face of rising demands, there is reason to expect resistance to plans and difficulties in implementation. The idea of participation evidently requires some precision.

The concept is employed in a wide variety of senses. It is generally held to mean 'taking part' or 'having a voice' in decisions. Yet a cross-national scale of 'active participation' weights political identification, interest, information, and 'political rationality' as heavily as any overt action.² Parry suggests participation indicates legitimate rule; Lammers defines subordinates' use of power as participation only if it is legitimate.³ Milbrath treats political participation as the crossing of a stable boundary between private and public realms.⁴ For Pizzorno it is a universal drive towards equality.⁵ Despite these divergences,

1. M. Weiner, 'Political Problems of Modernizing Pre-Industrial Societies', in A.R. Desai, ed., Essays on Modernization of Underdeveloped Societies (Bombay, Thacker, 1971), 166-74, p.171.

2. A. Inkeles, 'Participant Citizenship in Six Developing Countries', APSR, 63 (1969), 1120-41, p.1126.

3. Lammers, 'Power and Participation', p.205.

4. L. Milbrath, Political Participation (Chicago, Rand-McNally, 1965), p.5.

5. 'Political Participation', pp37-38.

several common axes dividing positions can be isolated; these, in turn, can be related to a central ambiguity at the heart of the concept.

One useful distinction is between instrumental and developmental conceptions of participation.¹ The first refers to action taken to secure some end, and is valued for preventing arbitrary rule and paternalism; it requires, and reinforces, negative freedom, the absence of constraints.² The view of participation as developmental emphasises its effects upon the subject. It is held, for instance, that action with democratic structures will provide education in the tolerance, restraint, and responsibility essential to the maintenance of those structures.³ But regardless of the context, participants always act with some end in view, a fact often overlooked by optimistic developmental theorists.⁴ It is these initial, uninformed ends which may threaten development plans. On the other hand, ends and interests can become clarified through participation, changing over its course, as the developmentalists maintain.⁵ Postponing participation then needlessly perpetuates misunderstanding and resentment.

A second common distinction is between effective and ineffective participation, made according to whether actors' ends are achieved. Sometimes participation is strictly identified with the

1. Parry, 'Idea of Participation', pp.17-31.

2. Sharpe, 'Instrumental Participation'.

3. Pateman, Participation.

4. A. Arblaster, 'Participation: Context and Conflict', in Parry, ed., Participation in Politics, 41-58, pp.50-51.

5. U.N., Popular Participation, pp.18-19.

attainment of policy outputs: for Brunner and Brewer, for instance, it exists when 'felt needs can be converted into meaningful response at the aggregate level.'¹ This neglect of real action quite ignores the possibility of ends changing over the course of political activity. The inverse problem arises when analysts contrast 'real' with 'pseudo' participation, the latter occurring when actors are manipulated through apparently democratic decision-making to accept decisions actually taken in advance by elites.² This sweeps over great practical difficulties in locating power, notably the attainment of ends without overt action, and the constraint of demands (of both subordinates and elites) by anticipated sanctions. In practice, effectiveness can only be estimated by close study of participatory exercises. It remains a crucial, but not unique, indicator of the quality of participation.

A final distinction is between participation stimulated by authorities and that which arises spontaneously, made because the latter appears more authentic, based in solidarity:

participation as a response to discontent is not normally likely to have the same meaning as the cry of participation when it is a direct expression of discontent.³

But effectiveness must also be taken into account, for even stimulated participation may yield results. Moreover, co-optation into participative structures may increase group coherence and lead to more autonomous participation.⁴ Once even a formal role in

1. Organized Complexity, p.11. See also I. Adelman and C.T. Morris, 'The Measurement of Institutional Characteristics of Nations: Methodological Considerations', JDS, 8 (1972), 111-35, p.124.

2. Pateman, Participation, pp.68-69; Verba, Small Groups, pp.219-22.

3. Arblaster, 'Participation: Context and Conflict', p57 (original emphasis).

4. Huntington and Nelson, No Easy Choice, p9.

decision-making is attained, ends may be vigorously pursued:

The increased access may be intended to lead to a greater feeling of participation and increased commitment of members, but those who are so admitted may not be very long satisfied with the trappings of influence. When conflicts arise, the new participants may be in an improved position to pursue their interests effectively.¹

Participation is an elusive concept, for it is employed in many contexts, has political consequences, and is a process rather than a brute fact. But there is a central ambiguity in the notion which accounts for theoretical shadings and for the intricacies of participation in practice. The verb 'part' implies division or apportioning. But as is clearer in its root, partire, it may also mean 'to share', and so does participation have a dual core. One sense is that of sharing in common with others; that is, to be a member of a fellowship or partnership. The second is that of taking a part in some action. The first implies sodality, an association of mutual aid or action; the second, synergy, the co-ordinated action of distinct entities. Of course, the two are bound together, for participating 'with' may involve common projects beyond the group, while participation 'in' joint action is inconceivable without some shared communality. But the emphasis in each sense is very different.

In the first sense, fellowship is primary. Action would not proceed without the participants, They do not join an already structured process, but join together for some end, or join and then decide upon goals. In this sense their action is spontaneous. As well, members are fundamentally equal within the group, for it

1. W. Gamson, 'The Management of Discontent', in J.M. Thomas and W.G. Bennis, eds., Management of Change and Conflict (Harmondsworth, Penguin, 1972), 448-78, p.474.

is similarity that brings them together, and they have similar effectiveness. It is this basic communality which supports the view that the essence of participation is equality. It also produces the commitment to collective projects, for the absence of structured hierarchy removes resentment of imposed decisions, and facilitates joint effort towards a commonly defined goal.

In the second sense, actors participate with instrumental intent: the structure of action is pre-determined, and the immediate goal is to share in a process rather than to jointly determine ends. Hence, this participation may be stimulated by those already controlling the structures of decision-making and of action, which are hierarchical. Although all participants aim to 'have a voice', or a part in decisions, their effectiveness may be unequal, even over the long term, as outcomes are determined not by common interest but by negotiating power.

Three forms of participation may now be distinguished. In the first, involvement, new actors are formally admitted to decision-making, perhaps through new structures of consultation, but have no effective impact upon decisions, which are taken by the original participants. Involvement is generally stimulated by authorities to obtain the committing effects of solidarity without re-distributing power. It is similar, therefore, to Verba's 'pseudo-democracy', but it must be stressed that the term cannot be lightly applied, for even when stimulated and only consulted, participants may have influence through their power to be taken account of, and close study of outcomes as well as original and changing goals is necessary to estimate effectiveness. Only then can the quality of participation

be evaluated.

The second form corresponds with participation 'in' decision-making, and, following Pateman, is called partial participation.¹ Some voice is achieved, but neither the structure of decision-making, nor the range of outcomes is much changed. Pateman's definition featured two parties influencing each other with one retaining the final power of decision, but there may be more parties, and power must be traced rather than presumed to lie in its formal location. The crucial indicator of this form of participation is that effectiveness is consistently unequal.

In the third form, full participation, actors come together to determine collective goals, and an unbounded range of issues is open for decision. Over time, the impact of participants on outcomes is relatively equal.

iv. Summary

The framework applied here is a simple one. It presupposes a less-developed state with a relatively secure elite. As economic development proceeds, demands upon the state will increase in number, diversity, and perceived legitimacy. At the same time, an elite committed to economic development will support expert planning, to some extent. Plans will require change which will not accord with demands made on the basis of existing attitudes and interests. A possible solution for elites unable to implement plans by force or mass mobilisation is for participation in planning to be stimulated, thereby providing information to planners and, more important, generating understanding of and commitment to the changes required

for efficient economic development. This study is guided by the hypothesis that such a solution to the conflict between plans and demands will be adopted. It is also expected that at all times authorities will attempt to restrict participation to the level of involvement, so maintaining plans intact while securing the developmental effects of participation which ease plans' implementation.

The crucial question, then, is whether this strategy is feasible as development proceeds and demands for more effective participation grow stronger. This cannot be generally answered here, but will be taken up again in Chapter 8 with regard to one case, New Brunswick.

CHAPTER 3: NEW BRUNSWICK DEVELOPMENT TO WORLD WAR II

i. A separate colony

French colonization in North America centred on the St. Lawrence river, but some settlers were drawn to the valleys around the bay of Fundy. Their dyked and fertile land was 'Acadie'. But after the British established a base at Halifax, the forts at Louisbourg and Beauséjour were soon taken, and after 1755 the Acadians were expelled from the region.¹ Some returned to France and some reached Louisiana; others fled north along the coast where, remarkably, they endured dispersion and oppression to reconstitute a distinct society.

The Saint John hinterland, annexed to Nova Scotia in 1763, was sparsely settled by English immigrants and New Englanders, among whom the American revolution provoked sympathy enough that the militia was considered unreliable. The colony was too isolated, however, and too dependent on merchants who prospered in war, for revolt.²

The revolution most affected the region when Loyalists came north in 1775 and 1783. They increased the population tenfold to 14,000 and achieved their aim of a separate colony when New Brunswick was established in June 1784. Along with a desire for compensation on account of privations suffered for King and Empire, the refugees shared a sense of exclusiveness and a distrust of repub-

1. W.S. MacNutt, The Atlantic Provinces: The Emergence of Colonial Society 1712-1857 (Toronto, McClelland & Stewart, 1965), pp.1-56.

2. J.B. Brebner, The Neutral Yankees of Nova Scotia (New York, Columbia U.P., 1937; reprint ed., Toronto, McClelland & Stewart, 1969), esp. pp.255-310.

licanism.¹ In Upper Canada, immigration soon left Tory principles minoritarian, but in New Brunswick they formed the dominant ideology for a considerable time.² They were crystallised in the Executive Council which advised the Governor and in other offices which, in the 'government of gentlemen', were filled by Loyalists.

Opposition to this rule was manifest after the first elections to the Assembly in 1785.³ But the Loyalist ideal of a stable, landed society was first eroded by labour shortages and then by the timber trade, which expanded during the Napoleonic wars. The colony had rich reserves accessible by river, and sizeable firms grew up around the trade, including Gilmour and Rankin and the Cunards on the Miramichi river, and Simonds, White and Hazen in Saint John. Immigrants were attracted, and the population reached 75,000 in 1824, but agriculture remained a residual activity. During the great boom of 1825,

Farmers mortgaged their farms to build ships. Wages and prices soared and all, who could, deserted the farm for the shipyard or the lumber-camp. The province came to depend entirely on the outside world for the first necessities of life. It imported its wheat and flour, it imported its salt pork and even its potatoes. Agriculture was despised.⁴

The lumber trade led to the constitutional ascendancy of the Assembly, which had long insisted on sharing the initiative in spend-

1. M. Ells, 'Loyalist Attitudes', in G.A. Rawlyk, ed., Historical Essays on the Atlantic Provinces (Toronto, McClelland & Stewart, 1967), 44-60.

2. G. Horowitz, 'Conservatism, Liberalism, and Socialism in Canada: An Interpretation', Canadian Journal of Economics and Political Science, [hereafter CJEPS], 32 (1966), 143-71.

3. W.S. MacNutt, New Brunswick: A History 1784-1867 (Toronto, MacMillan, 1963), pp.55-63.

4. A.R.M. Lower, Settlement and the Forest Frontier in Eastern Canada (Toronto, MacMillan, 1936), p.35.

ing revenues generated by duties. In 1819, to secure discretionary funds, the Executive Council imposed a tax on timber cut from Crown land, a measure which offended the merchants and some old Loyalist families as well.¹ When official salaries were made dependent on this 'casual and territorial revenue' in 1830, the Assembly promptly demanded control of the Crown lands in exchange for supporting the fixed charges of the executive.² In 1837, a year of revolt in Canada, the British government sanctioned this arrangement. The change, however, did not bring full responsible government, for members of the 'popular' group were simply taken into the Executive Council. Undivided by issue or interest the merchant-politicians 'were not disposed to surrender direct control of the rich prize they had won to the executive, whether the executive possessed their confidence or not.'³

This administration, a fusion of Loyalists and merchants, was defeated in 1854 when newly elected members with regional grievances were united by liberals advocating full colonial self-rule and moderate reforms in local government. Responsible government was inaugurated when these 'Smashers' replaced office-holders with their supporters.⁴ The executive gained the financial initiative in 1856. But parties remained highly fluid, and the incapacity to overcome regional interests was shown by the 'Lobster Act' of

1. J. Hannay, The Life and Times of Sir Leonard Tilley: Being a Political History of New Brunswick for the Past Seventy Years (Saint John, n.p., 1897), pp.112-56.

2. W.S. MacNutt, 'The Politics of the Timber Trade in Colonial New Brunswick: 1825-40', in Rawlyk, Historical Essays, 123-140.

3. Ibid., p.140.

4. MacNutt, N.B. History, pp.353-388.

1864, which authorised subsidies for railway construction 'in as many directions as a lobster extends its claws.'¹

This was a prosperous period, based on the timber trade which accounted for most of the colony's exports. But the forward linkage with ships was also important: vessels were often sold along with their cargoes, and between 1840 and 1864 over 100 ships per year were built.² During the great trade expansion of the 1850s, the Maritime colonies together were fourth in the world in registered tonnage.³ Despite the dismantling of British preferences, New Brunswick trade competed in world markets and in the United States, where Civil War demand drew goods admitted under a reciprocal trade agreement negotiated in 1854.

Relations with the other British North American colonies were less close. Roads to Canada were impassable by carriage until 1851, and a Halifax-Quebec telegraph line closed in 1864 from lack of business.⁴ Canada's trade with the Maritime colonies was only 3% of its total in 1865-66.⁵ Still, isolation appeared unviable. Britain was withdrawing from defence commitments even as the rather hostile northern States were left with large armies. In 1864, the Charlottetown conference was to consider forming a unitary Maritime

1. Ibid., p.413.

2. S.A. Saunders, The Economic History of the Maritime Provinces (Ottawa, K.P., 1939), Appendix T2.

3. Canada, Royal Commission on Dominion-Provincial Relations, Report, [hereafter RCD-PR Report], (Ottawa, K.P., 1940; reprint ed., Ottawa, Q.P., 1954), Book I, p.23.

4. J.S. Martell, 'Intercolonial Communications, 1850-1867', in Rawlyk, Historical Essays, 179-206.

5. D.G. Creighton, British North America At Confederation (Ottawa, K.P., 1939; reprint ed., Ottawa, Information Canada, 1968), pp.37-38.

state, but New Brunswickers, believing an intercolonial railway would provide access to markets and channel Canadian trade through Saint John in winter, found more appeal in the Canadian vision of a western hinterland linked once more with the St. Lawrence.¹

But Confederation aroused the greatest of passions in the colony. The Smashers, led by Leonard Tilley, were defeated on the issue in 1865, then the anti-confederate administration crumbled and was levered from office by the Governor.² Trade prospects withered when the Americans abrogated reciprocity, and as Fenians threatened invasion from Maine the electorate returned Tilley. In 1867, with 'very little grace and no gratitude', New Brunswick ended its 83-year experiment and entered the federal union of Canada.³

ii. Slow growth

New Brunswick's subsequent stagnation was partly due to international factors: the long depression of 1873-96 struck the timber trade, and shipbuilding and shipping declined as steam and iron replaced sails and wood. But integration with Canada also restricted growth, by compelling adaptation while stifling it.

The 'National Policy' adopted in 1879-87 was centred on railways to open the west and tariffs to stimulate manufacturing. Capitalists in the Maritimes responded by investing in new industries like steel and cotton.⁴ But only a limited response was possible,

1. MacNutt, N.B. History, pp.414-61.

2. Hannay, Life of Tilley, pp. 307-22.

3. MacNutt, N.B. History, p.455.

4. T.W. Acheson, 'The National Policy and the Industrialization of the Maritimes, 1880-1910', Acadiensis, 1 (1972), 3-28.

particularly in the smaller regional ports. Credit was lacking too, for local banks were small and geared to trade: a commentator dismissed them even before the turn of the century.¹ The local market was too narrow to allow economies of scale, and freight rates on the Intercolonial railway rose to inhibit access to central Canada.² As a result, most manufacturing industries were small and concentrated in declining sectors: in 1891, there were 12 photographic studios in New Brunswick and no photographic equipment suppliers, 8 plumbers and no plumbing suppliers; there were no engine-building shops, cement mills, distilleries, or electrical suppliers.³

When the National Policy took hold after 1896, New Brunswick's position was consolidated. As the western prairie was settled, it provided domestic manufacturers a captive market, and the capital imports required for infrastructural and industrial development were borne by exports of raw materials, principally wheat, the production of which rose from 20million bushels in 1896 to 209million in 1913.⁴ Canada developed unevenly, with a manufacturing core and a raw-material exporting periphery. Manufacturing in New Brunswick could not compete with that at the centre. Between 1881 and 1901, the province almost kept pace with Ontario. Its manufacturing capital increased 146% as opposed to the latter's 166%.⁵ By 1911, however,

1. R.M. Breckenridge, The Canadian Banking System 1817-1890 (New York, MacMillan for the American Economic Association, 1895), p.215.

2. W.A. Mackintosh, The Economic Background of Dominion-Provincial Relations (Ottawa, K.P., 1939), pp.32-34.

3. Canada, Census, 1891, Vol.IV, TVII.

4. RCD-PR Report, Book I, p.68; Mackintosh, Economic Background, T2, T3. -

5. Calculated from Canada, Census, 1901, Vol.III, TXIX, and Census, 1891, Vol.IV, TVI.

economies of scale and transport costs had decided the issue:

Ontario had 77 firms with output exceeding \$1million and New Brunswick had 1; manufacturing capital in Ontario had risen 177% in a decade while New Brunswick's increased only 74%.¹

Central Canadian firms bought out Maritime manufacturers, and also penetrated the province directly, dominating promising opportunities. After 1903, extra-provincial corporations commencing operations in New Brunswick were required to obtain a license.² Figure I plots their numbers against new firms formed in the province by taking out letters patent of incorporation. The figures are not comparable, since only one set cumulates, but they do indicate the extent of penetration. (It should also be noted that many new local companies were highly speculative, or mere re-organizations of existing firms, or branch operations; also, extra-provincial financial companies are excluded.) Early entrants to the province included manufacturing powers like Dominion Coal, Dominion Cotton, Massey-Harris, International Harvester, McLaughlin Carriage, and Singer. By this time, New Brunswick was integrated into the Canadian economy as an exporting area; manufacturing growth was concentrated in the central Canadian heartland.

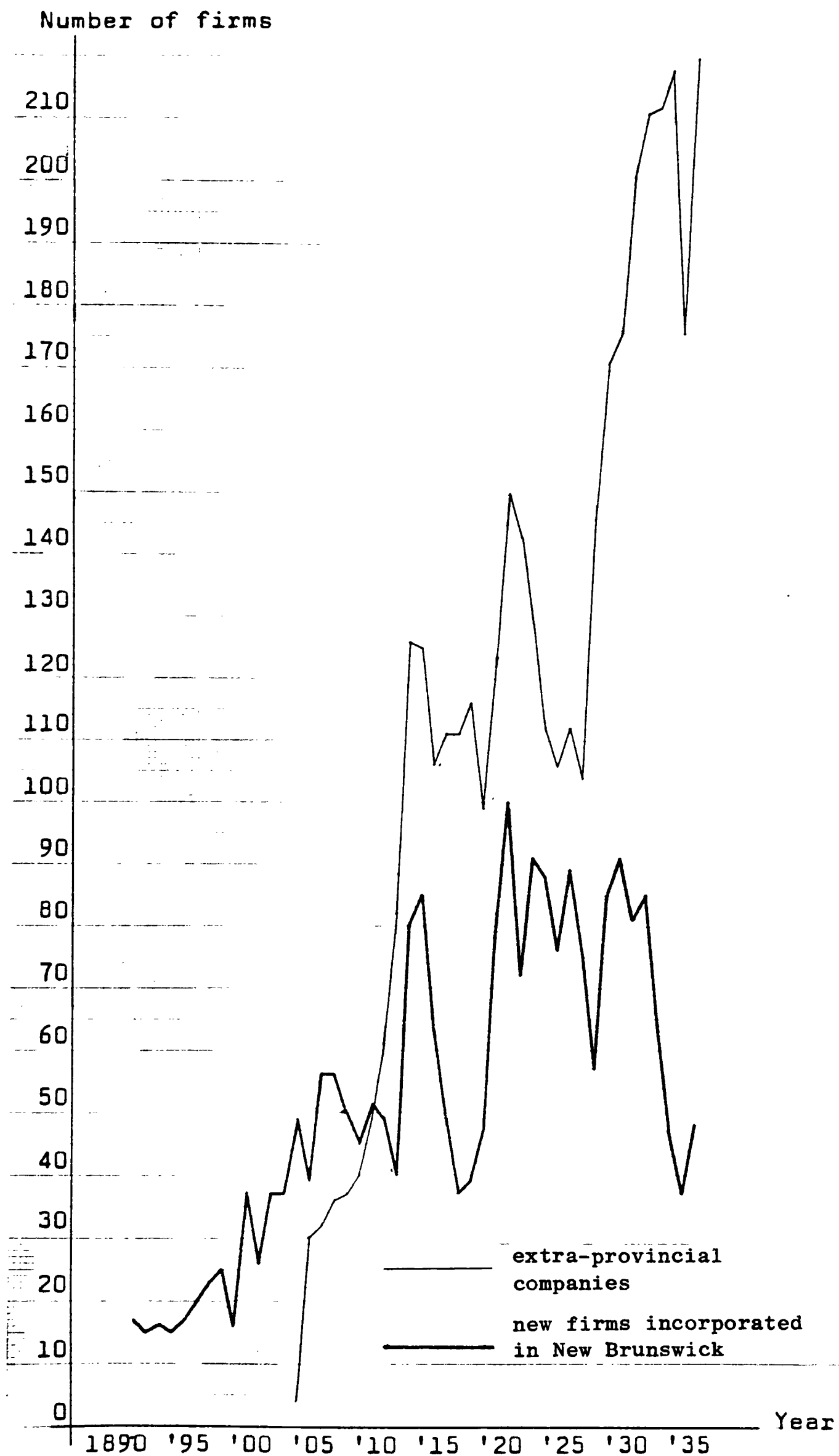
Several factors prevented absolute decline. One was that population grew slowly, by an average of .7% per year between 1871 and 1921 (compared with 2.8% for Canada as a whole).³ Immigrants by-passed the province, and large-scale emigration began before the

1. Calculated from Canada, Census, 1911, Vol.III, T1, and Census, 1901, Vol.III, TXIX.

2. New Brunswick, Acts of the Legislature, [hereafter Acts], 1903, c25.

3. Calculated from Census, 1921, Vol.I, T4.

FIGURE I: EXTRA-PROVINCIAL COMPANIES REGISTERED TO OPERATE IN NEW BRUNSWICK, AND NEW FIRMS FORMED WITHIN THE PROVINCE (BY LETTERS PATENT), 1890-1935.



(Source: New Brunswick, Royal Gazette, various years.)

turn of the century. Between 1921 and 1961, with the exception of the 1930s, it averaged 80/1000 per decade.¹ Rates for the 20-34 age group have been estimated at twice this figure.² This movement helped maintain incomes and employment. On the other hand, the province lost its potentially most productive workers. Undoubtedly, out-migration also diminished public pressure for effective state action to promote economic development.

A second factor was the development of some specialised agriculture. Farmers concentrated on livestock and dairy products in Kings and Westmorland counties and on potatoes in the upper St. John valley. A second group of farmers, still with mixed produce, had made steady improvements.³ But a third group, producing mainly for home consumption, was by far the largest: in 1915 when the agricultural societies (which promoted scientific farming) had 8,000 members, there were over 37,000 occupied farms in the province. Lack of specialisation is shown by the proportion of farm products consumed on farms in 1920, (with comparable Ontario figures in parentheses): livestock, 62% (20%); milk, 85% (53%); eggs, 53% (36%); and vegetables, 89% (49%).⁴ The local market was small, and New Brunswick agriculture was competitive rather than complementary with Ontario's, which had produced a surplus since 1850.

1. I.S. Anderson, Internal Migration in Canada 1921-1961 (Ottawa, Q.P., 1966), T15.

2. D.C. Curtis, 'Outmigration from New Brunswick, 1921-1961', unpub. M.A. thesis, Queen's University, 1966, T13.

3. R.P. Gorham, 'The Progress of Agriculture on a New Brunswick Farm During Four Generations', Scientific Agriculture, 5 (1924), 26-28.

4. Census, 1921, Vol.V, T31-T33.

5. J. Isbister, 'Agriculture, Balanced Growth and Social Change in Central Canada since 1850: An Interpretation', EDCC, 25 (1977), 673-97, T1.

By WWII, little had changed. Of large potato farms in Carleton and Victoria counties in 1934-35, fewer than 15% had tractors.¹ Those were established farms. A 1939 study of recent colonists in the north found that only 23% possessed a plow, and that the median yearly cash income per family was under \$200.² Nearby, in older settlements, average cash receipts from produce sales were \$94 per year.³ In 1940, average gross farm revenue in New Brunswick was \$753.⁴ Subsistence farms - where over one-half of revenue was in the form of auto-consumption - accounted for 25% of all farms, and only 20% were specialised enough to earn most revenue from the sale of one product: of these the most important (31%) specialisation was wood.⁵ New Brunswick agriculture remained inefficient and closely integrated with the forest industries. Nevertheless, it had advanced since Confederation, when the entire province was 'virtually a vast lumber camp'.⁶

A third factor offsetting decline was the implantation of some industries. Food processing plants served local markets. Metal-working, based on Nova Scotian iron and steel, survived, as did two cotton mills. These plants were maintained by cheap labour, and also often benefited from tax relief extended by local authorities.⁷

1. I.S. McArthur, An Economic Study of Potato Production in New Brunswick (Ottawa, K.P., 1937), pp.23-24.

2. A. Gosselin and G.P. Boucher, Settlement Problems in Northern New Brunswick (Ottawa, K.P., 1944), T12.

3. Ibid., appendix.

4. Census, 1941, Vol.VIII, T30.

5. Ibid., T46

6. RCD-PR Report, Book I, p.23.

7. Acts, 1873, c53; 1878, c77; 1891, c50; 1897, c62; 1899, c61.

Industries processing primary products for export endured best and remained in local hands. There were 95 fish-processing plants in 1941, and an exception to their small scale was Connors Brothers Limited, which packed the Fundy sardine catch. Sawmills remained important, despite stand depletion and competition from British Columbia after the Panama Canal was built. In 1941, 292 sawmills employed 3,800 men.¹ The dominant industry, however, was pulp and paper. In 1941, the 6 New Brunswick mills accounted for 39% of all manufacturing capital and over 25% of production by value.²

The growth of the pulp and paper industry has been the only major industrial development in New Brunswick since Confederation, and it has helped materially to offset the economic losses resulting from the death of wooden shipbuilding and the decline in long lumber production.³

It became possible to produce paper through chemically pulping wood around 1870, but development in Canada was impeded by the U.S. tariff, which admitted pulpwood free while pulp and paper faced a 15% duty. Wood exports from Ontario led in 1898 to the 'manufacturing condition' - an enactment that Crown timber had to be sawn within the province - and this was extended to pulpwood in 1900.⁴ New Brunswick enacted similar legislation in 1911.⁵ When the tariff was removed in 1913, effects were dramatic: Canadian newsprint production, nil in 1900, reached 876,000 tons in 1921.⁶ In New

1. Petrie, Economy of N.B., T127.

2. Ibid.

3. Ibid., p.139.

4. Nelles, Politics of Development, pp.48-87.

5. Acts, 1911, c10, schedule A.

6. Canada, Royal Commission on Canada's Economic Prospects, Forestry Study Group, The Outlook for the Canadian Forest Industries (Ottawa, Q.P., 1957), T26.

Brunswick, the Bathurst Lumber Company built a 100ton per day pulp-mill, and Fraser Companies installed a similar one at Edmundston.¹ Still greater expansion occurred in the 1920s when U.S. demand rose, capital was available, and electric power developed.² In that decade, a second Fraser pulpmill was built at Atholville, a news-print mill opened at Bathurst, and another, at Dalhousie, was constructed by the local subsidiary of International Paper.

These developments had far-reaching effects. The new industry substituted for lumber, but also contributed to its decline as many old firms sold out rather than modernising or diversifying. Others became subject to pulp companies for supplies. Several other enterprises, including a newspaper company and two leading coal mines, became satellite to the industry. Farmers, too, could work winters in the woods and cut their woodlots when cash was essential.³ Pulp and paper generated much activity, but much of the economy became dependent upon it; so did the government.

iii. Political evolution

The New Brunswick party system was slow to coalesce. Politics were localised, and regional divisions predominated over broader issues, so that long after Confederation governments had to negotiate

1. B. Glendenning, 'The New Brunswick Pulp and Paper Industry: 1900-1930', MS, 1974.

2. Lower, Forest Frontier, pp.113-129.

3. New Brunswick farmers, (as compared with those in Ontario), had, in 1940, 69% of their land unimproved (40%), and 81% of unimproved land in woodlots (43%); they sold 65% of wood produced on the farm (37%), and 45% of this was pulpwood (26%): Census, 1941, Vol.VIII, T1, T16.

the support of Members of the Legislative Assembly [henceforth MLAs] pledged to protect their region's interest above all.¹

This was due not only to regional isolation, but also to the local clientele networks fostered by the rural, raw-material exporting economy. Clientele networks are based on personal relationships in which individuals unequal in status, wealth, and influence exchange goods - generally material favours for loyalty.² The lumber trade in particular forged such links. At the peak were exporters who owned sawmills, held timber limits, and conducted their own cutting operations as well as buying from smaller operators. The latter might run small sawmills, and cut freehold land or small limits, and buy wood from farmers. Either operation might be combined with a store. Next were farmers and smallholders who cut their own woodlots for sale up the chain, and sometimes worked for others. Finally there were rural labourers and part-time fishermen, working wherever wages could be made. The fishery and agriculture were characterised by similar but shallower structures of hierarchical interdependence. As the operations of patrons were regional, so were these networks, and they permeated politics.³

The Blair administration of 1883, a shifting coalition, lasted twenty-five years, and by its end the party system was firmer. Some discipline was required to manage the provincial finances. As well, the rise of federal parties set an example, and also reduced the scope for provincial coalition building through fixing divisions on

1. Manifesto of W. Elder in Saint John Globe, 18 May 1878, cited in C.A. Woodward, The History of New Brunswick Provincial Election Campaigns and Platforms 1866-1974 (Toronto, Micromedia, 1976), p.15.

2. J.D.-Powell, 'Peasant Society and Clientelist Politics', in Finkle and Gable, eds, Political Development, 519-37; pp520-21.

3. R. Lemarchand and K. Legg, 'Political Clientelism and Development: A Preliminary Analysis', Comparative Politics, 4 (1972), 149-78.

national issues. But it was not until 1917, in practice, that New Brunswick parties cohered, only to split in the 1920s, and they were not firmly identified with their federal counterparts, the Liberals and the Progressive-Conservatives, until 1935 and 1943 respectively.¹ Before this, they were Government and Opposition or, popularly, Ins and Outs.

But party coherence was superimposed on clientele networks; it did not replace them. In fact, Blair's extension of manhood suffrage in 1890 deepened them by providing the poorest with a vote to be exchanged for favours from patrons upon whom they were economically dependent. In the parties, regional networks coalesced into two great teams of 'friends' fighting for power.

These networks were less coherent in the urban areas. There, brokers mobilised support on behalf of regional magnates who attended to business.² W.F. Todd, M.P. from Charlotte county between 1908 and 1911, illustrates these patterns. His rural network was based on the wood trade.³ In St. Stephen and Milltown, alliances were less clear, and Todd's canvas book divided voters into three categories - 'straight Conservatives', 'straight Liberals', and 'Liberals you have to pay'. The numbers in the third were considerable.⁴ Entrepreneurs provided finance to glue the system, and they could also mobilise votes. The Ganong family of St. Stephen, confectionery

1. Woodward, N.B. Campaigns, p.44, p.56, p.62.

2. S.J.R. Noel, 'Patrons and Clients in Canadian Politics', Canadian Political Science Association Paper, 1976, p.15.

3. Provincial Archives of New Brunswick [hereafter PANB], MTO, III/A/1. P.J. Anderson to Todd, 18 Sept. 1908, mentioning a 'friend' and four others; 'these are all pulpwood contractors and depend on him every year for work peeling [logs].'

4. PANB, MTO, III/C/1.

manufacturers, were Conservatives; Todd aided Lewis Connors, the Liberal sardine packer.¹

In rural provincial politics, relations were more direct. John O'Brien single-mindedly bought and sold logs on the Miramichi at the turn of the century, and started a profitable sawmill. As an MLA, his control of funds for local road works could reward supporters and also extend his business contacts and influence.²

Such clientele networks inhibit class consciousness and horizontal organisation, for relations are hierarchical, particularistic, and diffuse.³ Other factors, notably geographic isolation and ethnic and religious cleavages, also operated. But the patron-client links certainly perpetuated a paternalism best indicated by the essentially Elizabethan poor law which persisted until 1960.⁴

A second effect was to make government inefficient. Civil service posts changed hands in Jacksonian style: when the Liberals took office in 1917, of 700 permanent government employees, 81% left within four months, and there were others;

Out of 120 members of various government boards, only 10 escaped dismissal. Three hundred and twenty-three road supervisors were fired, and 375 new ones appointed. Of 183 game wardens, only 8 were not replaced by Liberal partisans. Two hundred and four vendors of game licenses were fired, along with 140 justices of the peace.⁵

1. PANB, MTO, III/A/1, Connors to Todd, 27 Oct. 1908, concerning a steamship service needed between Saint John and St. Andrews; Todd to Sir R. Cartwright, 1 June 1909, requesting a subsidy necessary 'politically as well as economically.'

2. PANB, MOB, 42/9, J. O'Brien diaries, esp. for 1900-01, back sections covering road work payments.

3. R.R. Kaufman, 'The Patron-Client Relationship and Macro-Politics: Prospects and Problems', Comparative Studies in Society and History, 16 (1974), 284-308, esp. pp.303-4.

4. J.M. Whalen, 'Social Welfare in New Brunswick, 1784-1900', Acadiensis, 2 (1972), 54-64.

5. A. Doyle, Front Benches & Back Rooms (Toronto, Green Tree, 1976), p.142.

Appointments were recommended by county-level patronage committees, and power was sufficiently localised that new governments could be instructed quite bluntly about preferred incumbents.¹ Skilled positions like medical inspector and highway engineer were also claimed on the basis of party support.² Perhaps skills were unnecessary for most jobs, or were equally distributed between the parties; perhaps the patronage system rationed government expenditures fairly efficiently. But it also produced waste, as in 1914 when the Patriotic Potato Gift was sent to embattled Britain. Conservative farmers supplied 50,000 barrels, which were shipped through the leading Conservative merchant, and most rotted or were rotten to begin with.³ Money also had to be found to fight elections and maintain the party organisations, and graft was inevitable; lumbermen sometimes paid political levies to obtain timber berths, and railway scandals, following state subsidies to inefficient promoters in return for party contributions, brought down the Blair administration in 1908 and forced J.K. Flemming, the premier, to resign in 1914.

Finally, clientele networks affected the form of government spending. It tended to be highly divisible, so that supporters could be rewarded in proportion to their contributions. Road-building fit this requirement well. During the 1930s, over 1,000 men received money for road maintenance; with their \$500 or \$1,000 they could, in

1. PANB, RG10, RS9, 1926, letters of B.F. Smith to the new Conservative cabinet, December, 1925.

2. Ibid., J.P. Richard, M.D., to Hon. A. Leger, 29 Dec. 1925; H. Price to Hon. L.D.P. Tilley, 6 Jan. 1926.

3. Doyle, Front Benches, pp.88-90, pp.191-207.

turn, hire others.¹ In 1930, the Department of Lands and Mines exhibited wild game at a Boston tourism display; total spending of \$5,260 was spread among 66 people. Payments ranged from \$274 for the minister's expenses in Boston over three days, to \$200 for an individual who pursued animals for several weeks, to \$2 for one man's 'Services, Loading Moose'.²

Divisible state spending helped sustain the economic hierarchies which co-incided with the party structures. It could moderate resentment of superiors - those who purchased labour and primary products - through distributing supplementary benefits. Patrons had diffuse obligations, and some correspondence abounds with requests met and loyalty earned.³ Nevertheless, they benefited most from allocations of state resources, and patronage, by mitigating its worst effects, helped support a structure of limited opportunity for most New Brunswickers.

Clientele networks persisted into the 1930s - and later. New Brunswickers still refer to clients being at the disposal of patrons when they speak of people being 'used well' or 'used poorly'. The networks were, however, being eroded by economic change and modernisation.⁴ Universalistic federal programs like pensions were one influence. Industries controlled from outside the province also removed resources from the disposal of local elites. Changes

1. N.B., Public Accounts, e.g., 1939, 'road maintenance'.

2. Ibid., 1930, D. of L&M.

3. PANB, MBU/IV [G.P. Burchill papers, hereafter BP], 21/44/1-5; 21/52/1-3.

4. Lemarchand and Legg, 'Clientelism and Development', pp.167-8.

in party finance re-inforced this, as from the 1930s most money used to fight federal elections in New Brunswick was collected in Montreal.¹ The pulp and paper industry also capped lumbering networks: John O'Brien's son, like others, came to depend on pulp companies for wood supplies and, more important, for letters of credit.² Finally, the pervasive system of patronage was challenged in the 1920s and 1930s by lower-class organisation.

iv. Progressivism and depression

The progressive movement, with its principles of public honesty and administrative efficiency, was a force in electing the Hazen government in 1908.³ Progressivism was also associated with the conservation movement of 1910-20; in New Brunswick, building on the UNB Forestry faculty, (founded in 1908), the first inventory of Crown timber was begun, and a Forest Service was established in 1918.⁴ There was also support among small businessmen and consumers for public ownership of electric power systems.

Progressivism also animated the United Farmers movement. Farmers held property and were not entirely dependent on patrons, and the more advanced could appreciate the exploitative power of

1. R. Whitaker, The Government Party (Toronto, University of Toronto Press, 1977), T2.3, pp.382-400.

2. PANB, MOB, 43/1, M.C. Head to H. Robinson, 28 Oct. 1927, and Robinson to O'Brien, 31 Oct. 1927; J.H. Hinman, [manager of woodlands, International Paper], to O'Brien, 4 November 1927.

3. Woodward, N.B. Campaigns, pp.36-38.

4. Acts, 1913, c11, and M.B. Morison, The Forests of New Brunswick (Ottawa, K.P., 1938), pp.35-39.

merchants who both sold equipment and bought produce. The growth of agricultural societies accelerated, with 78 existing in 1900, 145 in 1915, and 179 in 1920.¹ In 1918, the United Farmers Co-operative Company was established to buy and sell goods and produce.² Local branches spread throughout the St. John valley and Kings and Westmorland counties. Opposing corruption and the established interests controlling the old parties, the farmers entered politics, and won a 1919 federal by-election in Victoria-Carleton. With the Conservatives in disarray in the 1920 provincial election, the United Farmers took eight seats. But the farmers lacked a platform, believing that direct legislation should ensure popular control of government as co-operatives would control marketing.³ As in Ottawa, they had to work with disciplined parties, and generally supported the Liberal government. Moreover, their economic base collapsed. Individually, farmers suffered from the post-1920 price collapse; collectively, the Co-operative Company appears to have been over-extended and, heavily in debt by 1922, it was disintegrated into its viable branches.⁴

Labour organisations had grown slowly, and the New Brunswick Federation of Labour was formed in 1914. Relatively few workers were unionised, except in Saint John, Moncton and Newcastle, and

1. N.B., D. of Agriculture, Annual Report, [hereafter AR], various years.

2. N.B., D. of Provincial Secretary, Consumer and Corporate Affairs Branch, Incorporation Papers (of corporations formed by letters patent), [hereafter IP], 1918, p.66.

3. W.L. Morton, 'Direct Legislation and the Origins of the Progressive Movement', Canadian Historical Review, 25 (1944), 279-88.

4. Acts, 1922, c57.

this was reflected by convincing defeats in the first two cities when Labour candidates stood for election in 1920.¹ The Irish longshoremen and woodsmen on the Miramichi, however, elected two independent and two Labour representatives from Northumberland county in 1920.²

In 1921, the Canadian economy entered a sharp depression, but expanded steadily to surpass the 1920 peak by 1928. In the Maritime provinces, recovery was much slower. New tariffs restricted fish exports to the United States.³ The lumber industry faced a declining British market and new competition. Merchants were threatened by Canadian mail-order catalogues. And freight rate increases which followed the integration of the Intercolonial into the Canadian National Railway acted as a tariff against Maritime manufacturers and produce, at the same time as competition in local markets was increasing.

Regional grievances erupted in the Maritime Rights Movement. In 1920-23, this was bipartisan, but was increasingly focused by the Conservative opposition to Mackenzie King's Liberal government. In the 1925 federal election, the Conservatives, who had won five of ten New Brunswick seats in 1921, won ten of eleven.

It has been argued that the Maritime Rights Movement united all classes and was linked with progressivism.⁴ In New Brunswick, however, internal and external cleavages must be distinguished.

1. Woodward, N.B. Campaigns, p.46.

2. Doyle, Front Benches, p.216.

3. Saunders, Economic History, p.30.

4. E.R.T. Forbes, 'The Origins of the Maritime Rights Movement', Acadiensis, 5 (1975), 55-66.

Within the province, farmers and fishermen had reacted directly against merchants regarded as exploitative, and some workers organised to oppose industrialists. The progressives sought government-run fertiliser plants and tripartite control of fish prices;¹ farmers resisted the attempts of merchants to have catalogue sales taxed;² and the potential for labour radicalism was evident when the One Big Union organised the Minto coal miners in 1924. On the other hand, merchants, lumbermen, and manufacturers were confronted with severe external competition. Their success lay in diverting lower-class unrest towards extra-provincial forces.

The 1925 election was decisive. The Liberals were then led by Peter Veniot, an Acadian who assumed the premiership upon his predecessor's retirement. J.B.M. Baxter, the 'New Brunswick Champion of Maritime Rights', led the Conservatives.³ One major issue was whether to develop Grand Falls, a power site on the upper St. John, under public ownership. A second was the stumpage rate on Crown timber, which Veniot refused to lower to the extent demanded by lumbermen. The lumber interests were organised, and they mobilised other businessmen, aiming to exact concessions during the trade recession, and so secure appreciating benefits.⁴ Intense pressure

1. PANB, MTO, III/A/8, F.W. Richardson to W.F. Todd, n.d., but Nov. 1921.

2. PANB, RG10, RS9, 1926, petitions from agricultural societies and Women's Institutes.

3. Doyle, Front Benches, p.242.

4. PANB, MOB, 3/1, J.L. O'Brien to R.E. Armstrong, [secretary, Saint John Board of Trade], 16 April 1925; statement, 'To the Delegation of the Boards of Trade of New Brunswick in Conference at Fredericton, N.B.'; O'Brien to A. McLean, [president, Bathurst Company], 27 April 1925.

was exerted: newspaper advertisements condemned public ownership of power, and the premier, and some lumbermen reduced wages, blaming the government.¹ The populist vote was thus eroded by insecurity. It was also reduced by the government's lax enforcement of prohibition and by Veniot's religion and ethnicity, for the farmers were dry and Protestant. An intense 'whispering campaign' against the premier ran through the St. John valley. In the end, not a single Liberal was elected outside the Acadian counties.

The Baxter government then turned on Ottawa. The economy still languished, and before a Royal Commission appointed in 1926, the Maritime provinces argued for lower freight rates, port expansion, and trade policies more favourable to regional products.² The Commission recommended a 20% reduction in rates on freight shipped from the region, and this was implemented.³

But the government also pleaded its own case. Its financial difficulties are evident in the figures of Table 3.1. Debt and expenditures were both rising faster than revenues. This was ascribed not only to the high overheads of small states but also to adverse Dominion policies which, by retarding economic development, had reduced tax yields; so debt resulted despite frugality.⁴ Later refined, this argument evolved into the doctrine of 'fiscal need', which supported transfer payments to allow governments to promote development. Until a full investigation could be made, in-

1. PANB, MOB, 3/1, Louison Lumber Co. to O'Brien [among others] 13 May 1925.

2. Canada, Royal Commission on Maritime Claims, Report (Ottawa, K.P., 1937), pp.20-38.

3. Canada, Statutes, 1927, c44, Maritime Freight Rates Act.

4. Commission on Maritime Claims, Report, pp.11-16.

TABLE 3.1: SELECTED BUDGETARY ITEMS, NEW BRUNSWICK GOVERNMENT, 1920, AND PERCENTAGE INCREASES OVER 1920 FOR SELECTED YEARS.¹

	1920 (\$000s)	1925	1930
<u>revenue</u>			
Dominion subsidies	\$638	5%	99%
territorial revenue	1,590	-24	-32
total ordinary revenue	3,100	18	112
<u>expenditure</u>			
agriculture	83	51	236
education and vocational education	345	47	86
public works	811	24	139
debt interest and sinking funds	648	76	174
total ordinary expenditure	3,000	38	140
<u>capital spending</u>	1,980	-1	230
<u>bonded debt</u>	11,915	67	186

interim increases in the statutory federal payments were granted, and New Brunswick's extra \$600,000 per year helped a revenue position which was weak even before the 1930s depression.

That depression laid bare the structural weakness of the Canadian economy. Real incomes were reduced across the country, but raw-material exporting regions were most affected. Their products met falling world prices, and markets were narrowed by a currency kept high to avoid raising the cost of foreign debt. Moreover, tariff increases restricted cheap manufactured imports.

The Canadian economy was like a huge bonded corporation,² in which the export producers held the equity interest.

1. Source: Accounts, various years.

2. RCD-PR, Report, Book I, p.146.

In New Brunswick, the depression was less severe than in the west, for the province was not so economically specialised. Per capita income, in cash, dropped 41% between 1928 and 1933, more than in Ontario (-37%), but less than in mono-crop Saskatchewan (-73%).¹ When home consumption is included, however, New Brunswick's income decline was 30%, Ontario's 34%, and Saskatchewan's 49%.² In Prince Edward Island, a mixed farming province, gross income dropped only 26%; many former residents returned, and carloads of food were sent west in charity.³

Steady employment could make the 1930s bearable in urban Canada. In the rural areas, the depression reinforced subsistence life. Cash incomes dropped, but chronic out-migration also fell by 71%, and between 1932 and 1938, 323,000 acres of Crown lands were colonised.⁴ Decline was mitigated by the pulp and paper industry, which the 1920s expansion left with overcapacity and high fixed overheads.⁵ Ruinous competition ended in central Canada only when the provincial governments enforced production quotas.⁶ In New Brunswick, stumpage rates were lowered and conservation was forgotten. Moreover, in 1936 the government passed two measures allowing aid to any industry, and one Saint John mill was kept in operation by

1. National Accounts, T36.

2. Petrie, Economy of N.B., T62.

3. L.J. Cusack, 'The Prince Edward Island People and the Great Depression: 1930-1935', unpub. M.A. thesis, UNB, 1972, p.69-73, pp.112-13.

4. Anderson, Internal Migration, T15. PANB, RG10, RS106, [papers of G.H. Prince, deputy minister of L&M, hereafter PP], box 52, 'Reconstruction', file No.1, 'A Discussion of Land Settlement in New Brunswick', 27 October 1938, p.2.

5. C.P. Fell, 'The Newsprint Industry', in H. Innis and A.W.F. Plumptre, The Canadian Economy and Its Problems (Toronto, Canadian Institute of International Affairs, 1934) 40-53.

6. Nelles, Politics of Development, pp.443-64.

\$200,000 in loan guarantees.¹

Such action was possible because the conception of government had changed in Canada under the impact of the depression.

The rugged individualism of an agricultural society had been eroded by the gradual realization that even responsible and hard-working men could not protect themselves from disaster. This had led to a significant shift in what was expected of governments. Canadians now looked to government to provide a larger degree of economic security because they as individuals were no longer masters of their own fate.²

The west was in turmoil as farmers were ruined and the unemployed organised and demonstrated.³ In 1933, the Co-operative Commonwealth Federation (C.C.F), a socialist party with worker and farmer support, was formed, and the case for state planning was comprehensively argued by its adherents.⁴ But the shift in opinion was more general than this. R.B. Bennett, his Conservative government split by a faction appealing to small businessmen seeking control of monopolies, unveiled a pre-election New Deal in 1935 which involved federal regulation of minimum wages, working conditions, and natural products marketing. And in 1933, the president of the Liberal Federation stated that

...while freedom at one time meant freedom from government interference, it now must mean freedom by government regulation. ... The era of improvisation in government certainly is past.⁵

1. Acts, 1936, c46 (Assistance to Industry Act), c47 (Industrial Development and Finance Act); Accounts, 1937, 'contingent liabilities'.

2. H.B. Neatby, William Lyon Mackenzie King: 1932-39: The Prism of Unity (Toronto, University of Toronto Press, 1976), p.154.

3. S.M. Jamieson, Times of Trouble: Labour Unrest and Industrial Conflict in Canada, 1900-66 (Ottawa, Information Canada, 1968), pp233-48.

4. League for Social Reconstruction, Research Committee, Social Planning for Canada (Toronto, Thomas Nelson, 1935), esp. pp215-28.

5. Liberal Party, First Liberal Summer Conference, The Liberal Way (Toronto, J.M. Dent, 1933), p.5, p.7.

This view was resisted by the master improviser, Mackenzie King.¹ Yet, in power after 1935, even he could not resist new measures planned to combat the lingering depression, and large public works projects were approved in 1938, despite a budgetary deficit: 'John Maynard Keynes had come to Canada.'²

Finally, the new planning was evident in the work of the Royal Commission on Dominion-Provincial Relations (the Rowell-Sirois Commission). It recommended a comprehensive re-design of the constitutional framework, with Ottawa assuming adequate powers to regulate the economy, and provincial revenues guaranteed by national adjustment grants (equalised according to fiscal need).³ Although delivered in wartime, these recommendations would surface later, and so did concomitants of the pervasive planning initiated by the Commission - detailed research, a wide call for briefs, and highly publicised, peripatetic hearings to arouse informed public support.

In New Brunswick, the response of the Conservative government (re-elected in 1930) to declining revenues was to cut spending sharply, as Table 3.2 shows. The reason was debt: interest accounted for 40% of ordinary revenue in 1930, and a staggering 55% in 1932. Ottawa was requested to re-examine subsidies, and a small increase was won. Arguments before the White Commission and the Rowell-Sirois Commission, however, show that New Brunswick had not assimilated

1. Ibid., King, 'The Practice of Liberalism', pp269-282.

2. Neatby, Prism of Unity, p.255.

3. RCD-PR, Report, Book II.

TABLE3.2: SELECTED BUDGETARY ITEMS, NEW BRUNSWICK GOVERNMENT, 1930, AND PERCENTAGE INCREASES OVER 1930 FOR SELECTED YEARS.¹

	1930 (\$000s)	1932	1937	1940
<u>revenue</u>				
Dominion subsidies	1,267	2%	24%	24%
territorial revenue	1,074	-38	7	17
total ordinary revenue	6,584	-12	20	57
<u>expenditure</u>				
agriculture	280	-28	-14	10
education	643	-3	23	40
public works	1,944	-54	-38	-28
interest and sinking fund payments ^a	2,616	22	31	81
total ordinary spending	7,219	-12	9	35
capital expenditure	6,537	-65	36	-88
bonded debt ^b	34,034	44	96	165

^a includes payments under the Motor Vehicle Law

^b excludes bonds issued for the New Brunswick Electric Power Commission: the 1940 figure would be 193% were these included.

the new methods of economic analysis and purposeful re-design.²

The Conservative government was swept from office in 1935, retaining only 5 of 48 seats. The Liberal administration passed several reforming measures.³ But some were enabling Acts for

1. Source: Accounts, various years.

2. Canada, Royal Commission on Financial Arrangements Between the Dominion and the Maritime Provinces, Report (Ottawa, K.P., 1935); New Brunswick, 'Submission by the Government of New Brunswick to the Royal Commission on Dominion-Provincial Relations', April 1938, pp.74-121, esp. p112 re 'artificial ports' on the St. Lawrence, p. 115-16 re 'contract' theory of Confederation. Compare Nova Scotia, 'Submission by the Government of the Province of Nova Scotia to the Royal Commission on Dominion-Provincial Relations', Feb.1938, esp. pp.61-78, pp.111-28 re 'fiscal need'.

3. Acts, 1936, c51 (Fair Wage Act), c28 (Public Utilities Act), 1937, c53 (Natural Products Control Act).

the New Deal legislation, or substituted for it when it was judged ultra vires by the Judicial Committee of the Privy Council. Others, like the Fair Wage Act, were not vigorously enforced.¹

The most striking popular response to the depression in New Brunswick was self-help. The collapse of the farmers movement left a legacy of defeatism in the south, but in the north the co-operative ideal was spread by Catholic priests, and after a 1938 Act allowed the formation of co-operatives, 21 were formed by 1940.² An allied movement was that of caisses populaires or credit unions. Supplied a legislative framework in 1936, these organisations were to provide collective security and a source of credit free of merchant control.³ Neither form of organisation involved the bulk of the population, however. Nor did labour unions, which were decimated in 1930-32, and which had only 14,300 members in 1940 - 9.8% of the labour force.⁴ In the 1939 provincial election, a C.C.F. candidate polled only 1% of the vote in Saint John.⁵

Public expectations of government in New Brunswick remained low. Per capita spending on public welfare and unemployment relief was, in 1937, only 11% of the national average.⁶ Nevertheless, the

1. PANB, Business Administration Interviews, 'Contributors to the Development of the Commercial and Industrial Relations Systems of New Brunswick and the Other Atlantic Provinces', [hereafter BAI], G. Chiasson and E.D. Maher, 'An Interview with Horace Pettigrove', July 1974, pp.34-35.

2. Acts, 1938, c67.

3. Acts, 1936, c53; P. Arsenault, 'L'Etablissement des Caisses Populaires', unpub. M.A. thesis, Université St.-Joseph, 1939.

4. See Table 11.1, below.

5. H.G. Thorburn, Politics in New Brunswick (Toronto, University of Toronto Press, 1961), TXVII.

6. Petrie, Economy of N.B., T73.

Liberal government did respond to the depression in a manner congruent with clientelism; it built roads. The extent of the program is shown by the increase in capital spending figures to 1937 in Table 3.2. In that year, of all provinces, New Brunswick had the highest public works expenditure per capita, the highest proportion of the budget devoted to public works, and the largest percentage of construction by private contractors as opposed to public authorities.¹ This form of relief rested upon established networks of economic and political relations. It required no planning and involved no economic re-structuring.

It also led to debt: between 1930 and 1940, the ratio of direct bonded debt to total revenues doubled. This underlay the truculent demands for special treatment from the federal government, and also resulted in severe pressure from creditors. In January 1940, Montreal banks and bond dealers refused the province a loan to meet maturing bonds: the premier, A. Dysart, was forced to accept their representative's assistance in preparing the 1940 budget.² But Dysart was replaced as premier in March 1940, by J.B. McNair, and the agreement was broken, in part.³ In later years, McNair regularly vaunted his defiance of the anti-popular pressures of central Canadian financiers.⁴ In 1940, with the war boom beginning, McNair could afford to write his own budget.

1. Public Archives of Canada, [hereafter PAC], RG19, vol.3538, 'Dominion Government Finances', T4, T2.T3.

2. PAC, RG19, vol.3986, file P-1-4-2, W.C. Clark, [deputy minister of Finance, Canada], to J.L. Ralston, [minister], 17 Jan. 1940, and 23 Jan. 1940.

3. Ibid., copy of telegram sent by four banks to the N.B. government, 12 April 1940.

4. Synoptic Report of the Proceedings of the Legislative Assembly, [hereafter SR], 1944, p.387.

PART B: CASE STUDIES

This section treats three major cases of planning for economic development which occurred in New Brunswick between 1943 and 1972.

Chapter 4 examines Reconstruction planning at the close of WWII. This was a period of questioning and re-design, and although New Brunswick elites were never seriously threatened, popular demands were increasing. They were accommodated through an exercise in public participation which was conjoined with the first coherent development planning undertaken in the province. Both demands and planning, however, proved ineffective in changing a pattern of state spending which supported the local clientele systems upon which political parties rested.

The New Brunswick Electric Power Commission was moribund before the 1950s when, as Chapter 5 shows, it evolved into a mature, planning organisation through serving as the instrument to provide electrical infrastructure for new heavy industry. Public participation in power planning was minimal. But the case illustrates the growing influence of experts over politicians, the impact of implicit organisational goals on developmental goals, and, most significant, the way that active organisations form relationships with interests in both their domestic and external environments.

Chapter 6, an interlude, describes a programme of state-building and social mobilisation undertaken in the 1960s, when power was centralised from the municipal governments. This rendered the patterns found characteristic of the Power Commission relevant to the state as a whole. It became a centre of expertise,

more capable of sure responses to environmental pressures and opportunities, and able to co-ordinate initiatives over a broad front of policy. In particular, it could design social change to facilitate economic growth.

Chapter 7 examines the first major exercise of these powers, in a comprehensive regional development plan designed for the rural northeast of the province. This plan required that rural dwellers be animated to take new initiatives, and so pervasive participatory structures were established. When local residents' participation in planning was obviously ineffective, however, these organisations served to mobilise resistance to a plan regarded as imposed and incorrect.

CHAPTER 4: RECONSTRUCTION PLANNING AND POLICY

The public works spending necessary to shore up regional economic networks and prevent mass unrest during the 1930s strained provincial finances, and led to the first state effort to systematically stimulate industrialisation in New Brunswick. In April 1939 the Advisory Board for Economic and Industrial Development (ABEID) was created. It was chaired by a professor of engineering, and included one labour representative, one farmer/MLA, and thirteen businessmen who not only could represent the provincial entrepreneurial elite but also constituted a significant proportion of it.¹ Sectors of business had coalesced during the 1930s in organisations like the Maritime Lumber Bureau, but the ABEID provided trans-sectoral consultation and a formal link with government. Its functions were unspecified: Premier McNair said only that it was 'composed of public-spirited citizens who were doing comendable work without pay.'² Initially, the ABEID constituted sectoral committees and heard reports on industrial opportunities, so it was surely intended as a vehicle for allocating support under the Industrial Development and Finance Act.³

1. O.C. [Order-in-Council] of 3 May 1939. Members included G.P. Burchill, lumberman; Emile Paturel and A.M. McLean, fish-processors; A.D. Ganong, confectioner; A.D. King, coal operator; G.G. Porter, potato merchant; J.H. Proulx, publisher; and W.F. Knoll, metal-working.

2. SR, 1941, p.245.

3. PANB, BP, 21/45/2, reports of meetings of 16 May 1939 and 18 July 1939; brief by G.G. Porter, 'The Industrial Uses of Low-Grade and Surplus Potatoes', 18 July 1939.

War intervened, however, and emergency powers made Ottawa the focus of all attention. Between 1939 and 1942, the federal share of all government spending rose from 32% to 87%, and purchases from business increased from \$125million to \$2.3billion.¹ The ABEID quickly asked about needed supplies, advocated controlled timber sales (at 25% above current prices), and then its members turned to business.² Any provincial planning function was forgotten: the ABEID's purpose was 'to obtain a more equitable application of the national program for war production', or, more bluntly, 'to secure war contracts'.³

This effort involved politicians, but the early war effort was efficient, and political pressure could secure a place on tendering lists but not contracts.⁴ The key New Brunswicker involved in rational argument on behalf of the province was J.R. Petrie, secretary of the ABEID, a young economist who enjoyed McNair's 'fullest confidence'.⁵ Commuting to Ottawa by 1941, Petrie sought defence expenditures and sub-contracts for provincial businessmen, relayed information to them, and occasionally co-ordinated tendering.⁶ Integrated into the burgeoning department of Munitions and Supply in 1942, Petrie tried to encourage provincial entrepreneurs

1. National Accounts, T9 and T49.

2. PANB, BP, 21/45/2, meeting of 19 Sept. 1939, and 'Memorandum' of meeting of the ABEID secretary and McNair with L.D. Wilgress (Chief of Commercial Intelligence), n.d. but 12 Oct. 1939 when an ABEID delegation was in Ottawa.

3. SR, 1942, Throne Speech and p.223 (McNair).

4. J.L. Granatstein, 'Financing the Liberal Party, 1935-1945', in M. Cross and R. Bothwell, eds., Policy By Other Means (Toronto, University of Toronto Press, 1977), 179-99; pp.192-3. In the New Brunswick case, see PAC, RG28A, vol.106, file 2-N-3, correspondence between N.B. Retail Lumber Dealers' Ass'n., J.E. Michaud (N.B. representative in Cabinet), and War Supply Board, Feb.-April 1940.

5. Interview with R.A. Tweedie, (Private Secretary to McNair), 22 June 1976.

6. PANB, BP, 21/49/7, Burchill to Petrie, 4 Oct. 1941, and Petrie to Burchill, 19 Oct., 3 Nov., and 27 Dec. 1941.

towards efficiency and expansion, but with limited success. Apart from an adventurous few, like K.C. Irving of Buctouche who diversified into wooden barges and aircraft veneers, businessmen were satisfied with full order-books. Petrie recognised that shortages of labour and electric power restricted investment, but also blamed entrepreneurs' caution and complacency.¹

Manufacturing output in New Brunswick rose 112% during the war, but capital increased only 28%.² In central Canada, munitions and chemical plants, specialised secondary industries, and new power installations had been built.³ Although New Brunswick incomes rose because of troop concentrations, port activity, and the sale of old products from existing plants, its competitive position had deteriorated, and when extraordinary demand declined, returning veterans would accentuate the re-emergence of the old economic weaknesses.⁴ The McNair government, prodded by popular demands and progressive businessmen, took the first steps towards correcting these weaknesses, and extended public participation to secure support for its plans, but its commitment to expansion waned and public funds were devoted in the reconstruction period, as in the 1930s, to the alimention of established political and economic structures.

1. Ibid., 21/55, 'Report of J.R. Petrie to the Premier for activities from March 1941 to February 1942', pp.27-30.

2. Petrie, Economy of N.B., p.432.

3. J. de N. Kennedy, History of the Department of Munitions and Supply, Vol.1, (Ottawa, K.P., 1950), esp. pp103-43, 394-6, 183.

4. B.S. and M.S. Keirstead, The Impact of the War on the Maritime Economy (Halifax, Dalhousie University Bulletin on Public Affairs, 1944).

i. The New Brunswick Committee on Reconstruction

Post-war planning began in Canada as the war effort intensified. One stimulus was returning veterans, whose de-mobilisation was planned to be smoother than in 1919. Morale was another factor:

Few today can regard war as an adventure, and therefore it only becomes tolerable as a crusade with social and economic reform as a banner under which to fight. It is widely believed that our fighting men and workers acquire new vigour by the appeal of future blessings to come.¹

Workers did grow restive, for wages were held to 1926-29 levels, and while industry was the means to win the war, the unions lacked representation on the government boards which directed it.² Moreover, controls like those advocated by the C.C.F. in the 1930s were proving highly effective in wartime, and support grew for that party: a C.C.F. candidate defeated the Conservative leader in 1942, and the party displaced the Liberals as Opposition in Ontario in 1943. The Conservatives reacted by choosing a former Progressive as leader, (and became the Progressive-Conservatives), and the King government, prodded by Keynesians in Finance as well as the C.C.F., moved in 1943-44 to accept family allowances and health insurance.³ In 1944, regulations governing labour unions were changed (by P.C. 1003)

1. Canada, House of Commons, Special Committee on Reconstruction and Re-establishment, Minutes of Proceedings and Evidence, No.1, 30 April 1942, Minister of Pensions and National Health, p.19.

2. T. Moore, 'Organized Labour and the War Economy', in J.F. Parkinson, ed., Canadian War Economics (Toronto, University of Toronto Press, 1941), 170-79.

3. J.L. Granatstein, Canada's War: The Politics of the Mackenzie King Government 1939-1945 (Toronto, Oxford U.P., 1975), pp.249-293; PAC, RG19, vol.4660, file 187-EAC-1, anon. [but W.A. Mackintosh, special assistant to the deputy minister of Finance] 'Memo on Some Key Decisions in Post-war Policy' 28 Dec. 1943.

to include government certification of them as bargaining agents; in effect this made union recognition by employers compulsory, and enhanced union organisation and security.¹

To stimulate and channel public expectations, Ottawa created a Committee on Reconstruction, an active group which extended many sub-committees to focus interest on avoiding post-war depression by federal government co-ordination of public investment.² Officials took over its planning role, but it had encouraged planning in the provinces by its straightforward approaches: after attending one of its meetings, McNair formed its provincial counterpart in January 1943.³ The New Brunswick Committee on Reconstruction was to liaise with the federal body, conduct research, and encourage provincial groups to consider post-war problems.⁴ Its chairman, Dr. Norman MacKenzie, was president of UNB and was later called to the Senate by the Liberals. The other members were J.G. Boucher, head of the Electric Power Commission and the leading Acadian Cabinet minister, and John MacKinnon, who represented the moderate New Brunswick Federation of Labour. The Committee's secretary was J.R. Petrie.

The government emphasised that the committee would only stimulate the expression of public opinion and relay it to the administration.⁵ As a mere 'clearinghouse', it did not require the

1. H.D. Woods, Labour Policy in Canada, 2nd ed., (Toronto, Mac-Millan, 1973), pp.56-94.

2. PAC, RG19, vol.3583, 'Basic Memorandum', various drafts. On the federal committee, see R.A. Young, 'Reining in James: the Limits of the Extra-departmental Committee', MS, 1978.

3. PAC, RG19, vol.3585, 'Minutes of Proceedings of Special Joint Meeting', 4 Dec. 1942.

4. O.C. 43-10.

5. Fredericton, Daily Gleaner, [hereafter Gleaner], 13 Jan. 1943, p.10; Moncton, La Voix d'Evangeline, [hereafter Evangeline], 28 Jan. 1943, p.2.

business and farmer representation soon demanded.¹ However, it was also declared that a definite reconstruction plan would be elaborated through consultation with citizens and the federal government: this would

reflect the needs and aspirations of our people for productive and remunerative employment, social and educational services and reasonable security against social and economic hazards.²

Its particular concern would be resource development and employment.³ This planning role was accepted by Hugh MacKay, Opposition leader, who approved that traditional 'rule-of-thumb and vote-catching methods of solving our problems are gone forever.'⁴

It is possible to regard reconstruction planning as simply a sophisticated way of writing a Liberal campaign platform. However, popular demands were rising in the province as in the rest of Canada. The C.C.F. was hated by the provincial elite.⁵ The newspapers condemned it.⁶ It was weak without a secure base in organised, industrial labour, and was as likely to attract farming votes from the Opposition as to erode Liberal support. On the other hand, state co-ordination was obviously effective during the war, and the view that governments could prevent depression was be-

1. Saint John, Telegraph-Journal, [hereafter T-J], 22 Jan. 1943, p.4., editorial, 'Add a Businessman', and Dr. MacKenzie to the Editor in reply, 26 Jan.1943. See also SR, 1943, p.27, p.39, pp.324-25.

2. SR, 1943, p.6. (Throne Speech).

3. Ibid., pp.78-80 (McNair).

4. Ibid., p.27.

5. PANB, BP, 21/56/3, H.P. Robinson, [chairman, New Brunswick Telephone Company], to Burchill, 24 Sept. 1943: 'I am one of those who are prepared for possible murder and sudden death for them as a way out.'

6. Saint John, Evening Times-Globe, 13 Nov. 1943, p.1: 'Association of Ideas...Hitler, Winch and Coldwell'. (Winch and Coldwell were C.C.F. leaders in Canada and British Columbia.)

coming widespread enough to threaten any government:

McNair used to say that people just won't believe, after the war effort, that we can't stop people from being unemployed and can't provide three square meals for everyone. They just wouldn't believe that it couldn't be done.¹

This placed upon politicians a new onus to deliver economic growth, and it was keenly felt because federal emergency powers would lapse upon war's end.² Ottawa's plans remained secret, but the province might have to act alone to maintain living standards. Even if, as McNair hoped, responsibilities were re-allocated between federal and provincial governments, the province would have a much larger role to play than in wartime. If planning could secure results, politicians required it.

At this time, too, McNair was at the height of his powers, and could consider new departures. He was supported by experienced deputy ministers in Agriculture, Lands and Mines, Public Works, and Education, all of whom recognised the wartime accomplishments of the federal bureaucracy and had deferred professional goals to realise. Finally, business was concerned about post-war prospects.³ Most industrialists now welcomed state intervention to maintain demand, and in New Brunswick the ABEID had discussed how government might systematically aid provincial industry, a current of thought certain to re-emerge as the state assumed responsibility, at least, for the transition to peacetime prosperity.⁴ For all these reasons,

1. Interview with Tweedie, 22 June 1976.

2. F.R. Scott, 'The Constitution and the Post-War World', in A. Brady and Scott, eds., Canada After the War (Toronto, Canadian Institute for International Affairs, 1943), 60-87.

3. Monetary Times, February 1943, 'After the War - What Then?', pp.92-94, and subsequent issues for preparations in various sectors.

4. PANB, BP, 21/45/2, 'Industrial Development with Particular Reference to a Department of Industry and an Economic Council', n.d., but 1941.

it would be incorrect to assume that the Reconstruction Committee was intended from the outset to have no useful planning function. Not least of the arguments against this view is the unprecedented exercise undertaken to secure support for new state initiatives.

ii. Public participation

The Reconstruction Committee's great innovation was its contact with the public. Previously, organisations had presented their demands to governments, but never has all been asked, together, for their views, for never had the range of issues been so broad. The Committee invited briefs from municipalities, boards of trade, service clubs, credit unions, labour organisations, and fishermen's and farmers' organisations.¹ Newspaper reports carried its mailing address for others' use. But further, in the autumn of 1943 the Committee held public hearings. Earlier inquiries had concerned only corruption or particular issues; only interested parties appeared, and the citizenry watched leaders' manoeuvrings. But the Reconstruction Committee invited all members of the public to make representations to it.

This implied that every citizen had an interest in post-war plans - a highly democratic implication. The scope of reconstruction planning suggested that the entire province was subject to re-organisation. The government had moved to assume co-ordinated development as its task. It was no coincidence then that public involvement was invited: people were to be prepared for change;

1. N.B. Committee on Reconstruction, Report, [hereafter R.C. Report], p.15.

they would be educated about post-war constraints requiring adaptation, so defusing extreme demands; and if proposals were integrated by the Committee, responsibility and commitment would be diffused among participants. The object was to keep the public 'reconstruction conscious':

we are hopeful that we can continue to generate interest to a point where we will receive the whole-hearted support of every New Brunswicker, which support is so necessary today to the fulfillment of plans for economic progress.¹

A public meeting was held in the shire-town of each county. Advertisements invited attendance.² Local newspapers provided detailed reports, and the Saint John Telegraph-Journal attached a reporter to the tour.³ At each session, a verbatim record was taken, as though to emphasise MacKenzie's constant theme:

We are not here to make speeches. We are not here even to state to you our own views on the matters under discussion tonight. We are here, rather, to get your opinions, your suggestions and questions about this very important problem.⁴

Each evening, briefs were presented by organisations, individuals spoke, and questions were taken by MacKenzie, Boucher, or, more often, the officials accompanying the Committee - J.K. King of Agriculture, A.W. Barbour of Public Works, and K.B. Brown of Lands and Mines. If discussion was extended, the Committee offered a morning session, but it was never so inconvenienced.

The exercise did not elicit a great response. Attendance averaged about fifty, and participation was largely confined to the

1. SR, 1945, p179 (Doucet, minister of Industry and Reconstruction).

2. Example: Campbellton Tribune, 6 Oct. 1943, p1.

3. Evangeline covered no meetings.

4. N.B., Committee on Reconstruction, 'Report of Proceedings at Campbellton', 5 Oct. 1943, p.1.

established elites in each community - the produce merchants, professionals, and manufacturers. This doubtless inhibited the participation of those in vulnerable economic positions, as did the formal structure of the meetings. Most of each session was taken up by prepared briefs, and the Committee itself used much time: MacKenzie occasionally warned against state control and higher taxes;¹ J.K. King generally outlined agricultural prospects, encouraging farmers to organise for marketing while refusing any responsibility to help them do so;² and K.B. Brown lectured on the need for forest protection and management.³ Nevertheless, there were several lively debates, as well as displays of simple eloquence which testified to the change of public mood:

Well, if we can have the necessary controls during the war, why can't we have them during the peace? ... we all sincerely hope that something will come out of these committees, these commissions, these hearings, but if they don't come out just as sure as we are here we will have a depression that will make the depression we went through the last few years seem like a kindergarten, and the people will sink into despair.⁴

The Committee noted receiving submissions from sixty organisations.⁵ Inspection of available transcripts and the press shows another twenty-two which made presentations. Their composition was as follows:

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1. 'Proceedings at Woodstock', 23 Sept. 1943, p.6; 'Proceedings at Campbellton', pp.26-28.
 2. 'Proceedings at Woodstock', pp.66-7.
 3. 'Proceedings at Edmundston', 21 Sept. 1943, pp.21-22.
 4. 'Proceedings at Woodstock', p.22, pp.23-24.
 5. R.C. Report, Appendix B.

counties	10
cities	3
towns and villages	23
service clubs	3
boards of trade	13
industrial organisations	2
companies	4
farmers' organisations	5
agricultural co-operatives	2
trades and labour councils	4
trade union locals	2
other ¹	11

Local authorities participated extensively because much publicity had been given public works by the federal committee. Where labour unions were established, they could influence the content of municipal briefs, as in Moncton and Saint John.² Farmers, too, when concentrated, could dictate county briefs.³ For the most part, however, the boards of trade orchestrated municipal briefs, as well as presenting their own.⁴ Few companies appeared, although the Committee generally visited plants when on its tour, and while the industrial sector briefs were few, they were well received.⁵

Among primary producers and workers, non-participation was the rule. No fishermen's group appeared. Only 1 of 200 agricultural societies submitted a brief, as did 2 of 160 union branches. No labour councils affiliated with the N.B. Council of Labour, (C.C.L./C.I.O.), which represented approximately 5,000 industrial

1. Includes 3 school boards, 1 children's aid society, the Saint John Town Planning Commission, UNB, the N.B. Museum, 2 branches of the Fish and Game association, and 2 ad hoc citizens' groups.

2. T-J, 20 Nov. 1943, p.8.

3. Woodstock Sentinel Press, 23 Sept. 1943, p.1.

4. St. Stephen, St. Croix Courier, 2 Dec. 1943, p1.

5. Moncton Daily Times, 19 Nov.1943, p.5, on the Sackville meeting and the Maritime Lumber Bureau brief.

workers, submitted a brief. Individual Acadians spoke infrequently, and the group was unrepresented by its defensive organisations - the co-operatives, caisses populaires, and l'Assomption - although MacKenzie most likely met Church leaders. Finally, women rarely appeared before the Committee.

The 'public' which participated, therefore, was a narrow one. Many briefs were comprehensive lists of desiderata. Still, the general priority of goals expressed through this exercise can be assessed, if not quantified.

The most striking point of consensus was the need for orderly marketing of primary products - crops, fish, and, to a lesser extent, forest products. County councils consistently advocated government guarantees of 'at least the cost of production together with a reasonable profit, all supported by adequate organisation.'¹ In Moncton, a regional committee demanded not the reconstruction of the old system, which left producers to face fluctuating demand and merchant oligopoly, but a new one which would compensate farmers for their labour.² In Charlotte and Kent counties, local agricultural officials cited marketing as the crucial issue, and this demand was echoed by cities, particularly in the north, and even by some boards of trade.³ It arose from the stark contrast of the wartime supply arrangements with the 1930s when, while some townspeople could not afford food, the price of potatoes fell 80% and much of the crop was dumped.⁴

1. Woodstock Sentinel Press, 30 Sept. 1943, p.4.

2. Moncton Transcript, 17 Nov. 1943, p3.

3. Moncton Daily Times, 18 Nov. 1943, p.5; Sussex, Kings County Record, 4 Nov. 1943, p.1.

4. McArthur, Potato Production, T36.

A corollary demand was for the infrastructure necessary to process primary products efficiently - quick-freezing plants, cold storages, warehouses and abbatoirs. Farmers required these, but they were also mentioned in almost every municipal brief, and while the Bathurst board of trade, for example, resolutely opposed new state controls, it nevertheless advocated government marketing and warehouses where farmers could receive immediate cash.¹ Another important infrastructural requirement was rural electrification, for only 20% of farms had power in 1941. These demands indicate a desire to halt rural decline, and to strengthen primary production, for after the war experience decline was not regarded as inevitable but as resulting from government neglect: adequate prices and infrastructure would attract investment, promote efficiency, and improve rural living standards.²

The second most widespread demand was for education. County authorities responsible for the service expressed this strongly, but most other briefs requested better facilities and more teachers, as well as vocational education (stressed by labour unions).

Public works were requested by municipalities and often by boards of trade. Demand was probably inflated by the Committee's guidelines on briefs.³ Nevertheless, roads were not often mentioned prominently. Farmers supported hard-surfacing, although not as a priority, and some county councils and boards of trade requested particular routes be up-graded, but demand was not intense.

1. 'Proceedings at Bathurst', p.14, pp.25-26; see also Chatham, The Commercial and the World, 14 Oct. 1943, p8.

2. 'Proceedings at Edmundston', p.11.

3. R.C. Report, p15.

Industry was not much discussed, except in the major centres. The Saint John briefs, in particular, concentrated on manufacturing.¹ And while Fredericton authorities preferred the clean cash that would accompany a quarter-battalion of infantry,² on the chronically depressed Miramichi the towns of Chatham and Newcastle were greatly concerned with industry: present prosperity was evanescent, and permanent industries - subsidised if necessary - were essential to escape from economic stagnation.³

iii. Other participation

The public presented demands to the Reconstruction Committee, but the forest industries co-operated with it in preparing their joint brief.⁴ Essentially, the Forestry brief embodied a new concordat between the state and industry, negotiated by the professional foresters who served both. Industry had abused the woods:

Methods of cutting are determined almost solely by short-term considerations of financial profit to the operator. ... The usual practice is to cut progressively the cheapest wood in the cheapest way.⁵

But this was largely due to the state's lack of investment in the forests, which should be proportionate not to direct returns from stumpage fees but to the increase in total provincial income which would result from increased wood utilisation and higher employment.⁶

1. Saint John Evening Times-Globe, 24 Nov. 1943, p.8, 26 Nov. 1943, p.8.

2. Gleaner, 25 Nov. 1943, p.4.

3. 'Report of Proceedings at Newcastle', 7 Oct. 1943, pp.10-21.

4. The New Brunswick Forest Products Association and the N.B. Section of the Canadian Forestry Association, 'Forestry and Post-War Reconstruction in New Brunswick', presented to the New Brunswick Committee on Reconstruction, 24 January 1944.

5. Ibid., pp.11-12.

6. Ibid., pp.22-24.

The government was therefore requested to spend \$11.5million through a new, independent Forest Authority. State forest management would be intensified through more rangers, surveys, and aerial mapping, and industry would be obliged to follow modern principles: cut no immature trees, cut all trees before over-maturity, cut at the maximum sustainable rate.¹ The companies, in return, would benefit from improved fire protection and 6,000 miles of motor roads, (accounting for 70% of the new investment), to be built along river systems: with full access, the resource could be fully utilised. G.H. Prince, the deputy minister of Lands and Mines, addressed his professional peers:

These recommendations say in effect, if government will do its share in the way of survey and research, education, protection and control, leadership in development and making the forests accessible, then the forest owners and operators will do their part in developing the efficient management and utilization of the forest resource. ... The essential problems and needs were never in doubt. The question became one of presenting them effectively.²

In achieving an effective presentation, the state foresters who were prepared to plan for expansion had to negotiate with the companies who actually ran the forests.

Prince, when contacted by the federal reconstruction committee, had discussed post-war management opportunities with a group of foresters, only one of whom worked in industry.³ Matters rested

1. A.P. Pross, 'The Development of Professions in the Public Service: The Foresters in Ontario', CPA, 10 (1967), 376-404; see Acts, 1937, c49, N.B. Foresters' Act.

2. PANB, PP, box 52, 'Reconstruction' file No.2, G.H. Prince, 'Planning for Post-War Reconstruction in New Brunswick', speech to the Canadian Society of Forest Engineers, Montreal, 24 Jan. 1944, p.8, p.6.

3. Ibid., 'Reconstruction' file No.1, Prince to Miller, Gibson, Webb, Balch, and Saunders, 11 July 1942, and 'Preliminary Report Regarding Post-War Reconstruction and Rehabilitation in Connection with the Forest Resources and Forest Industries of New Brunswick', 28 Sept. 1942.

until June 1943 when another committee was formed by the New Brunswick branch of the Canadian Forestry Association.¹ The CFA was (and is) a lobbying and public-relations body which includes foresters but is supported by industry. Its committee was later called by one member the 'road program committee'.² It was probably initiated by G.P. Burchill, a Miramichi lumberman who was president of the local industrial organisation, the New Brunswick Forest Products Association (FPA), national president of the CFA, and chairman of the N.B. and N.S. Wholesalers' and Manufacturers' Committee (under the Timber Controller). He was also a prominent Liberal.

Burchill had broad contacts, and invited representatives of all forest interests to an FPA meeting to plan for united action.³ Also present were Dr. MacKenzie, to whose committee the plan would be presented, and McNair, the Premier. It was agreed that co-operation between government and industry was essential, and it was also stressed by MacKenzie that 'informed and sympathetic' public support had to be generated. Burchill agreed, and Robson Black, veteran CFA general manager and propagandist, suggested proposals not emanate from the industrial group:

but from, say, a Council of Conservation, or some such name, who would represent the same group of people, but the name would present a different idea to the man on the street. ... Economic forestry would be the core of the whole matter, but would not be mentioned.⁴

1. PANB, BP, 21/60, copy of L.S. Webb [president, Canadian Society of Forest Engineers, and employee of N.B. International Paper] to G.H. Prince, 13 July 1943.

2. PANB, PP, box 52, 'Reconstruction' file No.1, minutes of Forest Products Association meeting of 4 Aug. 1943, p.2.

3. PANB, BP, 21/60, Burchill to Anderson [secretary, FPA], 22 July 1943, and to A. Coulter [lumberman], 31 July 1943.

4. PANB, PP, 'Reconstruction' file No.1, minutes of FPA meeting of 4 Aug. 1943, p.12.

K.B. Brown was released from his official duties to write the brief, and his speaking on the Reconstruction Committee's tour was certainly meant to 'get people on the right track'; that is, to support the consensus of companies, professionals, and the state which his own brief would embody.¹ The document was presented to the Committee in a special session, amid orchestrated publicity.² It was also widely circulated among local elites.³

A second major input to the Reconstruction Committee was from specialists. Its report, in parts, obviously reflects civil servants' contributions. This cannot be estimated, but deputy ministers had to approve any proposals affecting their departments made by J.P. Petrie, who actually wrote the report.⁴

Petrie also wrote its massive appendix, the first comprehensive study of New Brunswick's economy. Despite the province's economic dependence and long decline, Petrie maintained that the underlying factors could be understood, and that coherent and determined state action could offset them.⁵ The object of planning was 'industrial development designed insofar as possible to place the province on a self-supporting but not self-sufficient basis.'⁶ His analysis focused on the primary and secondary production industries,

1. Interview with K.B. Brown, 21 Sept. 1978.

2. T-J, 24 Jan. 1944, p.2. and editorial p.4.

3. PANB, PP, 'Reconstruction' file No. 2, Prince to Golding [secretary, Maritime Lumber Bureau], 28 Jan. 1944 and 29 Jan. 1944, enclosing mailing lists of judges and bank managers.

4. Interviews with Tweedie, 22 June 1976 and 7 July 1976.

5. Petrie, Economy of N.B., p.460.

6. Ibid., p471.

the economic base.¹ He used net production figures in particular, to show that secondary manufacturing was more important than primary industry, that forestry outweighed agriculture, and that capital-intensive industries were most vital.² This analysis neglected proprietor withdrawals (on which basis agriculture was by far the most important sector), the source of raw materials, and the fact that interest on capital tended to leave the province: in his account, pulp and paper would be followed by sawmills and food-processing plants in importance; however, cheese factories paid 80% of gross production value for wages and raw materials, sawmills 79%, and pulpmills only 56%.³

Nevertheless, Petrie's strategy was coherent. It was to swing the economy towards secondary manufacturing. New Brunswick was to build on its 'inescapable' specialisation in forestry, agriculture and fishing, first by making the primary industries more efficient (through larger scale, better inputs, and coherent marketing), and second by expanding and diversifying secondary processing. Manufacturing competitiveness could be improved by cheaper electric power and by government-led marketing and industrial research.⁴ Petrie also recognised that the strategy of forward linkage from primary production required 'people with enough initiative, foresight, and energy to use the available information on utilization.'⁵

1. Ibid., esp. p.211.

2. Ibid., T177, pp.455-56, T126.

3. Ibid., T45, T52, T127.

4. Ibid., pp.464-70.

5. T-J, 15 Jan. 1944, reporting a speech in Saint John.

iv. Provincial and federal plans

Although noting that post-war conditions would depend upon federal action, the Reconstruction Committee proposed a major development plan for the provincial government to increase income and employment in New Brunswick. It fell into two parts, the first of which was an emergency programme to cushion de-mobilisation by public works spending of \$43million.¹

The Committee also proposed a plan for 'permanent economic rehabilitation', the main lines of which followed Petrie's recommendations.² Processing industries were to be encouraged and serviced by the state. Capital assistance, it was hinted, might be required, but investment initiative was left with entrepreneurs.³ The Forestry brief was entirely approved, except for the proposed independent authority: Lands and Mines retained control.⁴ Agriculture required 'a more extensive, aggressive and determined internal program of improvement than has ever been applied to any basic industry in New Brunswick.'⁵ However, the critical question of price stabilisation and marketing was simply left to the Dominion. The strongest demand in the province did confront constitutional obstacles, but obviously failed to impress the Committee, which displayed none of the fiery indignation with which Nova Scotia's Royal Commission

1. R.C. Report, p.30. 90% of this would be spent on highways.

2. Ibid., p.26.

3. Ibid., pp.54-55.

4. For an account of departmental efforts to ward off a similar proposal in Ontario, see A.P. Pross, 'Input versus Withinput: Pressure Group Demands and Administrative Survival', in Pross, ed., Pressure Group Behaviour in Canadian Politics (Toronto, McGraw-Hill Ryerson, 1975), 149-171.

5. R.C. Report, p.37.

lashed Ottawa for neglecting the fishery, a sector also subject to shared jurisdiction.¹ In agriculture the province and the Dominion, (the latter willing), would provide several new services; alone, the province should encourage farm drainage, disease control, and fruit-growing. The marketing branch recommended was only to undertake promotion rather than re-organise marketing systems. In the fishery, however, joint marketing and co-operative cold storages would be organised, and productivity increased through training programmes and larger trawlers. The Committee's 'highest priority' was electric power, but for industry rather than rural electrification (which might require federal aid), and public ownership was recommended where it would reduce costs. Finally, accepting the labour unions' position, the Committee recommended full unionisation, a department of Labour, and comprehensive minimum-wage legislation; again, however, much responsibility was laid with Ottawa. In sum, the Reconstruction Committee set economic development as a state goal, but formulated an expanded role for the state rather than a qualitatively different one. Its plan rejected public demands for re-structured economic relations, and the suggestion that agricultural marketing, rural electrification, labour legislation, and even educational improvements might be contingent on federal aid when \$39million would be spent on roads grossly distorted the priorities placed before it.

In New Brunswick, 1944 was an election year. The Speech from the Throne dwelt on reconstruction, and throughout the House session McNair was progress and populism incarnated, as he branded the Tories

1. N.S., Royal Commission on Provincial Development and Rehabilitation, Report of Transmission (Halifax, Q.P., 1944), para. 106-121. The one-man Royal Commission was Professor R.McG. Dawson.

the party of privilege and monopoly:

The imposition of controls and restrictions affecting the life and business of the country is considered by them their own personal prerogative.¹

His 1944 campaign was shaped by a Toronto advertising agency to identify his party with progress:

Liberalism was presented not as a political party, nor as a vague ideological theory, but as a mass expression of each individual's inherent human desire for progress and security.²

The Liberals won, and they won again in 1948, an unbroken stretch of office which allows post-war policies to be analysed, so that expressed public preferences can be compared not only with the report which 'summarised and co-ordinated' them but also with outputs.

There were few early New Brunswick initiatives: until Ottawa acted, reconstruction planners were, as Stephen Leacock said, 'playing chess without a board'. In 1944, the federal Liberals adopted social welfare measures to undercut C.C.F. support and maintain consumer demand; in the same year, the department of Reconstruction was established and taxation changes were made to stimulate investment adequate to meet pent-up spending power.³ Ottawa's constitutional proposals were unveiled in a complex package - the Green Book proposals - designed to promote both social security and economic growth, now considered compatible.⁴ New health programmes

1. SR, 1944, p.379.

2. PAC, MG27, III, G4, Walsh Advertising Agency, 'Presenting...A Formula for Liberal Victory...a sound, simple system for winning elections for Liberalism, with an analysis of its successful application in the recent New Brunswick Provincial campaign', p.31.

3. Canada, Wartime Information Board, Postwar Planning Information, No.8, 1 Nov. 1944, summarising changes in the budget of 26 June 1944.

4. Canada, Proposals of the Government of Canada, Dominion-Provincial Conference on Reconstruction (Ottawa, K.P., Aug. 1945), p.6, p.27.

would be cost-shared with the provinces, and the Dominion would assume full responsibility for old-age pensions and unemployed employables: the provinces would receive a per capita fee for renting to the Dominion income and corporation taxes and succession duties, tools of economic management which had to be under central control.

A new, superbly confident generation of federal civil servants had grasped power. They were convinced that they knew exactly how the economy worked, that they could promote, direct, and control its growth, and that positive and forceful action was the first duty of government and that full employment and social welfare were its highest aims.¹

McNair never question^{ed}/this package seriously, though others - including Mackenzie King - did, and the reconstruction conference failed.

McNair bitterly blamed the greed of Tory Ontario.² Yet each province was left to make its separate fiscal arrangements with Ottawa, and, as Table 4.1 shows, the tax-rental (which was linked with national GNP), produced a tremendous revenue increase for New Brunswick.³ It was with ample financial room for new initiatives that the McNair government determined its post-war policies: as Table 4.1 also shows, rising revenues were spent.

1. D.G. Creighton, The Forked Road: Canada 1939-1957 (Toronto, McClelland & Stewart, 1976), p.115. See also W.A. Mackintosh, 'Canadian Economic Policy from 1945-1957 - Origins and Influences', in R.A. Preston, ed., The American Impact on Canada (Durham, North Carolina, Duke U.P., 1959), 51-69; p.58.

2. SR, 1947, p.270, p.325. McNair insisted throughout the conference that unanimous agreement should not be necessary, but of course it was, for such a complex and fragile package.

3. The agreement is in Acts, 1947, c11. It was not especially beneficial for New Brunswick, although McNair had negotiated firmly, holding the legislation in Committee of the Whole while firing telegrams to Ottawa: see PAC, RG19, vol.3894, file 5600-03(47), 'New Brunswick Correspondence and Proposals on 1947 Tax Rental Agreements'.

TABLE 4.1: NEW BRUNSWICK GOVERNMENT REVENUES, BY SOURCE, AND TOTAL ORDINARY EXPENDITURES, SELECTED YEARS, 1944-1952.¹
(\$000,000s)

	1944	1946	1948	1950	1952
Revenue:					
territorial	\$1.3	\$1.7	\$2.3	\$2.0	\$3.3
liquor control	3.5	6.9	6.6	5.5	5.4
motor vehicle law	1.4	1.6	2.3	2.6	2.8
gasoline tax	2.1	2.8	3.9	4.3	6.3
sales tax	--	--	--	--	7.2
Dominion ^a	3.0	3.0	9.8	11.7	13.5
Total	\$12.7	\$18.7	\$27.1	\$30.9	\$47.0
% increase	48%	45%	14%	52%	
Expenditure:					
total	\$12.6	\$16.4	\$25.0	\$29.1	\$46.2
%increase	30%	52%	16%	59%	
^a Does not include spending under shared-cost programmes.					

v. Post-war policies

a. Industrial development and labour

In 1944, a department of Industry and Reconstruction was established. Its minister, a durable but unremarkable politician, had difficulty defining its functions, and it was little more than its fisheries branch until various others were grafted on: handicrafts (1946), community planning (1947), industry (1949), and the Public Accommodation Board (1950).² But the industrial branch had a one-man staff, and handicrafts could not meet the needs identified by Petrie. The Opposition originally welcomed the de-

1. Source: Accounts, various years. Total expenditures do not sum exactly because of various minor revenue sources.

2. SR, 1945, p.178 (Doucet).

partment, but Conservative leader MacKay soon called it the 'fifth wheel to the coach'.¹

The cabinet might have stimulated investment under the Assistance to Industry Act, but loan guarantees in 1950 were less than in 1937, and the one major post-war guarantee was extended for a proper hotel in Fredericton.² Tax concessions were more common, and they could be generous: when K.C. Irving acquired a troubled pulp and paper mill in Saint John, local taxes (excluding water tax), were fixed for five years at \$35,000 per year, rising to \$70,000 over thirty years.³ Concessions undoubtedly encouraged industry, but were municipal measures, and, awarded after investment decisions were taken, they did not stimulate entry to the province or particular lines of growth.

More positive action was undertaken by the Resources Development Board (RDB), created in 1944 to provide companies technical advice and 'promote the development of both primary and secondary industries in our province'.⁴ It was responsible to the premier, and, unlike the ABEID (which was disbanded), the RDB was dominated by technical men with extra-provincial experience. Dr. H.J. Rowley, former director of research for Abitibi Power & Paper, was its full-time chairman. Dr. J.S. Bates, Canadian manager of Price & Pierce, and K.B. Brown, then at Lands and Mines, were involved in industrial and scientific forestry. The ubiquitous G.P. Burchill

1. SR, 1946, p.278; also p.352.

2. Acts, 1946, c46, and Accounts, various years, 'contingent liabilities'.

3. Acts, 1951, c43; see also R. Hunt and R. Campbell, K.C. Irving: the Art of the Industrialist (Toronto, McClelland & Stewart, 1973), pp.108-116. The bill also included expropriation powers and immunisation from actions for nuisance, provisions not so exceptional as Hunt and Campbell imply: see Acts, 1948, c61 (Maritime Pulp and Paper Mills Corporation).

4. O.C. 44-159 $\frac{1}{2}$.

was also a member, and the last was W.A. Harrison, former executive assistant to the federal minister of Reconstruction. This compact group had unity of purpose, a strong technical background, and excellent external contacts.

The RDB's priorities were to serve 'existing businesses, other New Brunswick individuals or groups, or outsiders, in this order.'¹ While protecting provincial entrepreneurs, this goal hierarchy conflicted with economic growth, as was evident in the forest sector, where the RDB's efforts were first concentrated. Studies of existing wood-processing industries and potential markets found markets favourable, but companies reluctant to expand.² One problem was uncertainty of supply caused by dismemberment of the extensive New Brunswick Railway Company lands, which went principally to pulp companies. Another problem was that licenses were bought primarily for softwood, and hardwood rights were available (at double stumpage) only when operators' own undertakings would not be disturbed. Through supply shortages, the entry of new firms was blocked. But even established and well-supplied entrepreneurs were extremely cautious.³ A 1945 study found 18 local firms with supply difficulties, and 12 potential entrants turned away because timber limits were unavailable: the pulp companies held huge tracts in reserve, and the second generation of license-holders was content to sell wood at high prices and so to

1. PANB, PP, 'Reconstruction' file No.2, 'Notes' on a talk by Bates, 24 Jan. 1944, and Rowley to Pirie [minister of Lands and Mines], 14 Feb. 1944.

2. PANB, BP, 21/59/8, T.S. Moffat, 'Survey of Market Possibilities in Ontario and Quebec for Wooden Products', 28 Aug. 1944 - 14 Dec. 1944; 21/62/5, Moffat's report on furniture markets; 21/59/8, H.E. Videto's survey of wood-using industries.

3. PANB, BP, 21/61, on the great efforts in 1945-46 to get a furniture plant established in Chatham.

'clip the coupons off the nation's heritage'.¹ The RDB was stymied by existing interests which lacked capital in downturns and initiative when markets improved.

The writer admits that the industrial development created by the Wood Products Development Branch of the Board to date has been nil.²

The RDB did confront the pulp companies about under-utilisation on the Miramichi, where Fraser Companies and International Paper held large limits unexploited and acquired, Burchill believed, to forestall competition.³ The RDB demanded a pulpmill at Newcastle, but the companies hesitated.⁴ In 1945, legislation amended the standard clauses of pulp and paper licenses, and Frasers were given to understand that their limits would be re-allocated: the company announced a mill would be built, and the 1945 Act was repealed.⁵ This was the RDB's most dramatic success.

The Resources Development Board then turned to electric power. Its principal task, building diversified secondary industries upon the primary forest sector, was not accomplished. It could provide expertise, but not capital or wood or enterprise, and so the industrial policy lost dynamism. Spending is an imperfect measure of effort, but Table 4.2 shows that few resources were devoted to industrial development, and that they declined relative to total expenditure in the post-war period.

1. PANB, PP, box 47, file 'Lumber Industry - General 1944', T.S. Moffat, report No.15, 'New Brunswick's Industrial Tariff Barrier', 1 Sept. 1945.

2. PANB, BP, 21/62/5, Moffat, 'Review of Wood Products Development to Date', 3 July 1945, p.2. See also Moffat, 'Progress Report, Wood Products Development', 16 May 1945.

3. Ibid., 21/59/8, Burchill to Rowley, 21 Oct. 1944, and 21/62/5, Rowley to Burchill, 8 Mar. 1945, with enclosure concerning Frasers-NBIP 1928 agreement concerning mills.

4. Ibid., 21/59/8, 'Notes on Discussions', 12 Sept. 1944; minutes of RDB meeting of 19 Dec. 1944.

5. Acts, 1945, c49; 1946, c56; Interview with K.B. Brown.

TABLE 4.2: NEW BRUNSWICK GOVERNMENT CURRENT EXPENDITURES ON INDUSTRIAL DEVELOPMENT, LABOUR, LANDS AND MINES, AND AGRICULTURE, SELECTED YEARS, 1944-1952. (\$000s)

	1944	1946	1948	1950	1952
<u>Industrial Development</u>					
Resources Development Bd. ^a	\$12	30	30	24	23
D. of Industry and Reconstruction	1	24	68	96	96
Total	13	54	98	120	119
% provincial expenditure	.1%	.3	.4	.4	.3
<u>Labour</u>					
Total	\$16	35	80	113	153
% provincial expenditure	.1%	.3	.4	.4	.4
<u>Lands and Mines</u>					
Total ^b	\$760	1010	1728	1800	1930
% provincial expenditure	6%	5	7	6	4
(revenue)	(\$1300)	(1560)	(2414)	(1872)	(3157)
<u>Agriculture</u>					
Total ^c	\$406	526	734	806	1134
% provincial expenditure	3%	3	3	3	3
^a Note Dr. Rowley's salary of \$9,999 is included					
^b As well, approximately \$820,000 was spent on forest fire towers, the Ranger School, and the UNB forestry faculty, on capital account.					
^c Excludes Dominion contributions.					

Organised labour's wartime importance was reflected in the Reconstruction Committee's composition, and even before it reported a separate department of Labour was established. As well, workmen's compensation benefits were increased, and an apprenticeship board was set up for joint union-management planning of trades education.¹ In 1945, a new Minimum Wage Board was established, and the Factory Act was tightened in 1946.² Most significant was the Wartime Labour Relations Act, which brought employees under provincial jurisdiction within the scope of the federal P.C. 1003.³ This provided for the

1. Acts, 1944, c10, c27, c43.

2. Acts, 1945, c42; 1946, c51.

3. Acts, 1944, c49.

recognition of unions rather than 'employees' representatives', and forbade the dismissal of men solely for advocating unionisation, and it did facilitate workers' organisation.¹

Labour legislation, however, tended to follow that of other provinces.² That Ottawa impelled provincial action is also evident, from comparing the 1944 amendments to the old Labour and Industrial Relations Act, which were minor, with the legislation introduced to parallel P.C.1003.³ Moreover, most laws had low penalties, and left much discretion in enforcement, which was lax: no expenditures were made under the Minimum Wage law until 1947 when, including salaries, \$4,300 was spent.⁴

The government did respond to unions in highly organised and well-paid sectors. But its measures meant little to most workers. In 1947, for instance, the maximum base rate for calculating workmen's compensation was raised to \$2,500, but 70% of the labour force earned under \$2,000 per year.⁵ The most important labour programme was apprenticeship training, which accounted for over 50% of total departmental spending, and this affected only strongly organised workers, allowing them to restrict entry to their trades.⁶ The McNair administration certainly did not promote full unionisation. On the contrary, it acted against a miners' strike in 1947 by ad-

1. PANB, BAI, G. Chiason, 'An Interview with Henry Harm', July 1976, pp.10-12.

2. E. Larentson and E. Woolner, 'Fifty Years of Labour Legislation in Canada', The Labour Gazette, 50 (1950), 1413-1459.

3. Acts, 1944, c38 versus Acts, 1945, c41. On the reasons for the second Act, see Woods, Labour Policy, pp.94-99.

4. Under the 1948 Industrial Standards Act, employees could sue for the difference between legal minimum wages and those received.

5. Canada, Department of National Revenue, Taxation Statistics 1948, Tf.

6. Acts, 1949, c24, Trades Examination Act.

ministering a coal mine to supply the Electric Power Commission, with profits accruing to the owners,¹ and when electrical workers at the Power Commission sought certification, McNair refused, and made 'international unionism' a major issue in the 1952 election.² Some post-war measures would eventually lead to greater unionisation and stricter regulation of employers' power, but where workers were not already organised and well-paid, the government did not help them achieve these ends.

b. The primary sector

Several initiatives advocated in the Forestry brief and seconded by the Reconstruction Committee were taken by Lands and Mines. The top-priority aerial survey began in 1944. A school to train forest rangers opened in 1945. Fire prevention and suppression were improved under a central insurance scheme which the key forested counties agreed to enter, so limit-holders relaxed their patrols and relied on the provincial aerial patrol and tower system. But changes in forest management came more slowly. An RDB consultant urged a 'drastic operation' to tighten regulations, which, if applied to all operators equally, would not be resisted 'except by a small (and perhaps powerful) group.'³ But there was no sharp change. One reason, perhaps, is that the motor roads envisaged in the Forestry brief were never built, for reasons which are unclear. Perhaps the companies' motor technology was not advanced enough to

1. Acts, 1947, c65.

2. D. Camp, Gentlemen, Players & Politicians (Toronto, McClelland & Stewart, 1970), pp.52-53.

3. PANB, PP, 'Reconstruction' file No.2, copy of H.E. Videto to Rowley, 2 July 1945.

require them; in any event, few were built before 1951, and then they were constructed privately, and, since the expense was tax-deductable, governments paid while the companies controlled the woods roads.¹

G.H. Prince worked slowly to improve forest management. In 1947 legislation was secured requiring all plans regarding Crown Lands to be prepared under the supervision of a registered forester.² In 1948, it was enacted that management plans for operations on Crown Lands could be requested.³ Pulp and Paper companies were asked to prepare them, and they trickled in.⁴ Small licensees and private lands were left unregulated, and although professional foresters prepared companies' plans, Lands and Mines lacked the staff and, more vitally, the information, to assess them. There was no thorough forest inventory with age data, and knowledge of natural regeneration under different cutting methods and conditions was incomplete enough to allow no professional certainty about correct methods.⁵ A detailed inventory was begun, but the drive to reform management was stalled, and it suffered a further setback in the early 1950s, when funds were diverted from the inventory to begin emergency DDT spraying against an outbreak of spruce budworms in the under-cut, over-mature northern stands.⁶

1. L&M, AR, 1952, p.69; interview with K.B. Brown.

2. Acts, 1947, c.24; PANB, PP, box 42, 'Legislation 1947' file, Goodfellow [president, Registered Foresters] to Gill [minister, L&M], 14 Jan. 1947. Plans were, technically, required for under-size permits.

3. Acts, 1948, c18.

4. L&M, AR, 1949, p.12.

5. Ibid., pp.6-7.

6. L&M, AR, 1952, pp.7-8; O.C.52-1400 and 52-1624 (special warrants).

This infestation upset forest management for decades, making inventories unreliable and plans subject to sudden change. Even before then, as the figures in Table 4.2 show, the state had not altered its stance towards the forests: they were at the disposal of private operators, and the government continued to take more revenue from them than it invested.

The Fisheries branch of the department of Industry and Reconstruction helped fishermen adopt new technology, particularly in the north, by arranging courses and equipment demonstrations.¹ But price remained the paramount consideration to fishermen. The fish processors, organised into the Fish Packers' Association in 1945, influenced prices because they controlled the cold storages which allowed a high quality frozen product to be made: this is why publicly owned storage had been demanded in 1943.² Although the RDB debated the question with northern merchants, it was resolved only that the government ensure storage be available, and a few small loans to both private packers and co-operatives were guaranteed.³ But the principal state initiative was to increase production rather than affect prices or profit margins. This was a loan fund for purchasing boats and gear, a 'temporary measure to relieve present difficulties in the productive system.'⁴ That is, current prices did not permit fishermen to invest in boats, even with Ottawa's \$165 per ton subsidy. The Fishermen's Loan Board

1. SR, 1947, p.221.

2. Reconstruction Committee, 'Report of Proceedings at Campbellton', pp.26-27.

3. PANB, BP, 21/59/8, minutes of meeting of 4-5 July 1944; Accounts, contingent liabilities, various years.

4. Department of Industry and Reconstruction, AR, 1945, p25; Acts, 1946, c60; O.C. 46-44 setting aside \$150,000.

extended revolving credit of approximately \$200,000 per year between 1947 and 1952, and a considerable fleet was built up. But boat-building was co-ordinated with the requirements of the processors, who actually collected the loan repayments from the catches of the 'proprietors' of the boats;¹ hence, many fishermen were tied to particular factories, and were like share-croppers, losing bargaining power altogether.

In agriculture, similarly, post-war policies aimed to increase productivity.² Marketing, by comparison, was neglected, and even the modest Reconstruction Committee recommendation for a programme to broaden markets was not pursued (except in the case of potatoes). To some extent this was due to constitutional confusion about extra-provincial marketing, following the disallowance of the federal legislation in 1937.³ Milk, for instance, which was only sold locally, had been controlled for some years by the Dairy Products Commission. As well, farmers were less willing to organise for compulsory marketing than for guaranteed floor prices. Nevertheless, divided jurisdiction allowed the government to avoid their pressure by simply siding with the farmers in making demands upon Ottawa.⁴ When the constitutional problem was removed by the federal Agricultural Products Marketing Act of 1949, the province did respond with an improved legal framework.⁵ Two marketing boards

1. Department of Industry and Reconstruction, AR, 1947, p.49.

2. Department of Agriculture, AR, 1946, p.25.

3. L. Poetschke and W.M. Mackenzie, The Development of Producer Marketing Boards in Canadian Agriculture (Edmonton, University of Alberta, 1956), pp.9-14.

4. SR, 1949, motion of 19 April concerning potato support prices.

5. Acts, 1951, c10.

were established. One for hogs, was merely an amalgam of non-compulsory shipping clubs in operation since the 1920s. A potato board, of much greater potential significance, was set up in 1951, apparently with the support of Agriculture staff, but it encountered resistance from the large private shippers in the south, and collapsed in 1954.¹

To increase productivity, an extension service was set up in 1945, and funds were made available for field drainage, lime, marshland reclamation, and livestock breeding, and the veterinary service grew to consume 20% of the budget. All these programmes encouraged specialisation, and so did new regulations. For instance, the Warble Fly Free Areas Act was designed to eliminate these pests; if groups of farmers applied to have a region designated, inspectors could then treat any animal there at the owner's expense.² Such measures protected specialised farmers' investments, and encouraged their organisation; they also worked against mixed farmers by increasing overheads on a segment of their operations. So specialisation, stimulated by the war and the post-war programmes, eventually led to organisation. Even so, the province did not take the lead in revitalising agriculture, particularly not at the expense of merchants.

c. Infrastructure

If the McNair government hesitated to spend on primary and secondary industry, it did not lack zeal for construction. A full account of electric power development in this period is given in

1. Poetschke and Mackenzie, Marketing Boards, pp.61-62; O.C. 50-1139.

2. Acts, 1946, c64; see also 1950, c39 (Bang's disease); 1952, c9 (poultry protection).

Chapter 5. As well as building two new generating plants, 3,600 miles of rural power lines were built, so public demands did meet with some response. Government borrowing for power purposes stood at \$10million in 1944 and reached \$41million in 1952.

But this effort was much less than that devoted to public works. As Table 4.3 shows, \$100million was spent between 1944 and 1952. This was far above the Reconstruction Committee's plan, and when the scale of spending became apparent in 1946, MacKay stated it was not a reconstruction measure, 'but it is a spending program, pure and simple - only on a projected scale such as the Province has never dreamed of.'¹

TABLE 4.3: NEW BRUNSWICK GOVERNMENT EXPENDITURES ON PUBLIC WORKS, 1944-1952. (\$000,000s)

	1944	1946	1948	1950	1952	Total ^a
Capital spending ^b	2.8	7.2	13.6	10.0	4.6	61.7
Current spending ^c	2.7	4.7	5.1	5.2	10.4	37.0
Total	5.5	11.9	18.7	15.2	15.0	98.7
As % of all current expenditure and new borrowing	44%	62%	50%	42%	30%	

^a Does not include spending in the short financial 'year' of 31 Oct. 1950 to 31 March 1951.

^b Spending on roads and bridges.

^c At least 80% of this was road and bridge maintenance.

Roads are public goods. They benefit users most, but everyone has potential use, and all derive benefits indirectly (though unequally) from efficient transport. Throughout New Brunswick in 1943,

1. SR, 1946, p.20, also pp.270-71.

there had not been an intense demand for roads. Although they were desired by municipalities, merchants, and some specialised farmers, and especially by those interested in tourism, this demand alone cannot account for the size of expenditures. Nor can the needs of de-mobilising soldiers, for there were more attractive alternatives for them, road work was seasonal, and unemployment was low.¹ The province assumed full responsibility for secondary highways and rural roads from the counties in 1945.² This might explain some increase, but not all; in any event this measure was not required, but was chosen - it may have facilitated spending rather than necessitating it.

One problem in planning development is that less-developed economies may be unable to efficiently absorb heavy inputs of funds, due to administrative incapacity and the lack of preparatory work.³ New Brunswick had greatly increased revenues, but its absorption problem was not of this kind, since the Reconstruction Committee had laid out a plan, and more could certainly have been spent on the fishery, agriculture, forestry and industry. The McNair administration had a political absorption problem. In 1947, there was little new borrowing, revenue exceeded expectations, and total revenue rose 62% to \$25.6million. Without roads and bridges to absorb funds, outlets would be required for \$15million. Unwilling to alienate entrepreneurs by providing, say, cold storages for pri-

1. Department of Industry and Reconstruction, AR, 1947, p3: unemployment was 'negligible'.

2. Acts, 1945, c16. For background see H.J. Whalen, The Development of Local Government in New Brunswick (Fredericton, Q.P., 1963), pp.70-73.

3. Waterston, Development Planning, pp.320-330.

mary producers, restrained by established interests from promoting new industry, unable even to spend on health facilities (pending federal action), there was little alternative to public works: any other programme would have violated the established rights of the elites to which the government was responsive. Roads, indisputably, were the sector of government. Determined leadership might have mobilised support for new norms. But a positive reason for public works spending was its congruence with the requirements of the party system for divisible funds. By 1949, McNair's receptivity to new ideas was dulled. The pattern was set.

d. Social services

At war's end, the province had a fragmented educational system which testified to the regionalism prevailing in New Brunswick. There were 1,700 local boards. Education was the object of moderately strong demands, particularly from rural dwellers whose facilities typically consisted of the one-room school. An energetic minister aimed to 'equalise educational opportunity', and began with centralisation and higher grants.¹

In 1943, incentives were offered for local boards to co-operate at the county level, and capital aid was provided for rural schools. At the same time, teachers' minimum wages were raised, and the province subsidised them at a rate varying inversely with local tax valuation.² When federal aid became available for vocational education, the province offered capital as well as operating grants to local boards.³ In 1949, as consolidated high schools

1. SR, 1945, pp.75-78 (Blakeny).

2. Acts, 1943, c34, c33. See K.G. Crawford, Provincial School Grants 1941-1961 (Toronto, Canadian Tax Foundation, 1962), pp.40-61.

3. Acts, 1946, c26.

were being built, the government supplied more capital assistance, and had to offer loans for school buses and grants for bussing. In 1950, further aid was provided, and an ominous sign of over-extension was the 1951 enactment that sinking-fund deposits might be required on loans to the boards.¹ Table 4.4 documents the escalation of spending.

TABLE 4.4: NEW BRUNSWICK GOVERNMENT EXPENDITURES ON SOCIAL SERVICES, 1944-1952. (\$000,000s)

	1944	1946	1948	1950	1952
Education: (capital)	--	--	(.3)	(2.5)	(1.7)
current	\$1.2	1.6	2.8	3.4	6.5
Social services and Health:					
department	\$.2	.3	.5	.7	2.3 ^a
other ^b	\$1.2	2.0	2.0	4.2	3.1 ^c
Total	\$2.6	3.9	5.3	8.3	11.9
% provincial expenditure	21%	24%	22%	29%	26%

^aReflects national health grants: provincial spending was \$1.5million.

^bIncludes TB Aid, net spending on provincial hospitals, and old age pension.

^cReflects diminished responsibility for pensions.

The Social Services branch was established in 1944, and administered the federal mothers' allowances, subject to the stringent New Brunswick qualifications.² The old age pension for those over 70, a shared-cost programme taken up by New Brunswick in 1936, (ten years after becoming available), was administered separately: in 1949, its ceiling rose to \$40 per month, and the government could not resist matching this, but the spending pressure was eased in

1. Acts, 1951, c15.

2. Acts, 1944, c46.

1952, when Ottawa assumed full responsibility for these pensions, and New Brunswick entered the old-age assistance programme for those over 65 and needy.¹

Health was a minor budgetary item in 1944. District medical officers accounted for most spending, and the province supported hospitals only for the mentally ill and the tubercular. TB aid was met by the tax on tobacco. In 1947, the province commenced paying per diem grants to hospitals, and although a ceiling kept costs low for some time, hospital construction was stimulated.² Far more significant was Ottawa's 1949 package of shared-cost programmes in mental health, cancer control, public health, hospital construction, health training, and other areas.³ These pulled New Brunswick's net spending on health rapidly upwards.

By 1950, education, health, and social services had almost replaced road-building as the major provincial field of expenditure. These services strained provincial finances, and a sales tax (the Social Services and Education Tax) of 4% was introduced.⁴ Still, expenditures rose faster than revenue. The new social programmes helped meet acute needs. That these were vital concerns is shown by voters' wrath, within McNair's own constituency, over the polio issue in the 1952 election campaign.⁵ Services were certainly

1. Canada, Department of Finance, Federal-Provincial Conditional Grant and Shared-Cost Programs 1962 (Ottawa, Q.P., 1963), pp.117-19.

2. Acts, 1947, c28.

3. Canada, Shared-Cost Programmes, pp.59-74.

4. Acts, 1950, c17.

5. Camp, Gentlemen, Players, p.53, pp.69-76, pp.81-87.

demanded, but both demands and spending were due, at least in part, to the Canadian example: expectations rose because of services elsewhere, and spending was drawn to social programmes by federal shared-cost offerings which replaced the comprehensive reconstruction package.¹ However, the heavy social spending contrasted sharply with the lack of attention to the resource base and processing industries: the province was not wealthy enough to support the services it was providing, nor would it be so long as inefficient resource use was perpetuated and further processing stunted.

vi. Conclusion

In the reconstruction era, public participation and economic development planning were each attempted in New Brunswick for the first time, and were conjoined. Public demands upon government were rising due to the manifest efficiency of wartime controls, while planning was essential, for post-war arrangements were uncertain and the provincial government might have to act with new purpose to promote economic growth and meet heightened public expectations. Officials were confident this might be accomplished.

Participation in planning was encouraged. But it was limited: no new strata of the population were mobilised, nor were new forms of organisation implanted. Instead, the Reconstruction Committee aimed to involve and educate the potentially disaffected, while building among established elites a provincial consensus on post-war policy. This strategy was vindicated in the 1944 election, when

1. D.V. Smiley, 'Public Administration and Canadian Federalism', in J.P. Meekison, ed., Canadian Federalism: Myth or Reality? (Toronto, Methuen, 1968), 271-287.

the Committee's recommendations served as an attractive campaign platform for the government.

Except for the efforts of the Resources Development Board, which largely consisted of attempts by progressive businessmen and technical experts to convince entrepreneurs to act in their own long-term interest, and which were unenforced, the government then withdrew from economic planning. It was less obviously necessary when the international trade environment favoured existing industries, and when federal transfer payments, both to individuals and the state, increased. Moreover, it was resisted by economic elites - the limit-holders, produce merchants, manufacturers and processors - upon whom the party system rested and to whom the government was responsive.

As a result, new provincial initiatives in economic development were minor, and were concentrated on increasing productivity in the primary sector. Government intervened between primary producers and their shipping or processing customers to maintain stable prices for the latter and increase the incomes of the former. But the bulk of government spending was concentrated on road-building, and so reinforced the structure of party support and the patron-client links which were still politically vital. Then spending was absorbed by social services, a field expanded by federal programmes to which the population responded. Hence, the major part of government post-war activity did not interfere with the prerogatives of existing elites.

Yet the administration, and the province, were failed by those elites. Table 4.5 shows how post-war incomes rose in New Brunswick.

TABLE 4.5: CHANGES IN INCOMES, NEW BRUNSWICK, CANADA, AND
ONTARIO, 1944-1952.¹ (Current Dollars)

	New Brunswick	Ontario	Canada
1. Personal per capita income			
1944	\$490	\$900	\$755
1952	833	1505	1286
2. % increase in personal per capita income			
1944-1948	38%	26%	30%
1948-1952	23	33	31
3. Personal per capita income minus transfer payments			
1944	\$473	\$880	n.a.
1952	736	1415	n.a.
4. % increase in personal per capita income minus transfer payments			
1944-1948	29%	22%	n.a.
1948-1952	21	32	
5. New Brunswick per capita income minus transfer payments as a % of Ontario's			
	1944	54%	
	1946	61	
	1948	56	
	1950	55	
	1952	52	

Personal incomes rose more rapidly in New Brunswick between 1944 and 1948 than in Ontario or in Canada as a whole, then grew relatively slowly between between 1948 and 1952. The initial relative increase was partially but not entirely due to greater transfer payments, but these concealed, and mitigated, the 1948-52 relative decline. That decline, most apparent in section 5 of Table 4.5, was due to lack of investment. Between 1945 and 1950, in Ontario, 314 new manufacturing companies opened, creating 18,000 new jobs: in all the Maritime provinces (with 28% of the Ontario

1. Source: National Accounts, T36, T42, TA.

population), 66 new companies started operations, creating only 2,200 jobs.¹ There were political barriers to firms entering New Brunswick, particularly in the forest sector. But among existing firms, there were funds available for investment. Profits in the province grew more rapidly than in Ontario or in Canada as a whole between 1944 and 1952.² Interest and dividend payments to individuals alone exceeded manufacturing investment in every year between 1944 and 1952.³ But funds were simply placed outside the province, or were consumed. Investment in manufacturing in New Brunswick between 1944 and 1951 totalled \$92million; in Ontario, it was \$2,000million.⁴ And state spending, which could have improved the prospects of primary industries (hence encouraging improvements in very basic methods of production), or created secondary industry, went instead to public works.

The McNair government had much impact on New Brunswick. It increased centralisation, particularly in education. It moved to incorporate organised labour into the industrial system. It greatly increased social welfare, and various initiatives to increase productivity promoted economic differentiation. Its range of reconstruction programmes, staffed by permanent officials,

1. Canada, Department of Trade and Commerce, Public and Private Investment in Canada 1926-1951 (Ottawa, K.P., 1952), p.126.

2. National Accounts, T40.

3. Ibid., T41.

4. Canada, Public and Private Investment, T116, T119. It should be noted that the influence of the government in absorbing investment funds was not negligible, as investment by government departments exceeded that in manufacturing between 1948 and 1952: the ratio between the two was 1.5 in New Brunswick, and .79 in Canada as a whole.

established the embryonic framework of a modern state, and penetrated society to produce new demands. But the McNair government was ultimately brought down by the inertia of the established elites to which it had been most loyal.

Lack of investment produced not only slow income growth by 1950, but also a financial crisis in government, of which the unpopular sales tax was one manifestation. As expenditures still outran revenues, and borrowing increased, restraint was forced upon the province. The statutory rate of sinking fund payments was raised in 1950 and again in 1951, for provincial bonds were hard to sell at 4.11% while Nova Scotian securities were moving at 3.45%.¹ As was later revealed, the province's creditors agreed to market New Brunswick issues only if the government employed an advisor in preparing the 1951 budget. So the Liberal government had come full circle from 1940, and it was surely humiliating that the same individual with whom the earlier agreement had been made, and then, as McNair boasted, broken, returned to the province.²

In the intervening decade, however, one opportunity to systematically stimulate economic development had been lost. During the 1950s, responsibility passed to the Conservative government of Hugh John Flemming, and planning was concentrated on one key sector - electric power. Long before then, his development strategy neglected, J.R. Petrie had left the province: instead of investing in efficient resource use and productive industry, he said, the government was making 'give-aways', and spending on public works to stimulate development was like trying 'to pump milk into the cow.'³

1. Acts, 1950, c166; 1951, c36; SR, 1951, pp.60-62, p.195.

2. SR, 1953, pp.30-31, re letter from Dominion Securities Ltd., 1 Feb. 1951.

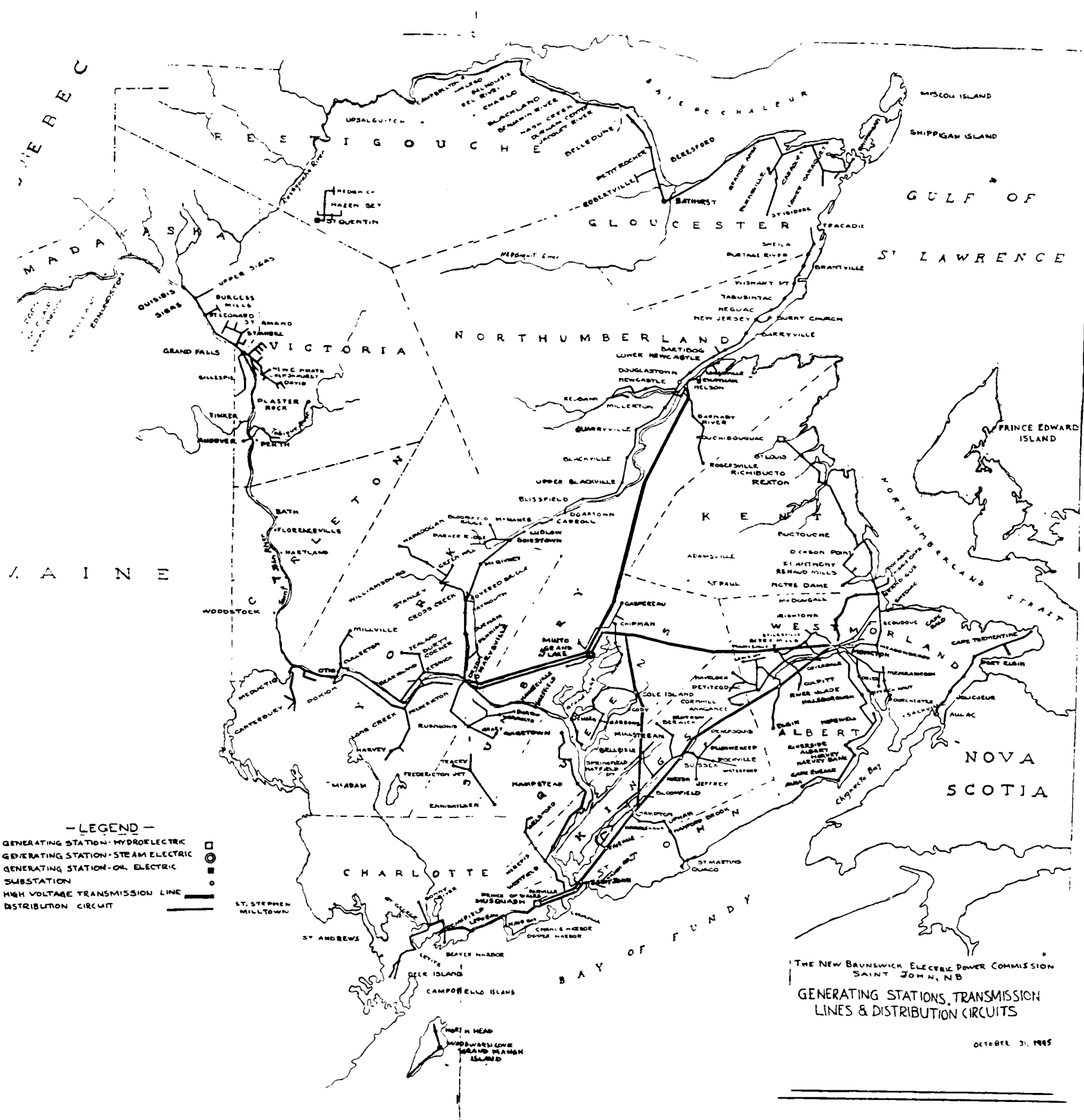
3. T-J, 16 March 1945, p.12, reporting a speech in Saint John.

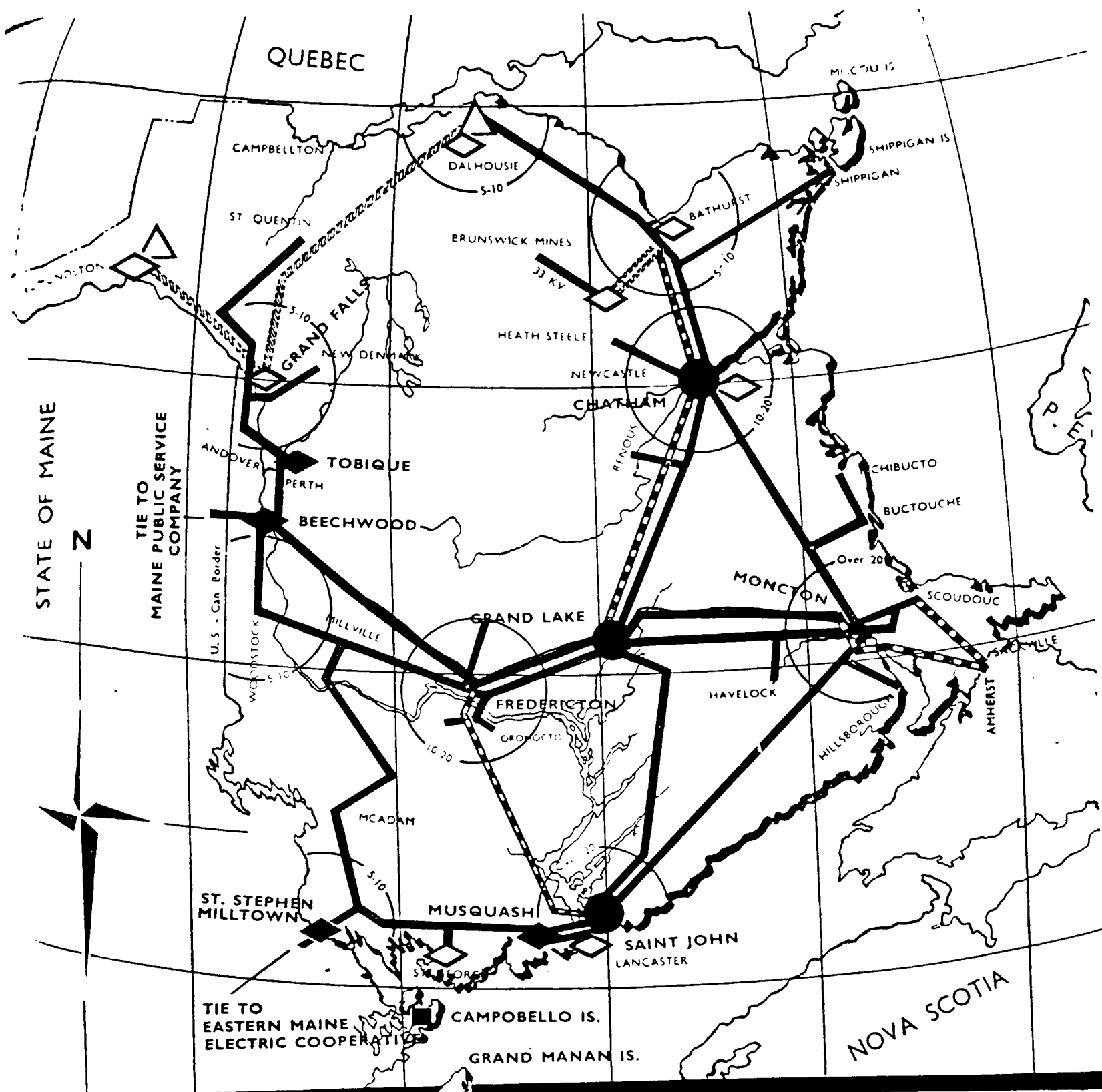
CHAPTER 5: ELECTRICITY FOR GROWTH: THE NBEPC AND POWER PLANNING

In 1944, the New Brunswick Electric Power Commission was dominated by political appointees and devoid of internal dynamism. It ran small generating plants and wandering distribution lines, and planning, except in its mundane form of engineering design, was non-existent, as the organisation responded to consumer demand and the political needs of Commissioners incrementally, adding another unit, and pushing lines a bit further. Most electricity in the province was privately generated, and the notion that the NBEPC might provide a base for economic development had been dormant for decades.

By 1960 all this had changed. NB Power (as it styled itself), still a public utility, was beyond political control, effectively planning its growth as a corporate entity, and propagating a theory of economic development suitable to rationalise that expansion.

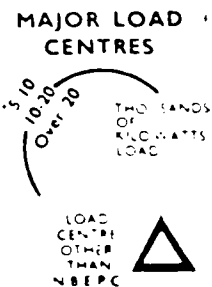
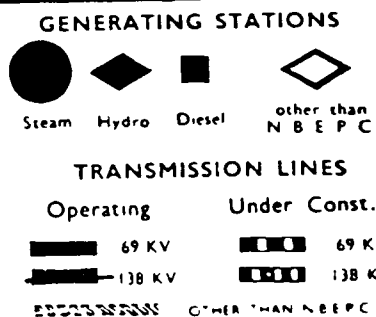
This change occurred when new economic opportunities emerged in New Brunswick, and a government eager to seize them built up the NBEPC as an instrument of growth. Through planning, it became an active organisation, aiming to manipulate the environment to achieve its ends. Although exaggerated by the NBEPC's isolation and high technology, in many ways this evolution presaged the way that normal government departments and the state as a whole later came to act on society to achieve development plans. Particularly instructive is the manner in which the active organisation maintained itself, negotiated with extra-provincial actors, and provoked the reaction of provincial interests which were then accommodated within structures of consultation controlled, more or less, by the NBEPC.





THE NEW BRUNSWICK ELECTRIC POWER COMMISSION **SYSTEM MAP**

LEGEND



i. A cautious organisation

The New Brunswick Electric Power Commission was created in 1920, before the election of that year.¹ It was a further response of the Liberal government to a broadening populist movement which, when public feeling in Saint John rose against the monopoly N.B. Power Company, had already led it to appoint a Water Powers Commission to survey hydro-electric sites.² Formed on the Ontario model, the NBEPC was to distribute power to municipal commissions, and when one was formed in Saint John to receive power from an NBEPC plant on the nearby Musquash river, the public agency's future appeared secure.³ The Commission eyed the upper St. John river, where the excellent Grand Falls site was leased by private interests but undeveloped, and contemplated an efficient, province-wide, public system based on clean, cheap hydro power.⁴ Despite NBEPC reverses,⁵ the Liberal government of Peter Veniot supported its planned development of Grand Falls:

it is not economy to withhold the expenditure of public monies when you are convinced that by proper and judicious expenditures, you can create a greater expansion of trade and industry. Hydro development is the salvation of the Province of New Brunswick.⁶

1. Acts, 1920, c53.

2. N.B., Progress Report of the New Brunswick Water Powers Commission, 15 Feb. 1920, (Fredericton, Q.P., 1920). See Acts, 1918, c46, and O.C. of 5 June 1918.

3. H.V. Nelles kindly made available some material on this period in Saint John.

4. NBEPC, AR, 1921, pp.37-38; 1923, p.8.

5. The Musquash dam washed out, and a foolish contract was made to supply Newcastle with power. See Doyle, Front Benches, pp.227-31, and NBEPC, AR, 1923, pp.13-17.

6. Veniot in the Legislative Assembly, cited in Doyle, Front Benches, p.243.

But the Liberals and public power were defeated in the 1925 election. The Grand Falls site was sold to the Saint John River Power Company, a subsidiary of International Paper, and was soon developed to power pulp mills at Edmundston and Dalhousie.¹

The NBEPC was placed under a Moncton businessman, an MLA who had campaigned against public power development, and was restrained. Commissioners supervised operations closely, personally consulting municipalities and those whose land was expropriated for power lines.² Customers had to be signed in advance, and a surplus guaranteed, before extensions were allowed.³ Hydro development was rejected, and the N.B. Power Company supplied 30% of the NBEPC's electricity by 1929. In 1930, it was decided to build a coal-fired thermal plant at Grand Lake. This would provide a market for slack (small-size) coal.⁴ It also inaugurated an incremental growth corresponding to political cycles, for the plant was authorised just before the 1930 election; an addition was announced in 1935 - and the Premier also decided then to reduce rates⁵ - and another unit was ordered

1. Acts, 1926, c45. A good history is in the NBEPC Central Files, [hereafter CF], 597 [microfilm reel number], St.J-11, [file number], Legal 1950-55, [folder], C.J.A. Hughes, 'Memorandum to the N.B.E.P.C. Respecting Legislation affecting Power Development on the Saint John River', 13 Nov. 1952.

2. PANB, RG30, RS179, NBEPC Minutes 1925-1935, meetings of 2 Nov. 1925, 29 April 1926.

3. NBEPC, AR, 1929, p.6.

4. PANB, MMT, 3/8, 'Recollections of Michael Alexander Tooke, 1907-1972', p.12.

5. PANB, NBEPC Minutes, meeting of 5 April 1935; O.C. of 8 April 1935.

in 1940. By that year, the NBEPC had almost 2,000 miles of distribution lines and 17,000 direct customers. But generation was fragmented, there were significant rate differences among the 23 districts, and the NBEPC did not serve most industrial users, (as large plants generated their own power), nor did it supply the lucrative urban markets, (as it wholesaled to private companies or municipal commissions).

Rural electrification was demanded after WWII. And cheaper power was essential to the strategy of forward linkage into secondary processing.¹ Power shortages existed in 1944, yet the Resources Development Board discovered that the NBEPC had no expansion plans.² When blocs of power were required, the assumption that further additions would eventually be made at Grand Lake, where generators were already 'lined up like little toys',³ was intolerable to the RDB. Its chairman, Dr. Rowley, soon escorted the NBEPC's chief engineer to a potential hydro site on the Tobique river, and showed his characteristic initiative by checking St. John river elevations with matched barometers. The RDB recommended that the government 'strengthen' the NBEPC.⁴ But the Commissioners favoured burning native coal in thermal plants, which had low capital costs, and the issue was not resolved at a stormy meeting of the RDB with their chairman.⁵ When a favourable consultants' report on the Tobique site arrived, the NBEPC had already decided to build a thermal

1. Petrie had found power costs higher than in any other province: Economy of N.B., T157.

2. PANB, BP, 21/59/8, 'Memo' on meeting of Rowley and Harrison with the NBEPC chief engineer, 4 Aug. 1944.

3. Interview with J.S. Bates, 19 Oct. 1977.

4. PANB, BP, 21/59/8, minutes of meeting of 11 Sept. 1944.

5. Ibid., 21/62/5, minutes of meeting of 20 Feb. 1945.

plant at Chatham.

The NBEPC's incremental growth accelerated. It concentrated on extending power lines, which met public demand and was also politically useful because, like road-building, it was a highly visible benefit which could be regionally allocated, and spending was highly divisible. For instance, the Commission had exactly 3 miles of line in Carleton county, which had returned its usual complement of Conservatives in 1944, and it refused to extend them: when a Liberal was elected in 1948, he became a Commissioner, and lines were extended over 140 miles by 1950.¹ Line-building was also labour-intensive, and its possibilities for also selectively rewarding loyal woods operators and farmers are obvious: lines built in 1949 alone required the purchase of 39,000 wooden poles. Thermal generation was also politically useful. Not only did it support the coal-mining industry at Minto as a whole, by absorbing a share of production which had risen to 32% by 1947, but it also allowed selective rewards, for the NBEPC bought from most operators, on a weekly basis, and NBEPC contracts could also secure a line of credit.²

Unplanned post-war expansion strained the system.³ Power was rationed in 1946-47, causing lay-offs in Saint John, and extra generating capacity was secured by purchasing a private steam plant in Fredericton and expropriating the N.B. Power Company's plant in 1948. Moreover, the coal-miners' strike in 1947, and the price in-

1. SR, 1949, p.107 (J. Fraser).

2. SR, 1948, Appendix, Notice of Inquiry No.84 and No.2.

3. KWH/H.P. rose 18% between 1945 and 1947.

creases which followed, demonstrated the vulnerability of the NBEPC's thermal generation to both disruption and escalating costs. Power was the keynote of the 1948 Legislative Assembly session. McNair justified the N.B. Power expropriation, and, in an election year, delivered a thinly veiled warning to the owners of Grand Falls.¹ The leader of the Opposition, MacKay, did not contest the expropriation, but advanced his party's traditional policy of expansion at Grand Lake.² It was, however, a junior Conservative member who seized the initiative: Hugh John Flemming, a sawmill operator from power-starved Carleton county, bowed to established party policy but also proposed hydro development to attract industry, and urged the government to investigate a potential power site at Beechwood, on the St. John.³ This 'premature' motion was defeated. But Flemming was well-briefed; he kept up the pressure; and if his oratory lacked the fabled quality of his father's, (Premier 'Kidd' Flemming), it still captured something of the old populist faith in conscious progress and 'Power for the People':

It is obvious that we need something big, something revolutionary, something that will give our people new hope, revive their ambition, and render available worthwhile opportunity. We have such a situation on the St. John River. ... Engineers can harness all this useless energy; they can conserve it; they can release it at a determinable rate. They can, in short, employ it in the full service of man and all his works.⁴

MacKay was led to declare such a project would underpin the 'next Conservative advance', and McNair re-iterated that Grand Falls was not immune to expropriation.⁵ The Premier also moved to reform the

1. SR, 1948, p.147.

2. Ibid., p.29.

3. Ibid., pp.72-73.

4. Ibid., pp.243-245; also pp.357-58.

5. Ibid., p.279; pp.291-94.

NBEPC.

In 1948, Dr. Rowley was appointed a Commissioner. At a meeting of the cabinet, the RDB, and the Commission, at which the NBEPC chairman admitted his staff 'had not spent much time in projecting plans five or ten years ahead', it was decided to approach Ottawa for a reference to the International Joint Commission concerning St. John developments.¹ Although Grand Lake was to be expanded once more, the Tobique Narrows project was also undertaken in 1950. In addition, a consultant was engaged to examine NBEPC organisation. He recommended hiring a general manager for this '\$32,000,000 corporation', but this clearly would weaken political control, and was not done.² One other recommendation which was followed, however, tended to have the same effect: this was to separate Operations from Engineering, so formalising the distinction between routine activities and forward planning, and institutionalising the latter function. Engineering posts were filled by the young, professional staff recruited since the war,³ and not subject to the organisation's inertia, and NBEPC reports soon reflected the change: it was foreseen in 1950 that Tobique output would be 'absorbed in normal channels within three years'; by 1951, a section on 'Development' described current investigations, and there was a 'plan to provide more electricity for more users'; and, most telling, annual increases were summarised as percentages and expressed as 'gains'. The Commissioners

1. CF, 488, St.J-22, Minutes of Minutes [sic] 1948-1951, 'Electrical Power in New Brunswick', minutes of meeting of 24 Nov. 1948.

2. CF, 508, 1-600, Organization R.M. Harvey 1949, R.M. Harvey, 'Report on the Present Organization and Recommendations for Re-organizing the Functions and Responsibilities of the New Brunswick Electric Power Commission', 26 Sept. 1949. An inter-departmental committee structure was set up, but remained under the vice-chairman's close supervision, and discussed little of import: CF, 508, 1-620, Administrative and Planning Committee Meetings, 1951.

3. NBEPC, AR, various years, Supplement. See SR, 1948, Appendix, Notice of Inquiry No.65, for the backgrounds of some new recruits.

still exercised close political control, and Tobique Narrows was designed and supervised by consultants. But the NBEPC planners would not again need prodding by the RDB or any other outside agency.

ii. Planning the Beechwood project

In 1950, Ottawa requested the International Joint Commission to investigate projects on the St. John river of potential interest to Canada and the United States. The IJC constituted a four-man Engineering Board to co-ordinate the efforts of a more extensive body, the St. John River Engineering Board Work Group. Headed by two Canadian and two American engineers, the Work Group was an amorphous body which could form sub-committees where representation depended on interest and expertise rather than formal appointment. So it could incorporate agencies and interests affected by plans, collecting information and arranging it within a framework upon which a consensus could be reached. The principal actors in this exercise were agencies of the central governments, the NBEPC and the private utilities in Maine, and the pulp companies which owned timberland and generated and used electricity. Table 5.1 lists all participants.

At the Work Group's first meeting in February 1951, important sub-committees on Sites and on Distribution and Use were established. The first would collect hydrological data, and one key actor was the U.S. Army Corps of Engineers, which was interested in very large developments to power the Korean War effort.¹ The other was the

1. CF, 597, St.J-22, St. John River - Minutes of Meetings (Work Group), minutes of meeting of 13 Feb. 1951.

TABLE 5.1: ORGANISATIONS PARTICIPATING IN ST. JOHN RIVER POWER
PLANNING, 1951-1953.¹

1. Represented on the Engineering Board

Canada, Department of Resources and Development
 Canada, Department of Public Works
 U.S., Army Corps of Engineers
 U.S., Geological Survey

2. Represented by Work Group leaders

(as above)

3. Represented at some Work Group meeting

Canada, Department of Fisheries
 U.S., Federal Power Commission
 U.S., Defence Electric Power
 N.B., Electric Power Commission
 N.B., Resources Development Board
 N.B., Department of Lands and Mines
 Maine, Commissioner of Inland Fisheries and Game
 Quebec, Department of Hydraulic Resources
 Quebec, Streams Commission
 Quebec, Provincial Electricity Board

Maine Public Service Company
 Bangor Hydro Electric Company
 Central Maine Power Company
 St. John River Power Company (Gatineau Power)

Great Northern Paper Company, Maine
 International Paper Company, Maine
 Canadian International Paper Company, Montreal
 Fraser Companies, Edmundston
 Irving Pulp & Paper, Saint John

Lower St. Lawrence Power Company, Rimouski, Quebec
 Quebec Power Company, Quebec City
 Shawinigan Water & Power Company, Montreal

Stone & Webster Service Corporation, New York
 Power Corporation of Canada, Montreal

1. Source: minutes of various Work Group meetings.

NBEPC, which was represented on the Work Group by J.L. Feeney, the new chief engineer, and by R. Tweeddale, one of the post-war complement, who was soon power development engineer. Feeney and Tweeddale insisted that downstream sites be studied, and concentrated on those entirely within the province which might be economic on a run-of-river basis, and which would certainly be so were upstream storage available.¹ There was doubt about storage, however; it soon became evident that Quebec would be a reluctant partner, with little to gain in exchange for flooding farmland, and the Maine pulp companies valued their freehold land highly.²

The sub-committee on Distribution and Use, led by the Maine utilities, compiled demand figures, and predicted a shortage in the whole basin by 1955, and in New Brunswick alone by 1957.³ This forecast included the requirements of industrial plants as well as households, so the NBEPC, which would build any Canadian generating facilities, implicitly assumed new responsibilities. These were not refused by the NBEPC engineers who, planning with experienced and visionary men, were forming strong views about industrialisation and its dependence upon electricity:

Industrial development is absolutely dependent on the availability of electrical energy. We have raw materials, we have transportation with the other provinces of

1. CF, 597, St.J-22, St. John River - Minutes of Meetings (Work Group), minutes of meeting of 13 Feb. 1952, and 'Progress Report - NBEPC', 31 Aug. 1951. 'Run-of-river' means that little water would be stored behind the dam or upstream dams. Storage was important because the St. John was a very 'flashy' river, (even for Canada where winter flows are very low), with a flow rate varying by a factor of 100 over the year.

2. Ibid., minutes of meeting of 18 June 1951.

3. CF, 488, St.J-12, St. John River Load Studies 1951, 'Interim Report of the Sub-committee on the Distribution and Use of Electricity', 22 Jan. 1952.

Canada and the United States, we have water communication with all parts of the world at all times of the year and we have some of the best labor in Canada. All that is needed is reasonably cheap power, the initiative to do something and a local patriotism or provincial pride which will demand that surplus funds be invested in industrial and other developments within the province instead of outside. ... The economic salvation of the Province depends in large measure on greater production, total and per man, and this will only come from the more extensive use of electric power as applied to our industrial life and the development of our resources.¹

The early Work Group meetings, separated by months of study, consisted of progress reports, methodological clarification, and discussions of future lines of inquiry. At the fourth meeting, the NBEPC presented preliminary cost estimates for sites at Morrill and Beechwood.² The Army Corps did the same for a gigantic upstream installation, but the NBEPC figures did not assume that this, or any other storage, would be available. Yet they were attractive, and the Beechwood project gained momentum: by June 1952, as planning extended into the 1960s, the Work Group was assuming Beechwood would be built.³

Feeney pressed for an interim report authorising construction, but difficulties remained. Since unpopulated storage sites lay in Maine and most power sites in New Brunswick, pooling electricity made sense, yet this would involve both federal governments, and might depend on negotiations over the inverse situation on the Columbia river. Timberland flooding also remained problematic, and more comparative data were required for estimating benefits. By the

1. Ibid., Tweeddale to Feeney, 30 July 1951.

2. CF, 597, St.J-14, Reports and Estimates 1953-54, NBEPC, 'Preliminary Report on St. John River Power Sites Below Grand Falls, N.B.', January 1952.

3. CF, 488, St.J-12, St. John River Load Studies 1952, Sub-committee on Distribution and Use, 'Second Interim Report', 17 June 1952, p.12.

end of 1952, however, the NBEPC had produced a progressive development plan, with Beechwood built early and later 'firmed' by upstream storages.¹ This was supported at the final Work Group meeting, attended by the full Engineering Board, when one paper provided the fruit of the whole, long exercise - benefit-cost ratios for individual projects and for various stages of plans. Beechwood, without storage, was rated 1.14, and was the only single site above unity.²

When the Engineering Board reported to the IJC in April 1953, it took few firm positions, probably because the American side was divided between the private utilities, content to purchase power, and the Corps of Engineers, whose raison d'être was design and construction. But on the Canadian side was one unified actor, the NBEPC, which was now confident of Beechwood. It was essential that the Board place its cachet on the installation, and this it did, declaring Beechwood 'more attractive than other power projects investigated', and including it in every alternative plan of phased development.³ New factors had increased Beechwood's momentum, but the Work Group had been vital in deploying expertise and solidifying professional opinion. It also strengthened the NBEPC engineers' position, for contact with veterans stimulated morale and high quality work, and respected friends were made. Feeney and

1. Ibid., NBEPC, 'Benefits From Various Development Programs', submitted to Sub-committee on Distribution and Use, 1-3 Dec. 1952.

2. CF, 597, St.J-22, Minutes of Meetings (Work Group) 1952, H.M. Nelson, 'Selection of Power and Storage Sites for Early Development', 3-4 Feb. 1953, esp. TII-pt.II.

3. International Saint John River Engineering Board, 'Water Resources of the Saint John Basin: Quebec - Maine - New Brunswick', Interim Report to the International Joint Commission (under the Reference of July 7, 1952), 6 April 1953, p.79 and Section IX.

Tweeddale worked scientifically in planning with the Work Group, yet at the same time gained political experience: this involved not only searching for common ground among interested parties and influencing bodies like the IJC, but also generating public support.¹ When the Work Group completed its task, Beechwood's construction was almost certain. One reason was the election of a government led by Hugh John Flemming.

iii. Political commitment and political delays

Electric power figured indirectly in the 1952 election, as McNair's campaign issue of unionism in the NBEPC rebounded when Flemming successfully asked that the strike for union recognition be deferred.² The Liberal defeat was caused by the sales tax, which the young Opposition leader had consistently linked with the free-spending McNair machine of 'ward-heelers, gravel salesmen and all the other rag-tag and bob-tail of camp-following Liberalism.'³ The Progressive-Conservatives won 36 seats to the Liberals' 16.

The victory could not have displeased the NBEPC staff. Simmering labour disputes were relieved by recognition of the union.⁴ Moreover, Flemming's enthusiasm for Beechwood, and for rational power development, was well known. The Commission's new chairman was a vocational teacher, Edgar Fournier, an MLA who had little

1. Gleaner, 31 Mar. 1953, special supplement on electricity, pp.12-17: R. Tweeddale, 'Assuring N.B's Future Power'.

2. Camp, Gentlemen, Players, pp.49-94, esp.pp.52-53.

3. SR, 1952, p.292.

4. O.C. 53-608 made the NBEPC an employer under the Labour Relations Act; O.C. 53-609 confirmed a no-strike, no-lockout, closed-shop contract.

administrative experience but some technical knowledge, and Fournier protected his employees against partisan pressures.¹ For the first time, too, a Commissioner - Dr. Rowley - was re-appointed across regimes. On the other hand, the NBEPC's new vice-chairman was neither technically expert nor non-partisan: C.H. Forbes, a Fredericton druggist, was president of the York county Conservative association. Within a year Forbes assumed responsibility for routine administration.²

In 1952, a powerful additional impetus towards large-scale energy development had emerged, when major deposits of non-ferrous metallic ores were discovered in the Bathurst region. This was sparked by Rowley, who borrowed an airplane and magnetometer, and located anomalies which produced feverish prospecting and a torrent of claims.³ Were the province to reap maximum returns from the ore, it would be smelted in New Brunswick, and huge quantities of power would be required. This reinforced the case quickly laid before the new government by Feeney and Tweeddale, who predicted power shortages in 1957, produced a benefit/cost ratio of 2.07 for Beechwood, and recommended that construction begin in 1953.⁴ In the past, the NBEPC had not provided electricity for industry on demand, but the Work Group had assumed it would do so, and the engineers' general argument for hydro development was strengthened

1. CF, 508, 1-600, Organization General Data 1924-1955, Fournier memo to all employees, 7 Nov. 1952.

2. Ibid., Fournier to Feeney, 27 Nov. 1953.

3. G.S. MacKenzie, 'Mineral Discovery and Exploration in New Brunswick', in New Brunswick's Rising Industrial Potential, proceedings of a Chemical Institute of Canada symposium, 8-10 Sept. 1955, (C.I.C. and N.B. Department of Industry and Development), 10-14.

4. CF, 597, St.J-12, St. John River Load Studies 1952, Tweeddale and Feeney, 'Report on Power Requirements of New Brunswick Electric Power Commission', 13 Nov. 1952.

by the prospect of extraordinary mining and smelting loads:

It is understood that in the past the Province has lost potential industries because immediate power requirements were not available, this situation should never be allowed to happen again.¹

The new administration did not proceed immediately, but ordered a study by consultants, Power Corporation. This investigation was formally independent of the NBEPC, but the consultants' chief engineer had been active in the Work Group, and, using the same methodology and data, their study endorsed Beechwood. The analysis was taken further, however, by estimating costs at interest rates of both 5% and 2½%, so providing data for an approach to Ottawa for financial assistance, a possibility mooted by both McNair and Flemming.² Basic costs were \$25million with another \$5million for transmission lines, and the calculations demonstrated the impact of interest rates on hydro projects (where capital costs are high, and operating expenses low, relative to thermal plants): by 1961, Beechwood could supply power to the NBEPC at 5.4 mills (.054 cents) per KWH if funds were available at 5%; at 2½%, the cost would be only 3.1 mills.³

While the former shows that the cost of power would be low enough to attract a variety of industries, at the latter cost power could be produced at a price which is attractive to any type with the possible exception of the metallurgical industries.⁴

The government appeared persuaded. The 1953 Throne Speech stated plans were being developed, and the 1953 NBEPC annual re-

1. Ibid., p.2.

2. SR, 1951, p.244 (McNair); 1952, pp.115-6 (Flemming).

3. CF, Power Corporation of Canada Ltd., 'Report on the Power Situation in New Brunswick: The Beechwood Project', 2 Jan. 1953.

4. Ibid., Letter of Transmission, p.4.

port included the Beechwood dam as 'proposed additional capacity'. A legislative committee heard Tweeddale outline the whole scheme of basin development and pronounce Beechwood economical. Then the Engineering Board report was issued. And Flemming, convinced that industry was essential and that power could attract it, asked 'What are we going to do this time - wait for something to turn up?'

[This government] has the will and the purpose and the determination to push the development of the St. John River as quickly as possible. A beginning will be made at Beechwood in the near future. I have high hopes that before the end of this Administration's first term of office is completed, power may be flowing out from Beechwood to a large section of New Brunswick. It will be one of the great moments of my life to see the first turbine turning over on this project.¹

Beechwood, however, was delayed. One problem was storage, which could greatly increase its efficiency. Maine storage might be built, but no firm proposals had reached the IJC by 1954. By then, the NBEPC had turned to Quebec, where lake Temiscouata had been dammed in the 1920s for the Grand Falls plant. Feeney hoped to sell power to Quebec in return for raising the lake. But local fears of flooding were inflamed by the region's curé and its M.P., and meetings with officials made no progress in the byzantine politics of Premier Maurice Duplessis' Quebec: the issue was under the consideration of the Bishop of Rimouski.² Flemming, despite his regard for Duplessis, was unable to resolve the problem.³

The major cause of delay was financial incapacity. The government's basic policy was to restore the province's strained credit

1. SR, 1953, pp.200-201.

2. CF, 597, St.J-22, 'Saint John River Conference', minutes of meeting of Feeney and Quebec officials with Canadian IJC members, 5 Oct. 1953.

3. SR, 1954, pp.96-97 (Fournier).

by maintaining the net debt stable.¹ The state would spend to stimulate economic expansion, and so Flemming would not reduce taxes, as he had pledged to attempt.² But with a slow-growth economy, further credit, even for productive investment, was unavailable. The NBEPC could not finance Beechwood. It ran a small deficit until rate increases in 1950 and 1951, and several reserve funds established then were as yet small.³ Moreover, the Commission borrowed through provincial bonds issued on its behalf: its credit was indistinguishable from the province's, and were this not so it would have been lower.⁴ Fournier later stated that U.S. interests might have backed the project had shares been issued.⁵ But this could not be entertained by any New Brunswick government, for the Liberals were historically committed to public ownership, and the Conservatives could have alienated a second St. John hydro site only at great political risk.

Naturally, New Brunswick turned to Ottawa. Fournier twice visited officials in early 1953. and enlisted the province's federal cabinet member, Milton Gregg.⁶ Directly the Engineering Board report was presented, Flemming announced he would seek federal aid, and a brief was ready within three weeks. This document traced

1. SR, 1953, budget speech by D.D. Patterson, esp. p.34.

2. Ibid., pp.188-89.

3. Compilations of NBEPC accounts are found in H. Gagnon, 'La Commission d'Electricité de Nouveau-Brunswick'. M.Sc. thesis. Université de Moncton, 1969.

4. Interview with Hon. H.J. Flemming, 23 Sept. 1977.

5. UNB, BAI, W.Y. Smith et al., 'An Interview with Senator Edgar E. Fournier'. Nov. 1975. pp.57-58.

6. SR, 1954, p.93; CF, 488, St.J-20, St. John River Financing 1953-1954, Gregg to Fournier, in reply, 20 Feb. 1953.

Ottawa's past neglect of New Brunswick, the path beaten so regularly twenty years before. But there were two new departures. One was that funds were requested for a strategy of development rather than the supplementation of existing spending patterns: it was argued that electric power could drive sustained growth in the province.¹ Second, the brief included a detailed breakdown of Beechwood costs and the state's total capital requirements over a seven-year period. Such forward planning was quite new. The province's net debt was planned to remain at \$119million. That contracted for the Power Commission was to increase from \$44million to \$100million by 1960. The development programme was to be based entirely on electric power. But New Brunswick could not finance it, not least because old debt required refunding.² It requested, therefore, a loan for the Beechwood dam, transmission lines, and small storages on the Tobique river, to be repayed at 1½% per annum. Then, power could be delivered for 2.61 mills per KWH, rates reduced, and industrial growth accelerated.

The federal minister of Finance was not encouraging. The sum was considerable, and power development was a provincial matter.³ Flemming urged the Prime Minister to take up the question, stressing that the newly-discovered resources provided opportunities realisable through the reasoned application of engineering and credit, and that these should not be blocked, as in the past, by 'legalistic and

1. N.B., 'A Brief Presented by the Province of New Brunswick to the Government of Canada on the Need for Financial Assistance to Develop the Hydro Electric Power Resources of the St. John River', 27 April 1953, esp. p.5.

2. In fiscal 1954 alone, \$16.6million of bonds would fall due.

3. Interview with Hon. Milton Gregg, 11 Oct. 1977.

constitutional obstacles'.¹ Another possible obstacle, however, was party. Since 1935, the complexions of the provincial and federal governments had matched, and many provincial Conservatives now felt the federal Liberals hesitated to support Beechwood on 'political' grounds. But it is more likely that Ottawa feared setting a precedent, for federal civil servants were distinctly unenthusiastic about low-interest loans.² Despite a final representation by officials and New Brunswick M.P.s and Senators, the decision not to fund 'the development of provincial natural resources' was communicated in February 1954.³

A third cause of delay in starting Beechwood was opposition from the coal industry. Minto coal lies in a thin seam, and was mined by operators ranging from pulp company subsidiaries to single families. The first Grand Lake plant had stimulated them to combine and demand a price increase,⁴ and as the NBEPC market grew it subsidised the industry: coal was screened, with the chunks sold to ordinary customers and the slack to the Power Commission, (at the same or a higher price). The slack was not only sulphurous, like all Minto coal, but also contained moisture (5%-10%), and was high (15%-30%) in ash: i.e., dirt. For the larger operators, the

1. CF, 488, St.J-20, St. John River Financing 1953-1954, Flemming to St. Laurent, 11 Sept. 1953, p.3.

2. CF, 597, St.J-22, St. John River Conference, minutes of a meeting with a committee of federal civil servants, 10 Nov. 1953.

3. CF, (as in n.1), K.W. Taylor, [deputy minister, Finance], to R.S. Fitzrandolph, [N.B. comptroller-general], 3 Feb. 1954.

4. CF, 592, 3-331, Coal General Data 1931-46, A. Reilly, [chairman, NBEPC], to Weston engineer, 23 Oct. 1931 and reply, 24 Oct. 1931.

business was lucrative, as prices reflected the costs of the less efficient ones (who were kept in operation by the NBEPC).¹ In threatening this arrangement, the Beechwood project forced a confrontation between the traditional policy of state support for an established, if inefficient, industry and the potential economic benefits of new industry based on cheap power.

When the vast St. John plans were made public, the coal operators asked about the Work Group's comparative costs, which showed Beechwood a better investment than thermal power.² These they attacked: calculations should have assumed a large, efficient steam plant rather than small ones, and the methodology of figuring capital and operating costs was wrong. Moreover, Beechwood would replace the coal mined by 276 men:

We feel that there would be many congratulatory notices in the press if a new industry of this size were to be started up in the province. Why not protect the industry we have and develop it?³

Miners were mobilised when one mine closed, and they also met with the government to demand thermal power expansion.⁴ Conservative backbenchers supported their constituents, and even within the cabinet there was questioning of capital-intensive hydro projects.⁵

1. The large strip-mine run by the government in 1947 made a gross profit of 39%. CF, 592, 3-331, Fuels, Coal General Data 1947-1948, E.A. Caldwell, administrator, 'Stripping Operation of the Avon Coal Company Ltd. 5/4 to 6/6/47'.

2. CF, 592, 3-331, Coal General Data/Brief of Coal Operators 1951, A.M. Tooke [secretary, Coal Operators' Association] to W.J. West [acting Premier], 20 May 1953.

3. CF, 597, 3-331, Coal Meeting and Correspondence, N.B. Coal Producers Association 1952-1955, 'The New Brunswick Coal Operators' Association Brief in Support of Thermal Generation of Electrical Energy as Opposed to Development of Hydro Generation at Beechwood', 31 Aug. 1953, p.19.

4. Gleaner, 11 Sept. 1953, p1; 22 Sept. 1953, p.1.

5. CF 488, St.J-20, St. John River Financing 1953-1954, Feeney to D.D. Patterson [provincial secretary-treasurer], in reply, 15 Aug. 1953.

The government engaged other consultants to compare Beechwood with the thermal alternative. But it first received the response of the Commission's engineers, who proclaimed their duty to 'produce energy in the most economical method possible', and who were manifestly disgusted with a group bilking the NBEPC and hence the entire province. They observed that the profit margin at Minto was the highest in the Canadian coal industry, that the price of \$8.10 per ton of sulphurous slack compared rather unfavourably with the \$4.85 current in the U.S. for high-grade Pennsylvania anthracite, and that at 5% moisture levels the Commission paid \$81,000 each year for water to ruin its boilers. Moreover, the operators' figures were wrong and, worse, were 'not based on engineering principles.'¹ The consultants' report, (which depended on data supplied by the NBEPC), soon arrived to reassure the government that Beechwood was 'more economical than any other equivalent source of power available to the Commission.'² And the Commissioners supported the engineers' plans, now more diplomatically labelled a 'mixed hydro-thermal' system.³ Through its new Public Relations director, the NBEPC continued to impress the need for cheap power upon the public.⁴ So did Flemming and a young UNB economist, W.Y. Smith, appointed as the province's first Economic Advisor in 1954.⁵

1. CF, 592, 3-331, Coal Operators Ass'n Brief of 31/8/53, NBEPC, 'Reply to the Coal Operators' Brief of August 31, 1953', 19 Oct. 1953.

2. CF, H.G. Acres & Company, 'Proposed Beechwood Development: Economic Analysis', 12 Nov. 1953, p.3. (The thermal comparison assumed 6 small plants with total capacity of 113 MW.)

3. CF, (as in n.1), C.H. Forbes to A.M. Tooke, 30 Nov. 1953, covering NBEPC 'Reply'.

4. See the Opposition's comments on the publicity campaign, SR, 1954, p.60, p.68.

5. Gleaner, 26 Jan. 1954, p.1; W.Y. Smith, The Door to New Brunswick's Opportunity, speech to the executive of the Board of Trade in Saint John, 7 Jan. 1954. (reprinted as an NBEPC pamphlet)

Relations with the operators began to revolve around the price and quality of their product, for the NBEPC was considering expanding the Chatham plant, and these factors would determine the amount of Minto coal used in preference to oil or Nova Scotian coal, which were becoming politically conceivable as competitive fuels. The engineers devised a sliding price schedule based on ash and moisture content, with the average rate implying a price reduction.¹ The operators mobilised their community, and worked furiously through local MLAs. When the Commissioners relaxed the penalties, their engineers took the unprecedented step of soliciting a quotation from Nova Scotian mines.² Feeney wrote flatly to the chairman that if coal were not cheaper, the NBEPC should save \$100,000 per year by using oil: 'We propose being in a position to burn oil at Chatham after the new unit comes in.'³ The Commission re-imposed a price schedule based on ash content and incorporating a differential between shaft- and strip-mined coal.⁴ The operators rejected this: they admitted the NBEPC was over-charged, but argued that other customers rejected price increases, and so 'that difference had to be made up by someone.'⁵ They threatened to cease shipments, and the miners called in their regional union representative to denounce purchase conditions which would cause 'complete disruption of the coal-mining industry in New Brunswick.'⁶ The conditions were relaxed.⁷

1. CF, 592, 3-331, Coal General Data 1954, R.L. Miller [operations chemist] to H.V. Denyer [plants chief], 27 Feb. 1954, with attached 'Coal Purchase Conditions'; Denyer to Feeney, 8 March 1954.

2. Ibid., Denyer to Forbes, 8 June 1954 and to various N.S. mines, 15 June 1954.

3. Ibid., Feeney to Fournier, 18 June 1954.

4. Ibid., 'Coal Purchase Conditions', 2 July 1954.

5. Ibid., extract from minutes of NBEPC meeting with operators, 14 July 1954.

6. Gleaner, 24 July 1954, p.1; PANB, reel 237, UMW meeting, 22 July.

7. CF (as in n.1), extract from minutes of NBEPC meeting of 18 Aug. 1954, and 'Interim Agreement', 7 Sept. 1954.

The operators enjoyed a temporary advantage, and skirmished with some success throughout 1955. But the doctrine that cheap power could produce industrial expansion was now so general that primitive operations at Minto were no longer guaranteed support.¹ Beechwood was to be built, and although delays had forced a 20,000 kilowatt expansion of the Chatham thermal plant, it would burn oil.² When the Commission finally took this decision, there was before it a recommendation to build several 50,000 kilowatt thermal plants: with expansion of this magnitude on the horizon, the Minto coal industry could be disregarded.

iv. Further planning

When Beechwood, by now symbolic of economic progress, was finally begun in June 1955, the public was invited to the ceremony, and several thousands came to the site to hear speeches by Flemming, Fournier, and C.D. Howe, the federal minister responsible for industry, who was pointedly invited.³ The atmosphere was that of an old-time political picnic; the dominant theme, industrial development, was expounded by the Premier and taken up enthusiastically by the press.⁴ Yet Beechwood had been hesitantly begun. Funds were allocated for design work in 1953, but when Forbes leaked the Commission's approval of the project in early 1954 he had to re-

1. Gleaner, 24 July 1954, p.4., editorial, 'The Coal Price Dilemma'.

2. CF, 592, 3-331, Coal: General Data 1955, extract from minutes of NBEPC meeting, 16 Nov. 1955.

3. Gleaner and T-J, 13 June 1955, p.1.

4. Gleaner, 11 June 1955, p.4., editorial, 'Of Men and A River'.

tract.¹ It was not until April 1954 that Fournier announced the project would proceed, and construction tenders were not requested until early 1955.²

Hesitation over Beechwood was due to acute uncertainty about power requirements. The northern ores had opened up the possibility of entirely new mining, smelting, and chemical industries, and it was government policy to welcome investment by extra-provincial corporations. The proposed plants all required substantial amounts of energy, and, within limits, the government was prepared to supply power, and the NBEPC planned to do so. But the companies' intentions were vague, or were strategically secret, or were dependent upon other actors', and so power planning became extremely complex. Such an environment, in which plan parameters constantly change as plans interact with those of other organisations, has been called a 'turbulent field'.³ In this environment, the orderly development of the St. John river, based on Beechwood, was questioned, as the NBEPC sought flexible power sources to meet the shifting and uncontrollable demands upon it. In this environment, too, the decision-load increased, and the need for fast and expert evaluation shifted effective decision-making power further from the government and the Commission to the technical staff of the organisation.

In 1953, NBEPC generating capacity was 112 megawatts (MW). The Engineering Board estimated peak 1961 demand as 147 MW, which

1. Gleaner, 19 Jan. 1954, p.1., and 20 Jan. 1954, p.1., letter to the Editor from C.H. Forbes.

2. Gleaner, 6 April 1954, p.1; O.C. 55-331 gives tender history.

3. F.E. Emery and E.L. Trist, 'The Causal Texture of Organizational Environments', Human Relations, 18 (1965), 21-32.

Beechwood's 68 MW would easily meet. But potential demands rose as the size of the northern ore bodies became apparent: a single company expressed interest in 100 MW in 1959 and a further 150 MW in 1964.¹ To assess such possibilities, the government constituted a small, mobile group of experts, called the Power Committee.² It was to mesh mining's electrical requirements with NBEPC supply, and since mining's requirements were huge, and subject to substantive negotiations, the Power Committee became predominant in both power and industrial planning.

While Beechwood financing remained uncertain, alternative power sources were investigated. One possibility was a private 44 MW thermal plant to be fueled by the oil shale deposits in Albert county. Nashwaak Corporation, the proponents, created much publicity in 1954, and Flemming ordered a feasibility study which did not condemn the scheme.³ NBEPC engineers received this coolly, for a private plant would inhibit the potential monopoly they regarded as most efficient.⁴ Another study was commissioned and recommended not proceeding, as did the Power Committee.⁵ Quebec power was also

1. CF, 603, 3-351, Planning General 1954, Tweeddale to H.M. Nelson, 2 Sept 1954.

2. The Committee to Study the Electric Power Requirements of New Brunswick's Mining Industry. CF, 595, 3-333, Power C'ttee General Data Oct. 1955, minutes of first meeting of 4 Oct. 1954. Members were Tweeddale, Rowley, W.Y. Smith, J.S. Bates (of the RDB), when available, C. Clements, (director, mines branch, Lands and Mines), and J. Paterson (deputy minister, Industry and Development).

3. Ebasco Services Incorporated, 'Review of Proposed Oil Shale Burning Power Development', November 1954.

4. CF, 595, 3-333, Albert Oil Shale General Data 1954-1955, Feeney to Forbes, 5 May 1954.

5. Ibid., W.P. Dryer to Feeney; Ibid., Power C'ttee General Data 1954-1955, Tweeddale to Rowley, 13 Jan. 1955; Power Committee to Flemming, 9 Feb. 1955.

considered, for the large Bersimis project might supply northern New Brunswick more cheaply than Beechwood.¹ But an inquiry about 150 MW of firm power in 1962 was rebuffed: Quebec power was to supply a competitive smelting complex in that province, at Murdochville.²

In late 1954, the Power Committee assessed mining demand. The companies' plans were unformulated, for changes in U.S. import duties were possible, and new mining tax legislation had been passed in New Brunswick to discourage raw ore exports.³ The St. Joseph Lead Company, which controlled a major lode near Bathurst, might simply hold the deposit undeveloped; if any smelting were to be done in the province, however, it was made obvious that power would have to be available at around 5 mills per KWH.⁴ Since there was no immediate demand, the Power Committee decided that Beechwood could suffice until 1960, and after then it favoured a progressive development of the St. John. So Flemming and the Commission were advised at year's end.⁵

In 1955, inquiries about electricity supply reached the Power Committee from a potential paper mill, chemical companies, and new

1. CF, 549, 3-317, Quebec Hydro 1953-1955, H.E. Marshall [systems planning] to Tweeddale, 24 Oct. 1953 and 25 March 1954.

2. Ibid., 'Proceedings of a Meeting for the Discussion of Requests by the Province of New Brunswick to the Province of Quebec for the Purchase of Power and for Water Storage on the Saint John Watershed', 1 March 1955, esp. p.27.

3. Acts, 1954, c10 switched the basis of tax from royalties to income, and provided for (discretionary) triple taxation on profits from raw exports.

4. CF, 595, 3-333, Power Committee Meetings 1954-55, minutes of meeting with St. Joseph Lead, 9-10 Nov. 1954.

5. Ibid., Power Committee 1954, 'Interim Report to the Premier', 20 Dec. 1954.

mining interests. Some were tentative, some were negotiating counters, some were the feints of competing corporations, and all had to be investigated. Each company's plans called for phased blocs of power building up over a number of years after start-up times, and so uncertainty about the timing of supply became radical, because of the possible permutations of power requirements. The only recourse, if the NBEPC was to generate power for industry, was to design flexible plans which could be easily firmed as corporations' intentions clarified.¹ Flexibility in the power business implies thermal plants, which are more quickly built and have lower capital overheads than hydro installations. Very large thermal plants, according to consultants' studies, could produce power at approximately 7 mills per KWH,² but the mining companies demanded cheaper power, otherwise ores would be processed elsewhere.³ This dilemma led the Power Committee to consider subsidising heavy power users, a significant expansion of support for industrial growth.⁴ It also led to further pressure on Ottawa to fund hydro projects.

At the time, a federal Royal Commission was investigating potential economic growth, and New Brunswick presented to it a development strategy based on electric power for the full processing of provincial resources. This could require 66% of all provincial

1. CF, 603, 3-351, Planning General 1955, minutes of meeting between NBEPC engineers and representatives of the Shawinigan Engineering Company, 19-20 July 1955.

2. CF, 595, 3-333, Power C'ttee General Data Oct. 1955, C.E. Baltzer, 'Confidential Memorandum on Power for N.B. Mining Companies', 20 Oct. 1955, evaluating reports by H.G. Acres and W. Dryer.

3. Ibid., Power Committee Meetings 1954-1955, minutes of special meeting with St. Joseph Lead Company, 13 June 1955.

4. Ibid., (as in n.2), calculations of the subsidy required to provide 5 mill power at Woodstock (for a possible manganese smelter) and at Bathurst.

government investment.¹ Hydro projects were proposed for the St. John and most other large rivers in the province, and the plea for federal aid to ensure minerals would be fully processed in the province was more forcefully put when Flemming addressed the Commission:

But unless we can supply adequate amounts of low-cost electrical energy this great wealth will only be dug up to be carted away and processed elsewhere. New Brunswick will be destined for years to come to remain the hewer of wood and the drawer of water that it has been for years past. But, gentlemen, this province is no longer content to remain one of the weakest links in the Confederation. If need be we will fight for our place in the economic sun.²

A hint of action which would not come for some years lay in the brief's argument that aid 'would ensure that a province would not be forced to alienate a portion of its resources to the United States so as to obtain the necessary funds for hydro-electric development.'³

The Power Committee, however, had little interest in hydro by this time. Two basic strategies had been designed to meet possible demand through to 1966. The first called for Beechwood to be followed by storage on the Tobique, a third 34 MW unit at Beechwood, and 50 MW of thermal power: this would meet normal load growth. In the second plan, all industrial demand would be met in addition, by thermal plants totalling 400 MW, followed by another hydro installation.⁴ It was the Power Committee's guiding

1. N.B., The New Brunswick Economy: Past, Present and Future Prospects, presented to the Royal Commission on Canada's Economic Prospects, Fredericton, 26-28 Oct. 1955, esp. TXV, TXVI.

2. Ibid., 'Address of the Hon. Hugh John Flemming', p.9.

3. Ibid., p.85.

4. CF, 603, 3.351, Planning General 1955, H.E. Marshall and L.J. Bruneol [system planning], 'New Brunswick Electric Power Commission: Long Range Construction Program and Capital Requirements for Fiscal Years 1956/57 to 1965/66 Inclusive', 8 Nov. 1955.

principle that industrial demand should be met. And yet another brief was delivered to Ottawa in early 1956. It laid out the potential demands identified by the Power Committee, and the string of thermal plants required to satisfy them, and proposed that the federal government either advance loans for St. John installations or provide a subsidy for thermal plants using Maritimes' coal.¹ Weakly argued, this brief was no doubt prepared in haste, but the government was converted to the thermal strategy, and for similar reasons as were its expert advisors: it diminished uncertainty and - apparently - increased control.

We concur because it is practical: because it leaves most factors under our own control and under the benefit of our own decisions, here in New Brunswick. We can settle details in the board room of the Commission or in the Executive Council chamber and will not need to be perpetually waiting outside of office doors in other capitals.²

In fact, the thermal strategy had been adopted by the Power Committee precisely because it could not control the demands of foreign corporations, and that the government subsequently approved it shows the extent to which it had become dependent upon its expert advisors.

v. Consequences of power planning

One result often ascribed to technological planning is the transfer of effective decision-making power from superiors to groups of experts within large organisations.³ Only they can prepare and

1. N.B., 'The Need for Federal Assistance to New Brunswick for the Development of Electric Power', January 1956.

2. SR, 1956, p.633.

3. J.K. Galbraith, The New Industrial State, 2nd ed., (Harmondsworth-Penguin, 1974), esp. pp.75-86.

evaluate plans. When the NBEPC operated incrementally, each decision resembled earlier ones, and Commissioners exercised close political supervision. But when the Engineering unit was established in 1950, and when staff joined the Work Group and absorbed new professional norms, the government and the Commission began to receive recommendations which could be over-ruled only at the cost of internal discontent, and only when strong counter-pressures arose from the environment (as in the case of the coal operators' disputes). The influence of expertise is clearest in the workings of the Power Committee, which took over planning when uncertainty increased. This group consistently assumed generation should meet industry's demands, and this influenced all its recommendations. But it could also affect the plans of corporations and take decisions about which plants should have priority for scarce power.¹ Generally its proposals were quickly translated into government policy, for there was no other source of advice.

The culmination of staff control took place when Feeney, the chief engineer, was to retire. C.H. Forbes still acted as head administrator, sharing power with both Fournier and Feeney, an arrangement which caused conflict and indecision. The Power Committee recognised this, and favoured providing the NBEPC with a single chief executive officer: the organisation should be 'prepared to cope with the many problems which are involved in its future growth and development.'² A short amendment to the Electric Power Act allowed the Commission to appoint a general manager,³ and

1. CF, 871, 3-333, Power Committee Meetings 1956-1958, minutes of meeting of 1 Mar. 1956.

2. Ibid., Power Committee General Data Jan - May 1956, minutes of meeting of 3 April 1956.

3. Acts, 1957, c38.

the struggle, when it came, was brief. In July 1957, the Commission agreed that Feeney would remain to oversee Beechwood while Tweeddale would replace him and assume all responsibility for the engineering and operating functions of the NBEPC. Forbes vehemently opposed the change, resigned, and left the boardroom.¹

Tweeddale became general manager in all but title.² He tightened the organisational structure through a series of policy directives, and instituted an executive committee of department heads to act as a 'clearing house for items for presentation to the Commission'.³ This committee itself dealt with important matters like rate structures, expropriations, and industrial development strategy. When this change was accomplished, real decision-making power had come to lodge in the NBEPC's technical staff.

It was difficult at times to obtain policy decisions from the Commission and equally as difficult at times to keep Commissioners (our Board of Directors) and politicians from getting into the management act. It was likely too often necessary for management to develop policy and yet keep the Board feeling that the policy was coming from them. ... I found that most politicians soon got the message that the integrity of the staff of the Commission was necessary to maintain if their own goals were to be reached and also that there was no use in applying political pressures to change those standards.⁴

Re-organisation formalised a shift in power that had occurred as a concomitant of forward planning: it was as though the organisation became self-directing, prepared to confront the environment to achieve its corporate ends, both explicit - efficient power

1. CF, 823, 1-600, General Data 1956-1960, minutes of NBEPC meeting of 19 July 1957.

2. He was appointed general manager in 1958.

3. CF, 824, 1-636, Executive Committee Meetings 1957-1958, minutes of (first) meeting of 16 Aug. 1957.

4. Tweeddale to R.A. Young, 8 Dec. 1977.

supply - and latent - organisational expansion. Since goals are not neutral, the shedding of political appointees' influence did not result in the 'depoliticisation' of the NBEPC. On the contrary, the NBEPC's efforts to promote economic development had tremendous impact on New Brunswick, not least because its operational definition of this goal was also influenced by organisational drives towards growth and control of the factors upon which growth depended.¹

It cannot be known whether the organisation would have been freed from politicians' control had the engineers' objectives of efficiency and industrial expansion not coincided with Flemming's personal faith in technology and the government's basic strategy of encouraging heavy industry to locate in the province. Certainly there was an understanding between Flemming and Tweeddale (and Bates and W.Y. Smith) on this strategy which rendered close supervision superfluous. In post-war Canada, whole new industries had developed - pulp and paper in British Columbia, oil in Alberta, aluminum in Quebec - and still New Brunswick stagnated. Native entrepreneurs, like Flemming himself, could not supply the capital required to exploit the northern ores or build chemical plants, but they could hope to advance on the strength of the activity generated by foreign investments. In allowing the NBEPC to orient itself towards efficiency, at the expense of those it had subsidised, the Conservatives aimed to provide maximally attractive infrastructure. Indeed, although it may not have been fully appreciated at the time, by freeing the organisation a powerful growth-generating machine was created: the NBEPC could achieve its own expansion

1. Such terms may appear to unduly reify organisations. They are really compressions of complex internal processes: see R. Mayntz, 'The Study of Organizations', Current Sociology, 13 (1964), 93-156, esp. pp.113-14.

by stimulating industrial growth in the province.¹ But organisations have other goals - survival, for instance - and goals may be realised in various ways, and it is worth examining briefly whether the NBEPC's actions, once it was planning on its own account, were congruent with the larger development goals of the government.

The NBEPC engineers believed in industrialisation, and they believed it required electric power. They also maintained that just as cheap power was beneficial to industry, so could it attract industry, and consistently advanced this argument to support plans for expanding electrical generation. Finally, they favoured heavy industry, not only because it could spin off auxiliary plants, but also because it would allow larger generating plants to be built.

Today, we believe that the Commission must be in a position to supply the requirements of heavy industry as well, and this could be the turning point in the supply and cost picture of electrical energy in New Brunswick, because it will make it possible to develop some of the larger hydro potential of the Province and the use of larger, more efficient thermal units.²

There is an element here of Langdon Winner's 'reverse adaptation', of ends being valued because they allow the deployment of certain means. Industry would be supplied because this allowed the NBEPC to supply industry. Of course, larger generating plants would allow greater efficiency and cheaper rates elsewhere; yet, when generating stations would supply single manufacturing plants, as the NBEPC planned, the overall savings (through lower reserve capacity and joint purchasing) would be marginal, and there is no evidence that the organisation ever calculated them. As well,

1. J.H. Dales, Hydroelectricity and Industrial Development in Quebec 1898-1940 (Cambridge, Mass., Harvard U.P., 1957), esp. pp23-24, pp.121-141.

2. R. Tweeddale, 'New Power for New Brunswick Development', in New Brunswick's Rising Industrial Potential, 7-10, p.8.

such growth is endless: larger units attract heavy industry, which allows larger units yet, and so on. Eventually, the NBEPC's growth came to be based on power exports to the United States: it identified itself as a manufacturer, building plants for this purpose.¹

In the 1950s, there was still room for heavy industry in New Brunswick, and the NBEPC consistently favoured it. Rate-setting provides an example. Of course rates were always lowest for steady, heavy users providing dependable demand. In 1958, however, the NBEPC had to allocate among customers the federal coal subvention payments which were 'to reduce the price of power where it will make the greatest possible contribution to economic growth.'² Most members of the executive committee thought that the subventions could 'supply something practical for large users such as Udd, Irving, and Brunswick Mining.'³ The suggestion that smaller businesses be aided was rejected, for it was incompatible with the particular theory of expansion upon which the NBEPC of the 1950s was founded: 'The basic industries would have to be developed and once this has been done, the secondary industries should grow.'⁴ Reductions totalling \$6,500 per month were made

1. NBEPC, 'An Export Power Programme for New Brunswick with Nuclear Power', brief to federal Department of Regional Economic Expansion, 1971, esp. p.13:

If this export load were to be higher, in the range of 800 MW to 1000 MW, this would permit consideration of a larger installation and thus nuclear power plants could be added to the NB Power system as early as the late 1970s.

On the generality of the organisational imperative in power supply, see L. Lindberg, 'Energy Policy and the Politics of Economic Development', Comparative Political Studies, 10 (1977), 355-82, esp. p.357.

2. O.C. 58-86, federal-provincial agreement under the Atlantic Provinces Power Development Act, s2(c).

3. CF, 824, 1-636, Executive Committee Meetings 1957-58, minutes of meeting of 24 Oct. 1957.

4. Ibid., minutes of meeting of 8 Nov. 1957.

for the Minto strip-mine operators and 19 other heavy users.¹ As a major (in-plant) consumer, the NBEPC retained some of the subvention itself.

Of course other industry was also stimulated. The Department of Industry and Development sought the NBEPC's co-operation in its efforts, and management approved because some units would be idle anyway, 'awaiting normal load growth and industrial expansion.'² A committee was established to promote minor investments in the province, and to promote growth in the smaller regional centres.³ Nor were sales to households neglected, as returns were higher and evening consumption used idle capacity. In 1956, a special rate was made available to consumers with domestic appliances, and, using the 25 cents per customer per year allocated to the campaign to increase consumption, teams toured the province giving appliance demonstrations under the slogan 'Live Better Electrically'.⁴ By 1959, households took only one-third of NBEPC output, yet this market's significance to the organisation surpassed the benefits provided by sales or steadier loads, for power consumption impressed the importance - the indispensibility - of NB Power upon the public.

The NBEPC grew towards a monopoly of power supply within the province. The distribution networks in Bathurst, Dalhousie

1. Ibid., meeting of 31 Dec. 1957. An obscure billing system was preferred for this, since it would enhance 'flexibility'.

2. Ibid., minutes of meeting of 7 July 1958.

3. O.C. 58-634 constituting the Industry-Power Joint Committee.

4. CF, 'History of Rates', internal document, 15 Mar. 1971, p.4; SR 1955, pp157-58 (Fournier); NBEPC, AR, 1958, 'Distribution'.

and Moncton were acquired, and in 1959 the public utility finally regained control of Grand Falls, by expropriation. There are good technical and economic reasons for integrating power systems: administrative overhead is reduced and the more efficient plants can be used most often. But these should equally apply beyond the boundaries of a small province, and if maximally efficient power supply were the sole goal animating the NBEPC, extra-provincial interconnections would have been eagerly pursued. This was not the case, however, for at this point the goals of cheaper electricity and organisational growth did not coincide.

As Beechwood neared completion, links were made with two Maine utilities, but these were for exports. Interconnection with Nova Scotia was slowly arranged, despite the known advantages of integrating New Brunswick hydro with Nova Scotian coal-fired plants.¹ When it was achieved, through federal encouragement, integration was not close: total spinning reserves were co-ordinated, but not rates or revenues, and neither was there any obligation to curtail ordinary service or even casual sales to extend emergency aid to the other participants.² The NBEPC's aim of controlling power supply in New Brunswick may also be inferred from its continuing passivity towards the oil-shale plant.³ Its goal of growing through generation was apparent in support for heavy industry and constantly escalating exports. And both were evident in the failure of the

1. CF, 592, 3-331, Coal Dominion Coal Board Reports 1954, A.G. Christie, 'Report to the Dominion Coal Board on Thermal Power from Canadian Coal: The Maritime Situation', 20 Sept. 1954, pp.8-10.

2. O.C.59-919, agreement with Nova Scotia Power Commission and Nova Scotia Light and Power Company, 13 Nov. 1959.

3. CF, 871, 3-333, Power C'ttee Meetings 1956-1958, meeting of 27 Nov. 1956.

NBEPC to respond to offers of cheap power from the BRINCO (British-Newfoundland Corporation) development of Churchill Falls in Labrador.

In 1956, after initial surveys of a project which would produce, in stages, 3,000,000 H.P., BRINCO sought long-term customers.¹ E.N. Webb, head of BRINCO sales, suggested that 200 MW might be available to New Brunswick: he was told that the Power Committee would consider this, but that absorbing 200 MW might be difficult.² The NBEPC's current plans, however, called for six 50-MW thermal plants, with four to come on stream between 1962 and 1965. Webb soon quoted a price of 5-6 mills, which was lower than the NBEPC's anticipated generating costs.³ Yet the Power Committee spent more time on other matters, including the highly speculative Quoddy tidal power project, and concluded that BRINCO's offer was only relevant to an integrated Maritimes system.⁴ After a visit from Webb, C.H. Forbes was 'extremely interested' in 150-200 MW at 5-5½ mills in 1961,⁵ and BRINCO offered to build a line to any point in the province and supply that quantity at that price: again, the offer was cast by the Power Committee onto the sterile ground of Maritime integration.⁶ Tweeddale's year-end report to Flemming again recommended large-scale thermal plants, and also, since the price of oil had risen drastically, a complete assessment

1. P. Mathias, Forced Growth (Toronto, John Lewis & Samuel, 1971), pp.43-80, esp. p.54.

2. CF, 871, 3-333, Power Committee General June 1956 - Dec 1956, Webb to Tweeddale, 29 May 1956 and reply, 5 June 1956.

3. Ibid., Webb to Tweeddale, 8 June 1956.

4. Ibid., minutes of meeting of 8 Aug. 1956.

5. Ibid., Forbes to Webb, 4 Sept. 1956.

6. Ibid., minutes of meeting of 27 Nov. 1956.

of the province's fuel resources. BRINCO was not mentioned.¹

BRINCO's later difficulties are irrelevant. In 1956, the NBEPC engineers could expect its power would be available in the early 1960s, at an attractive price, yet it was not welcomed despite the extraordinary demand for cheap power. Instead, the NBEPC aimed consistently to control the generation of power used in New Brunswick.² This led, ironically, to flexible planning, to thermal plants run by the NBEPC but installed in accord with the requirements of heavy industrial users. Instead of the 'full cupboard' of cheap hydro power (BRINCO power sold in Montreal for 4-5 mills), the organisation chose to retain control, or the semblance of control, over power generation in its territory.

vi. Participation in power planning

In the view of the NBEPC engineers, power planning did not lend itself to public participation. The maturing organisation aimed to control the factors upon which its plans depended, one of which was public opinion. First, the NBEPC strove to inculcate the doctrine that industry was essential and power essential for industry.³ Second, it harboured information as a strategic resource: 1955 legislation reduced its obligations to report its activities,⁴

1. Ibid., Tweeddale to Flemming, 31 Dec. 1956.

2. J.S. Bates, 'Recollections of Atlantic Developments', APEC Newsletter, 22 (1978), 1-4, p.2; interview with Bates, 19 Oct. 1977.

3. CF, 595, 3-333, Power Development NB Clippings 1950 - 1955; Ibid., 1955 Power Committee Reports, scripts of a series of seven radio talks given weekly over station CFNB, beginning 21 Sept. 1955.

4. Compare N.B., Revised Statutes 1952, c71, s18 (a. to f.) with Acts, 1955, c44, s25.

and NBEPC reports did become less detailed.¹ Management's attitude towards the public is well illustrated by a discussion of the 'induction' of new employees.² The NBEPC was to plan; the public was to accept its expertise, and adapt.

Neither, in general, was the Flemming government disposed towards public consultation: 'We didn't run all over the province listening to people.'³ The idea of public hearings arose only once, and then it was raised by the IJC, in connection with flooding for storages. But in New Brunswick, such problems were handled through the party system, at least when they occurred in Flemming's own constituency. In 1954, the veteran Conservative MLA from Carleton county, Gladstone Perry, was added to the Commission: his function was to assist 'in negotiating with property-owners affected by [the] Beechwood project and to advise Commission officials on actual values of property purchased.'⁴

Although it did not encourage public participation in formulating power policy, the Flemming government spared no effort to lead New Brunswickers to support power development:

We have taken the public and the Opposition into our confidence to the largest extent possible. We have wanted the people to know the vital character of all our negotiations and to arouse, if possible, a sense of urgency and determination among our citizens.⁵

The success of this effort cannot be reliably evaluated, for the only channel of public reaction to government policy was indirect,

1. CF, 824, 1-636, Executive Committee Meetings 1957-58, minutes of meeting of 8 Nov. 1957: listing power supplied large industrial customers was 'poor business ethics'.

2. Ibid.

3. Interview, 23 Sept. 1977.

4. SR, 1955, Appendix, Notice of Inquiry No.57, p.14.

5. SR, 1954, p.469 (Flemming).

through electoral politics, and yet the parties agreed on power development: until 1955, the most acrimonious debates about Beechwood concerned whether credit should lie with the McNair administration or with Flemming's. (Only once was the influence of electric power on industrial location questioned.¹) Members of both parties, declared the Opposition leader, were 'apparently of one mind', and in 1955 a motion approving Beechwood and St. John development was passed without debate.²

In 1956, however, the unanimity broke. First, the Liberals charged the government with patronage at Beechwood: not only was Gladstone Perry arranging compensation, but supplies were being purchased from the Premier's own companies.³ Flemming defended himself bluntly, strenuously, and with unconscious irony.

Of course we have given Conservatives employment - because hardly any had any work under the Liberals. Of course we buy from Conservative firms - because hardly any government business went to them under the Liberals. What we have done in these connections has merely gone to restore some of the imbalance and sordid discrimination which had grown up during 17 years of Liberal rule.⁴

But the Liberals were also shocked about general power policy when Tweeddale outlined the new plans for thermal plants: they supported Beechwood as the initial step in harnessing the St. John, and demanded policy be clarified.⁵ Flemming immediately tabled the January 1956 brief to Ottawa, which laid out 400 MW of thermal expansion and only one further hydro installation, and Fournier defended it (and showed

1. SR, 1954, pp.69-70 (J. Connolly).

2. SR, 1955, p.32 (A.C. Taylor), pp.364-75.

3. SR, 1956, pp.31-34.

4. Ibid., p.171.

5. Ibid., Appendix, meeting of Forestry and Resources Committee, pp.2-11, and SR, pp.249-50.

how it was an adaptation to companies' plans):

I may say, Mr. Speaker, today these are the figures, Next year there may be some changes. This is based on the requirements of today. It all depends on the conditions and demands.¹

The Opposition was aroused. Flemming first defended the new plans, then introduced a cleverly worded motion which both approved the steps already taken to provide power through Beechwood and endorsed further action.² The Liberals could either give carte blanche to thermal expansion or condemn Beechwood which, as their leader complained, 'had been presented as the answer to everything.'³ Their amendment was quickly defeated, and when they abstained on the main motion, Flemming had his election issue - endorsement of Beechwood. On 'power, progress, and prosperity', Flemming based his campaign, and the Liberals could neither displace his identification with the Beechwood project nor correct the impression that their own policy was vague.⁴ The Conservatives took 37 seats, the Liberals 15, and this was the extent of popular participation in 1950s power planning.

The incorporation of major organisations into the Work Group was participation of a different character. This body formed to elaborate a plan, on the initiative of the New Brunswick government, the Maine utilities, and the Corps of Engineers. But the collaboration of many actors was necessary to secure essential information. Moreover, if a comprehensive river-basin scheme were to emerge,

1. Ibid., p.279.

2. Ibid., pp.502-3.

3. Ibid., p.528.

4. Woodward, N.B. Campaigns, pp.71-73.

these organisations would have to reach a consensus on the basis of their common interests. In the end, this was not possible, for the NBEPC began to regard Beechwood as supplying the province's new industries, and Quebec and the pulp companies resisted flooding. Planning did not result in a plan; nevertheless, by securing this end, most organised actors played an effective part in the process.

In later power planning, the key participants were the potential entrants to the province, and particularly the mining companies. The government was willing to accommodate these firms to the extent of reversing the old practice that heavy industrial electricity be privately generated, and this was a major increase in infrastructural provision by the state, which had previously, at most, supplied entrants with raw materials. The government was also willing to divert the larger part of its spending from local, existing industries, a withdrawal of support most evident in the case of the coal operators. State investments would still help established firms which supplied goods and services, but were not directed towards them, as in the past, and when the NBEPC was loosed as an agent of growth, the position of native entrepreneurs was further weakened, for the organisation was impartial as to the source of electrical demand. Interested in quantity, it favoured the large, extra-provincial, extractive corporations. In engaging in planning with these powerful organisations, upon which its own expansion and the economic growth of the province depended, the NBEPC itself became an ineffective participant. Its actions - its flexible plans - were geared to the decisions of others.

vii. Reactions to plan implementation

If the internal planning environment offered little resistance to expanding electrical generation, and particularly to Beechwood, resistance nevertheless arose when plans were implemented. Major development initiatives have implications which later become clear to organised interests in other sectors, and they open new areas of common interest around which organisation can crystallise. Hence, implementation results in demands, as groups are provoked to request modifications, and in demands for participation, as a continuing voice in further planning is essential to protect interests upon which the state has encroached, or which it has created by its activities. The Beechwood project elicited reaction from those interested in the salmon fishery and in log-driving, and, by focusing attention on the St. John and its uses, helped spark concern about pollution.

The Atlantic salmon has an heroic reputation among sports fishermen, which brings cash to club-owners, outfitters, and guides. Salmon fall under the jurisdiction of the federal department of Fisheries, for they are anadromous, entering rivers to spawn. Beechwood's construction might disrupt the salmon run, in which case a spawning cycle would be lost, and none would reach the Tobique river, a primary upstream destination. Fishing-camp owners there were loosely organised in the Tobique Fisheries Protective Association (TFPA), which hired wardens. Beechwood was ahead of schedule, and the NBEPC was unsure how salmon would be passed in 1957: to the camp-owners this was a crisis.¹ The department of Fisheries, similarly, found the possibility that the sluiceways might be closed before

1. CF, 1142, 3-422b, BW 1 Fishway General Jan.1957 - Dec.1957, minutes of meeting of TFPA, 28 Mar. 1957.

the dam's fish hoist was ready to be 'very disconcerting'.¹

This happened, and makeshift arrangements failed to pass the fish. While the engineers faced angry federal officials, pressure was exerted on Commissioners by influential friends of the salmon.² Damage claims were made by five clubs for disruption of the fishing season, and the engineers believed these would succeed: an interim solution might be to net salmon and transport them past the dam,³ but Fisheries rejected this, and requested modifications in the work schedule instead.⁴ All courtesy was shown the federal officials, but the schedule was only slightly altered, and the Tobique salmon run was reduced 85%.⁵

With the dam completed, however, the NBEPC was in a position to accommodate both officials and camp owners. The dam could be a prime tool to achieve Fisheries' goal of managing the salmon, and in early 1958 the NBEPC agreed to help with fish hatcheries and to maintain steady river flows.⁶ By 1959, a permanent committee had been organised. Although participants recognised each other's

1. Ibid., BW 1 Fishway General 1956, 'Discussion on Salmon Passing at Beechwood Dam', 18 Oct. 1956.

2. Ibid., BW 1 Fishway General Jan.1957 - Dec.1957, G.R. Clark [deputy minister, Fisheries] to Feeney, 3 July 1957; Fournier to Robson Black [manager, Atlantic Salmon Association], in reply, 5 July 1957.

3. Ibid., G.E. Baird [barrister] to Fournier, 17 July 1957; Tweeddale et al., 'Memo' to NBEPC following meeting with claimants, 7 Aug. 1957.

4. Ibid., Clark to Feeney, 2 Aug. 1957, 15 Aug. 1957.

5. CF, F.J. McIntosh, 'Annual Report: Salmon Fishing - Fishway Operation, 1962'.

6. CF, 1142, 3-422b, BW 1 Fishway General 1958-1965, minutes of meetings with Fisheries officials and staff of St. Andrews Biological Station, 3 March, 23 April, 1958.

legitimate technical interests, and Fisheries officials were given facilities at Beechwood, NBEPC goals prevailed: on the question of river flows, 'if a choice became necessary between the supply of this minimum discharge and maintaining the Provincial power supply, we would have to favour the latter.'¹ At the same time, the TFPA was placated because the NBEPC was helping re-stock the river.² More important, it persuaded Fisheries to permit salmon to be transported, not just past the Beechwood headpond, but directly to the Tobique.³ The officials found this distasteful, but the camp-owners dropped the lawsuits, and their satisfaction was surely not diminished when the NBEPC, resourceful, employed them to transport the fish.⁴

The St. John initiatives crystallised a second group. Beechwood focused attention on the river, and upon its manageability, and attracted concern for the 'Rhine of North America'. In Fredericton, the Saint John River Valley Improvement Association was formed to further 'the conservation, protection, perpetuation and improvement' of the river.⁵ The core of the group, its incorporators, included provincial and municipal civil servants, two scientists, and three doctors, people who were not immediately dependent upon the primary industries which polluted the river. They were members of the growing middle class of quasi-professionals and white-collar workers who served in public and private bureaucracies. Attached

1. Ibid., minutes of meeting of Federal-Provincial Fisheries Committee, 20 Jan. 1959.

2. Ibid., minutes of meeting of 3 April 1958 at office of A.B. Gilbert [barrister].

3. Ibid., minutes of meeting of 22 Oct. 1958.

4. Ibid., BW 1 Fishway General 1961, R.V. Hall to Tweeddale, 20 June 1961.

5. Gleaner, 6 Mar. 1957, p.20; IP [Incorporation Papers], 1957, p.364.

to the dominant economic interests in the province, but only indirectly rather than through the embracing links of clientele systems, they criticised the effects of industry, in moderation.

Public complaints were solicited and integrated.¹ As such groups were still rare, a meeting was soon arranged with federal and provincial officials, and with the industrialist, K.C. Irving, whose log drives (discussed below) were one of the 'causes that are effectively ruining the Saint John River.'² Although Beechwood had directly caused concern, for sudden variations in flows affected wildlife and the shoreline, the log drive was more important: stream driving caused erosion, and the logs barred access both to tributaries and to the river itself, which was being used as a [de-]'barking machine'. The Association did not request the drive cease, only that it be made earlier and with a larger labour force, but it also demanded an overall plan to prevent undesirable uses of the river. For now the St. John was manipulable, and not just by industry but by the government as well.

In 1956, a body had been set up to report on pollution.³ In 1958, following the Association's protest and threat of lawsuits, the New Brunswick Water Authority was constituted to administer regulations 'providing for the control of the use of the water in lakes, streams and water courses in the Province.'⁴ Under its first chairman, J.S. Bates, the Water Authority would not move quickly against industrial polluters, but neither was it inactive, for Bates

1. Gleaner, 20 March 1957, p.20.

2. CF, 907, 3-422b, BW 1 Log Driving Minutes of Meetings, 'Brief Submitted by the St. John River Valley Improvement Association Inc.', 27 April 1957, p.1.

3. Acts, 1956, c14.

4. Acts, 1958, c23.

stimulated public awareness and maintained pressure on pulp companies.¹ More important, the government had re-asserted control over water, (since the 1958 Act took precedence over private Acts), and so in this case reaction was provoked by state initiatives, and the state yielded to pressure by assuming greater powers. As in the fisheries case, a body was established within which consultation and bargaining could take place in the future.

The third interest which reacted to Beechwood - the conglomerate controlled by K.C. Irving - was not so easily placated. Almost any state initiative would affect some Irving interest: his empire included a shipyard, an oil distribution network, a million acres of freehold timberland, large sawmills, and a pulpmill.² It grew for two reasons. First, Irving was a driving entrepreneur who grasped opportunity and then defended his position, through business practices, politics and especially the courts, with such tenacity that others avoided confrontation.³ Second, post-war New Brunswick governments, anxious for industrial development, generously afforded opportunities and restrained from restricting Irving's profitable activities.⁴

The Beechwood dam would affect Irving's St. John log drive, an immense movement of up to 300,000 cords of wood [1 cord=4'x4'x8']. Log-driving companies had established rights and responsibilities. Driving dams and holding booms required approval from the department

1. Bates, 'Recollections', p.2.

2. Canada, Royal Commission on Corporate Concentration, study No.16, The Irving Group (Ottawa, Supply and Services, 1978).

3. Hunt and Campbell, K.C. Irving, esp. p.24, pp.29-30.

4. See, for example, SR, 1945, pp.285-6, pp.332-39 (re take-over of N.B. Railway Co. lands); SR, 1951, p.173 (re Irving Pulp & Paper company powers).

of Lands and Mines, and from the federal department of Public Works, under the Navigable Waters Protection Act, which also guaranteed the right to drive. The Beechwood design included large sluice-gates to pass logs, and Irving was aware of NBEPC plans, having attended a Work Group meeting. In 1954, he was consulted about the drive. The engineers wanted to pass logs early, with excess water, rather than lose generation by using stored water, and Irving agreed that earlier driving might be possible, particularly were a holding boom built in the Beechwood headpond.¹ This boom caused prolonged contention. The NBEPC sought to protect the dam and save water; Irving wanted it to consolidate the drive and hold it until river flows suited downstream driving, thereby minimising expenses.

Irving's first proposal was remarkable. His driving company, Van Buren-Madawaska Corporation (VB-M), would build a large boom, and the NBEPC would pay for it. After doing everything possible to pass the logs, the NBEPC would maintain natural river flows until the drive reached another boom below Fredericton (approximately twenty days): if, however, this was insufficient for driving, water would be released at VB-M's request. Finally, VB-M would be liable for no damages other than those caused by gross negligence or wilful neglect, while the Commission would pay any expenses caused VB-M or Irving Pulp & Paper by the construction, maintenance, operation, or existence of the Beechwood dam.²

1. CF, 906, 3-422b, BW 1 Log Driving General Data 1958-1959, minutes of meeting of 24 Aug. 1954 at offices of Irving Pulp & Paper.

2. CF, 907, 3-422b, BW 1 Log Chute General July 1955-1956, 'Draft Agreement: NBEPC - Van Buren-Madawaska Corporation - Irving Pulp & Paper', n.d., but July-August 1956.

This rapaciousness was opposed by NBEPC lawyers. And Feeney, the chief engineer, became staunchly opposed to the boom, particularly after a consultant sketched the dangers of a twelve-mile log jam breaking it;¹ he insisted it be under NBEPC control.² When Irving made an application to build, the Commission did not formally oppose it.³ But since agreement could not be reached on the boom's control, Feeney contacted Public Works officials on his own initiative. They hesitated to act because no objection had been made by the Commission,⁴ and Feeney replied at length, arguing that Irving had been at the Work Group - where 'all interests on the Saint John River were either in committees or were invited to the meetings' - and should have made his proposals then; moreover, the chief engineer made it evident that he and his staff were the NBEPC:

Finally, I would emphasize even more that my position in this whole matter is the official position, and all concerned here are united to the maximum as outlined in this letter.⁵

VB-M's application was held in abeyance.⁶ As well, the approval of Lands and Mines was made subject to agreement being reached on control of the boom.⁷ Irving appeared to drop the matter, but in early 1958 he requested approval of a smaller cable boom, which was authorised.⁸

1. Ibid., H.M. Nelson to Feeney, 1 Sept. 1956.

2. Ibid., Feeney to Irving, 4 Sept. 1956.

3. Ibid., BW 1 Log Chute General Data Jan 1957 - Mar 57, extract from minutes of NBEPC meeting, 16 Jan 1957.

4. Ibid., BW 1 Log Driving Minutes of Meetings, R.F. Henderson to Feeney, 24 Jan. 1957.

5. Ibid., Feeney to Henderson, 15 Feb 1957.

6. Ibid., H.A. Young [deputy minister, Public Works] to Feeney, 27 Mar. 1957.

7. Ibid., Feeney to K.B. Brown, 28 Jan. 1957; O.C. 57-103.

8. CF, 906, 3-422b, BW 1 Log Driving General Data 1958 - 1959, Irving Pulp & Paper to Feeney, 7 Feb. 1958 and reply, 3 Mar. 1958.

Co-operation did not ensue. No information on the drive was offered by VB-M, and the NBEPC resorted to aerial surveillance to learn about it.¹ Moreover, VB-M operated the boom:

The Commission has never been consulted as to when the wood should be released. ... Invariably they have chosen times that were inopportune. ... In his [Irving's] opinion, plant load should be reduced to zero if necessary, to provide water to sluice his wood.²

Relations later improved. The Commission recognised it would 'often be in conflict with Mr. Irving because of his very wide interests throughout the province',³ and sought co-operation. An agreement on the modalities of the 1961 drive was reached, and consultations became more regular.⁴ The following year, an agreement was reached on a boom of the sort originally desired by Irving.⁵

And every meeting that we had, and we had several, especially on the Saint John River, when he came into the office in Fredericton here, he knew what he wanted, and if he didn't get it the first time, he got it the second time.⁶

Through his tenacity, Irving had gained much: the drive could be consolidated in the Beechwood headpond; wood transported from Maine was dumped into the drive from NBEPC property; and releasing the drive at lower water levels made it more controllable. For

1. Ibid., 'The Irving Pulpwood Drive 1958'.

2. Ibid., BW 1 Brown Book, 'Irving Log Drive 1960', p.2, p.8.

3. CF, 907, 3-422b, BW 1 Log Driving General Data 1960, extract from minutes of NBEPC meeting, 5-6 Oct. 1960. This meeting was the first under a new government which has been portrayed as initially conciliatory towards Irving (Hunt and Campbell, K.C. Irving, pp.117 ff). However, from the NBEPC viewpoint, a more significant factor promoting co-operation, no doubt, was that its St. John thermal plant would burn residue from the Irving oil refinery. This was decided long before the change in government: O.C. 58-90.

4. CF, 1142, BW 1 Log Driving 1961, Tweeddale to J.D. Irving Co., 9 Feb. 1961.

5. Ibid., BW 1 Log Driving General 1961 - 1965, Tweeddale to Irving, 17 Jan 1962; reply, 19 Feb. 1962; reply, 10 April 1962.

6. Smith et al., Interview with Fournier, p.82.

its part, the NBEPC had given in considerably: it had only weak guarantees against damage, and no right to control the boom and reduce water loss. In 1962, over 3million KWH were lost passing the drive.¹

But the NBEPC management was now firmly allied with large corporations like Irving's in the pursuit of mutual growth. It had to have 'sympathetic understanding' of Irving's needs, given 'the importance of this operation to the New Brunswick economy.'² That economy was the New Brunswick Electric Power Commission's business.

1. CF, 1142, 3-422b, BW 1 Log Driving General 1961 - 1965, minutes of a meeting on effects of log driving on power generation, 24 May 1962.

2. Ibid., H. Denyer to A.J. O'Connor [chief engineer], 5 Oct. 1962, covering report on the 1962 drive.

CHAPTER 6: INTERLUDE - LOUIS ROBICHAUD CLEARS THE UNDERGROWTH

i. An Acadian Premier

Hugh John Flemming's Conservative government was defeated in 1960. One factor was the Liberal pledge to abolish hospital insurance premiums.¹ As well, perhaps, the Liberal slogan 'New Brunswick Can't Wait' appealed subtly to a public assured for eight years that economic growth based on electric power was imminent. Another possible factor is that Louis J. Robichaud, the Liberal leader, was an Acadian.

A large proportion of the Acadians were subsistence farmers, fishermen and woodsmen. They were not involved in the NBEPC planning of the 1950s, and their participation in Reconstruction planning was minimal. But in the 1960s, the Acadians modernised, their society rapidly developed, and they emerged as full political participants in New Brunswick.

After the 'grande dérangement' of 1755, the remaining Acadians lived apart in the north of the province, united by Church and language. The civil disabilities of Catholics were removed in 1810, but it was the extension of the provincial franchise in 1863 and Confederation, which elicited national leaders from the north shore, that first made the Acadians a political force. After some violence provoked by the non-sectarian Common Schools Act of 1871, a pattern

1. Woodward, N.B. Campaigns, pp.74-76; Interview with Flemming, 6 Oct. 1977.

of ethnic compromise was established.¹ The New Brunswick 'bonne entente', institutionalised by the trans-ethnic cabinets of the Blair administration, has been usefully analysed as a case of elite accommodation.² The Acadian business class was very weak, but religious, professional and political leaders maintained their constituents united in a posture of defensive nationalism. Great conventions in 1881, 1884, and 1889 met to adopt national symbols, and collective institutions were gradually established.³ Among these were the Société Nationale l'Assomption, which spoke on secular affairs, the Société Mutuelle l'Assomption, a mutual insurance society, and the newspaper l'Evangeline.

During WWI, the Acadians, like the Québécois, swung to support the Liberals. Peter Veniot was the party organiser in the north, and through his tenure of Public Works (1917-1925), the Liberal command of Acadian loyalties was cemented by government patronage.⁴

A travers monsieur Veniot, c'est le parti libéral lui-même qui devenait l'instrument de promotion social de la minorité acadienne.⁵

The Acadian hold on the party was not complete, for seats were required in the south to form governments, and neither was the party's support in Acadian areas unanimous: the Conservatives encouraged

1. G.F. Stanley, 'The Caraquet Riots of 1875', Acadiensis, 2 (1972), 21-38.

2. E.A. Aunger, 'Social Fragmentation and Political Stability: A Comparative Study of New Brunswick and Northern Ireland', unpub. Ph.D. thesis, University of California (Irvine), 1978.

3. D.M. Stanley, 'A Man for Two Peoples: Pierre-Amand Landry 1846-1916', unpub. M.A. thesis, UNB, 1974.

4. Doyle, Front Benches, pp.30-31, pp179-80.

5. J.-G. Finn, 'Tentative d'Explication du Vote Ethnique Acadien', Revue de l'Université de Moncton, 6 (1973), 215-24; p.220.

Acadian candidates, and their administrations of 1908-17 and 1925-35 each included Acadian ministers. But ethnic conflict was a constant undertone in New Brunswick politics, though it was muted, usually, by leaders of both parties, and also reduced by geographic separation and the caution of Acadian leaders in making demands upon the majority.

For the first half of the 20th century, clerical leadership was unquestioned. Messages from the archbishop appeared in l'Evangeline surrounded by a black border and headed 'Officiel'. The paper's motto was 'R ligion - Langue - Patrie', and even in the 1950s the official ideology was anti-materialist, emphasising the traditional virtues of rural life and simple faith. But in the post-war era there were strong pressures towards change in the posture of defensive isolation, if not in the fundamental collectivism of the Acadian community.

First was a growing sense of confidence due to increased numbers. In 1871, just 16% of New Brunswick's population was of French descent, but by 1951, a high birthrate, immigration from Quebec, and emigration of the English increased the proportion to 38%.¹ Predominantly Acadian counties (Gloucester, Kent, and Madawaska) became more homogenous, an Acadian majority emerged in Restigouche, and minorities in Northumberland, Victoria, and Westmorland became significant.² Second, more active governments penetrated Acadian communities. Centralised school finance boards required county-wide co-operation; new health programs brought religious hospitals into closer contact with provincial authorities; and the fisheries

1. Thorburn, Politics in N.B., pp. 41-44.

2. Ibid., TXIII.

programmes required Acadians to evaluate loan applications and train fishermen. Hence, the growth of government offered opportunities for advancement through the provision of services to the collectivity. It also led to a greater appreciation of the need for Acadian representation in Fredericton.¹ A third force for change was a new elite of managers and technicians, still very small before the 1960s. Ultramontanism condemned accumulation, holding, for instance, that private property was an instrument to accomplish the ends of God.² But the managers of the community's economic institutions, the co-operatives, caisses populaires, and l'Assomption, were able to form a new alliance with clerical and professional leaders. They could promote the economic advance of the collectivity, and argued that its security could only be ensured by economic development:

Le temps est arrivé ou nous devons nous lancer sérieusement vers la conquête du domaine économique si nous ne voulons pas perdre le fruit de deux siècles du travail.³

Acadian strength and confidence became obvious through the 1950s, particularly during the 1955 bicentennial of the Expulsion. Louis Robichaud, from his entry into the Legislative Assembly in 1952, acted as a nationalist leader, and was perhaps more outspoken than most.⁴ But his selection as Liberal leader was due to his charisma and competence (as financial critic), and ethnicity did

1. During the Reconstruction Committee hearings, l'Evangeline advocated unity in electing candidates who would serve Acadian, rather than party, interests, and also demanded equal distribution of seats in the Legislative Assembly: see 23 Sept. 1943, p.3.

2. N. McClaughlin, 'La Justice dans les Relations Capital-Travail', unpub. M.A. thesis, Université St.-Joseph, 1945, p.7.

3. Prof. Aurele Young, economist, speaking at a seminar for businessmen, quoted in l'Evangeline, 14 Mar. 1961, p10.

4. SR, 1955, pp.64-65, advocating religious teaching in public schools.

not figure in the 1960 election campaign. The Robichaud government did support the new Acadian managerial elite, and did draw Acadians into fuller economic and political participation: it was not, however, to promote such change, as an Acadian, that Louis Robichaud was elected in 1960.

ii. Early policies

The new government, like those before it, attempted to improve municipal administration, notably by centralising tax collection at the county level and making assessment somewhat uniform.¹ The problem was then temporarily removed from the political agenda in 1962 by the appointment of the Royal Commission on Finance and Municipal Taxation, which was to study the whole complex and overburdened system.² The government also had to frame responses to federal shared-cost initiatives, legislating on student assistance, agricultural development, and vocational education. Through the 1960s, federal-provincial negotiations became continuous and wide-ranging.

A third concern was administrative reform. Consultants found several departments mired in detailed administration; economic research and planning was perfunctory and unco-ordinated; and central control was very weak.³ Treasury Board had a staff of two,

1. Acts, 1960-61, c58, c12.

2. Acts, 1961-62, c6; O.C. 62-185.

3. Public Administration Service, 'Organization and Administration of the Public Services of the Province of New Brunswick', Chicago, Feb. 1962, pp.III-21-22, p.VIII-23, pp.II-2-6.

and no standard procedures for preparing budgetary estimates were followed. Some departments collected fees and levies due and were almost autonomous. This impeded the coherent planning necessary as programs became more expensive, longer-term, and inter-related.¹ The government revived the Office of the Economic Advisor, and created a Finance department with a minister chairing a Treasury Board possessing statutory responsibility for estimates, financial commitments, and public service management.² A standard estimates format was soon established, and transfers of funds between programs required Treasury Board approval.³ This procedure would improve cost control, stimulate planning, and improve co-ordination. In the view of some officials, it would also strengthen a central agency with competent administrators able to control departmental spending and resist political pressures on program administration.⁴

A more prominent policy was to stimulate economic growth through manufacturing. Although several projects for which the groundwork had previously been laid materialised in the early 1960s, the Robichaud government was more active than its predecessor in this regard. Between 1957 and 1960, the Industrial Development Board established by Flemming made loans and loan guarantees averaging \$631,000 per year; between 1961 and 1964, the average was \$1,675,000.⁵ Another source of aid was the tax concession, and a

1. PANB, RS179, RBC 22/6, Payne-Ross Ltd., 'Report on Reports and Controls, Treasury Department, Province of New Brunswick', 10 Feb. 1961.

2. Acts, 1961-62, c13.

3. PANB, RS179, RBC 22/6, N.B., Treasury Board, 'Estimates Regulations and Procedures', Sept. 1962, esp. p.3, p.13.

4. Ibid., J.F. O'Sullivan, 'Appendix A - Treasury Board Controls', 3 Oct. 1962, pp.5-6.

5. Acts, 1956, c10; Department of Industry and Development, AR, various years.

convenient listing of new industries is found in the Acts sanctioning such local agreements.¹ A heavy-metal smelter was finally begun, at Belledune, after the government awarded a new consortium exclusive rights for ten years and guaranteed \$20million of its bonds.² The smelter was to start up by 1963, but an extension of the deadline was requested, and warnings about the level of spending on a novel process were soon circulating.³ Robichaud also attracted a new pulpmill to the Miramichi. South Nelson Forest Products, a subsidiary of an Italian firm, was given limits taken from other licensees after the Crown Lands Act was tightened to prevent wood being held in reserve.⁴ This 'Italian deal' was highly controversial, for the mill was small and inefficient but the limits large enough to permit the export of raw wood, and there were also suspicions of fast play in the negotiations with the company. When the Opposition demanded a judicial inquiry in 1963, Robichaud quickly obtained a dissolution to take the issue to 'the highest tribunal in the land', the electorate, despite a current federal election.⁵ Campaigning on the developments achieved and, after the federal Liberals won, on inter-governmental co-operation, Robichaud's government was returned.

1. Acts, 1961-62, c84 (Brunswick Mining & Smelting), c89 (Canadian Industries Limited), c115 (J.D. Irving), c164 (South Nelson Forest Products); 1963 (1), c28 (Flakeboard), c36 (Nigadoo Mines), etc..

2. Acts, 1961-62, c98 (East Coast Smelting and Chemical Company). The new group had bought out St. Joseph's Lead: see Hunt and Campbell, Irving, pp.117-54.

3. Canada, Commission on Corporate Concentration, Irving Group, p.22.

4. Acts, 1961-62, c7, S.11. Limits were withdrawn from Fraser Companies and International Paper.

5. SR, 1963, pp.351-376.

iii. The Byrne Commission and Equal Opportunity

The Robichaud government is remembered most for its programme of Equal Opportunity, which abolished the elected county governments and centralised municipal functions at the provincial level. E.O. has been regarded as an egalitarian re-distribution,¹ and as a re-organisation intended to increase administrative efficiency.² It can also be understood, however, as clearing the internal environment of the state. In so doing, it combined economic, administrative, and political change: it enhanced economic efficiency by providing a stable and homogenous environment within the province; it produced administrative uniformity and swept away barriers to effective government planning and action; finally, it brought all citizens into a direct and equal relationship with the state. In this light, Equal Opportunity facilitated economic development, centralised state power, and also heightened that power by integrating citizens into a political whole.

When the Royal Commission on Finance and Municipal Taxation reported in late 1963, the Robichaud government had a stronger administrative machine and a fresh term ahead. The Byrne Commission, (so named after its chairman, E.G. Byrne, a corporation lawyer from Bathurst), had a broad mandate to study municipal structure, and it circulated questionnaires to all local bodies, held rounds of public hearings, took briefs, and co-ordinated much research.³

1. P.J. Fitzpatrick, 'New Brunswick: the Politics of Pragmatism', in M. Robin, ed., Canadian Provincial Politics, 2nd ed., (Scarborough, Ontario, Prentice-Hall, 1976), 120-137; pp. 125-29.

2. R. Krueger, 'The Provincial-Municipal Government Revolution in New Brunswick', CPA, 13 (1970), 50-99.

3. N.B., Royal Commission on Finance and Municipal Taxation, Report, [hereafter B.C. Report], (Fredericton, Q.P., 1963), pp.xvi-xvii.

The Commission found, basically, that the municipalities had inadequate resources and expertise to carry out their responsibilities. Rather than further amending a complex structure of joint administration and financing, the Commission recommended a 'package deal'.¹ Distinguishing local from general services, it proposed that the province assume full responsibility for the latter; that is, education, hospitals, public health, social welfare, civil defence, and the administration of justice. Since the remaining local services would not justify their existence, the elected county councils would be abolished. Urban municipalities would receive provincial grants, equalised to allow the provision of services at a minimum standard despite their varying tax bases. Poll taxes and tax on personal property were to be abolished, as were tax concessions, and assessment of a standard property tax of \$1.50 per \$100 valuation would be done by the province, on a uniform basis. The sales tax would be increased. Finally, the Commission recommended that administrative commissions, rather than government departments, manage health, welfare, education, and municipal affairs.

With the exception of the last recommendation, the report was approved by a committee of deputy ministers in 1964, and by the Liberal caucus in early 1965.² Then, for the first time in New Brunswick, the government tabled a white paper, a thoughtful document advocating that the province adapt to worldwide change and, as elsewhere, reduce regionally expressed social disparities.³ Justice

1. Ibid., Ch.VIII.

2. F.R. Drummie, 'Case Study on Change - New Brunswick: Information and Background', address to the Institute of Public Administration of Canada, 3 Mar. 1969, (in PANB, MYY127, in transcript form).

3. N.B. White Paper on the Responsibilities of Government (Fredericton, Q.P., 1965).

was not the explicit motive: low standards of health and education produced under-utilised human resources.

Our entire nation loses through this waste and is unable to achieve its potential wealth and development by ignoring large segments of our population who would be willing to contribute if able to do so.¹

Only the provincial state could correct this, and promote maximum collective wealth, by ensuring that minimum standards of service, and therefore of opportunity, were available to all.

A special group of officials, the Office on Government Organization (OGO), was formed to implement the Byrne proposals. It supported a cabinet committee with background papers, and drafted legislation in accord with policy guidelines approved by the government.² This was the first occasion for a central body of officials to lay out policies, enumerate decisions for cabinet to take, and package them as bills.³ The Law Amendments Committee of the Legislature, into which the bills were introduced in the autumn of 1965, was a further innovation: it provided a forum for public representations, and demonstrated the government's receptivity to public opinion, for excepting the Assessment Act, keystone of the package, the E.O. measures were to be withdrawn and re-introduced in the next session, amended as necessary.⁴

1. Ibid., p.13.

2. Drummie, 'Case Study on Change', handwritten section Y.

3. N.J. Ruff, 'Administrative Reform and Development: A Study of Administrative Adaptation to Provincial Developmental Goals and the Re-organization of Provincial Government and Local Government in New Brunswick 1963-1967', unpub. Ph.D. thesis, McGill University, 1972, esp. pp.244-54.

4. Major legislation included Acts governing Municipalities (1966(1), c20), Public Hospitals (c22), Schools (c24), Social Welfare (c27), Municipal Assistance (c16), and the sales tax, which was increased to 6% (c107).

Equal Opportunity aroused passionate debate. Northern rate-payers marched to protest their property taxes, while a Fredericton citizens' committee formed to oppose the programme. The publisher of the Daily Gleaner denounced E.O. as 'frankly based on Swedish socialism' and 'disastrous to human liberties'; it resulted from the 'unbounded ambition' of Robichaud, 'a little man with a violently expressive mouth'.¹ L'Evangeline claimed that the programme's opponents were those benefiting from tax concessions and profiting at the expense of New Brunswickers.² The head of OGO later said simply that 'major efforts were made to destroy the Robichaud government.'³ Eventually, the Assessment Act was passed, it having been agreed that existing tax concessions would continue.⁴ The rest of the legislation followed, and in 1967 the Liberals won an election which must be seen as endorsing Equal Opportunity, although the Conservative leader was a flamboyant populist whose selection had split the party.

An adequate study of E.O. remains to be made. The programme had diverse ends, and may be conveniently approached by examining the Byrne Commission and its recommendations.

Several measures were redistributive. Uniform assessment would end the large inequalities caused by untrained and partial assessors.⁵

1. M. Wardell, 'Battle Map of New Brunswick 1966', Atlantic Advocate, 56 (1966), 14-16.

2. 6 January, 1966, p.4., editorial.

3. Drummie, 'Case Study on Change', handwritten section Z.

4. Hunt and Campbell, K.C. Irving, pp.134-43.

5. B.C. Report, T13:3. Within 32 of the 43 municipalities, according to the Commission's base-line study of the market value of 2,650 properties, the highest ratio of assessed value/market value was over 300% of the lowest.

More important, equalisation grants would counteract the causes of poor municipal services or tax overload - the unequal strength of tax bases.¹ Although obscured by an increase in total monies paid the municipalities, (partly due to provincial payments in lieu of taxes on provincial property), the system introduced in 1967 allowed each municipality to provide a reasonable minimum standard of services with a roughly similar tax rate. The effect was to redistribute revenues from some urban areas to others.

A second redistributive dimension was the rural-urban one. Some agricultural counties had both high taxes and poor services. Kent, for instance, had a 5% tax rate, high enough to discourage farming, and yet the per capita revenue was third lowest of the 15 counties.² The greatest burden was education, for municipalities paid a higher proportion of school costs in New Brunswick than in any other province.³ Rural counties, like Gloucester, could not cope.

The situation is briefly this...the warrant is increasing every year due to high costs of education. School grants have not increased in proportion with the warrant, on the contrary, it fell behind by about 10% since 1946.....the amount of unpaid taxes has increased since 1946 by approximately \$100,000 per year. Our borrowing power is expanded to the limit, and our bank loan has increased steadily since 1956. Our bank now wants its money. The tax bill against our taxpayers has reached over its reasonable limits. Industries are afraid to settle in our county on account of this high rate of taxation. Our people cannot find employment, those who have received higher education, professionals or tradesmen, are leaving our County to seek higher wages and employment in other provinces. And the Municipality,

1. Ibid., pp.8-10, pp.270-73. The market value per capita among N.B. municipalities ranged from \$941 (St. Leonard) to \$6150 (Rothesay). The equalisation system, designed by Professor J.F. Graham, is found on pp.274-92: see also J.F. Graham, 'The Application of the Fiscal Equity Principle to Provincial-Municipal Relations', CPA, 3 (1960), 24-30.

2. B.C. Report, T1:1, T13:3, Appendix O, T2c.

3. Ruff, 'Reform and Development', TII-8.

faced with these problems over the years, is left with a limited source of revenue, inadequate to cope with this situation.¹

The solution of the counties - more assistance - the Commission rejected. Instead, the 422 existing school boards were to be consolidated into approximately 60, and the province would assume responsibility both for funding and educational standards. Rural residents would then pay only the basic property tax, (as well as the increased sales tax), and this tax reduction would average 40%.²

A final redistributive aspect concerned ethnic groups. The English-Acadian division coincided somewhat with the rural-urban dimension (although not closely with that between richer and poorer municipalities). That the English resisted 'robbing Peter to pay Pierre' was apparent to contemporary observers, and E.O. was strongly supported throughout the Acadian community. Some overt splits, as in the teachers' association, resulted.³ But this element remained muted in public debate, and, recognising the program's appeal, the Conservatives selected a bilingual leader from the north, and did not pledge to repeal the E.O. measures. No government could have proposed the package without solid Acadian support, but governing would be difficult for an administration devoid of backing from such a large minority.⁴

The redistributive aspects of E.O. were crucial in selling

1. PANB, RS179, RBC 12/10, 'Brief of Gloucester County and Gloucester County School Finance Board', p.11. (.....in original)

2. B.C. Report, Appendix G, p.G-7, and p.306.

3. l'Evangeline, 11, 12, 14, 22 January 1966, p.3, p.7, p.3, p.3: Acadian teachers rejected an association brief critical of the program.

4. P. Leslie, 'The Role of Political Parties in Promoting the Interests of Ethnic Minorities', CJPS, 2 (1969), 419-33.

the package, and equity criteria were used by the Byrne Commission to justify certain recommendations, particularly those regarding taxation. Yet a more fundamental strand in the Report is that of uniformity and efficiency. Equity might be achieved by modifying aid to municipalities or by centralisation, but only the latter could produce efficiency, and this thinking underlay the rejection of increased educational grants, which would

do nothing to ensure that a uniform minimum standard of education is actually established and maintained throughout the province...The efficient and economical administration of public education at a good standard requires a large measure of co-ordination, and therefore control, of the construction and operation of schools within and between both rural and urban areas, so that the most value is received for the tax-payers' money spent. Equalization, in itself, would not accomplish this end.¹

At their initial meeting, Byrne and his key consultants clearly favoured a 'somewhat uniform system.'² There was no sympathy whatsoever for a form of local control which not only provided poor education but could also keep the provincial government ignorant of the debts of some northern school districts, since the local caisses populaires simply issued certificates of indebtedness to the school boards, which refunded them through holding community picnics and bingo games.³ Uniformity, achieved through centralisation, would improve services and also reduce costs. One major savings would result from expertise: first, competent administrators

1. B.C. Report, p.131 (original emphasis), p272.

2. PANB, RS179, RBC 28/1, 'Minutes of Meetings', meeting of 16 Aug. 1961, p.12. Present were Byrne, E.G. Allen, secretary and later deputy minister of Municipal Affairs, H. Fredericks, and Professors J. Graham and A.M. Moore, consultants.

3. Ibid., meeting of 27 October 1961, pp.60-61.

and technical personnel could be hired by the province but not by smaller units; second, through administrative commissions, experts would be insulated from 'political pressures on government that are hostile to the public interest', that is, which produced sub-optimality.¹ These pressures were strongest at the local level, but still had to be guarded against in the new system:

It is essential that the determination and the administration of the province's education programme be removed as much as possible from direct political influence and that these functions be performed by the best qualified people available. The moment local members are permitted to interfere with matters such as the boundaries of particular school districts and the appointment of administrators and teachers, the programme will be subverted.²

Uniform central administration, which would render the province internally homogenous, would improve static efficiency through expert administration, less duplication, and reduced taxation. Dynamic results would also occur. Better health and educational services were to reduce the wastage of human resources. But the removal of local particularities and jurisdictional divisions would facilitate the free movement of labour and capital within the province. While the program's redistributive facets pleased those whose facilities would be upgraded, it was efficiency which interested the large corporations now dominating the economy, and however vigorously they defended local tax concessions, they favoured centralisation.³ E.O. was not, therefore, a structural change designed

1. B.C. Report, 'Foreword', p.ix.

2. Ibid., p137.

3. PANB, RS179, RBC 17/1, 'Brief Prepared by Bathurst Power & Paper Company Ltd., Montreal', 14 May 1963, esp. pp.3-4 objecting to inefficient administration; RBC 18/1, 'Submission of the New Brunswick Branch of the Canadian Manufacturers' Association', 24 May 1963, favouring a uniform business tax; RBC 17/2, 'Submission of New Brunswick International Paper Company', p.4 advocating central control of education, health, and welfare.

to allocate public goods efficiently and re-allocate them more equally: it had growth as its goal.

In the course of our investigation, we found it useful for some purposes to consider the province as a whole, as a single economic and political unit, and to ask what principle should be followed to establish a fiscal pattern which would be conducive to the optimum economic development of the province and, at the same time, to the equitable treatment of its residents.¹ The fiscal equity principle has the required properties.

Centralisation, however, did not only remove barriers to economic growth but also greatly enhanced the provincial government's power to stimulate growth and accommodate it. Waste was reduced, and the state's capacity was increased through greater control of tax revenues. With the assumption of responsibility for inter-related functions, initiatives could be co-ordinated over a broad front to achieve developmental goals: plans could include more factors, particularly social and cultural ones, affecting development, and administrative obstacles to implementation were removed. When jurisdiction was shared, the municipalities had insufficient resources to fulfil their responsibilities, but neither had the province sufficient control to realise general aims. Provincial departments were encumbered by administrative detail, and when aims were clear the counties impeded change:

There is no single function or field of government responsibility for which they are empowered to formulate policy; they can shape provincially oriented programmes only by saying "no" to an optional arrangement or by dragging their feet.²

1. B.C. Report, p.123. See Ruff, 'Reform and Development', pp. 190-91, and Graham, 'Fiscal Equity Principle', pp.24-5.

2. Ibid., p.170.

By eliminating these barriers, the state gained new control over the internal environment: the province was rendered more malleable. Equal Opportunity required important new legislation, but it is equally significant that over sixty-five Acts, most of which had propped up and complicated a jury-rigged system which restricted effective action, were repealed in their entirety.

E.O. had political implications of a fundamental kind, for it was similar to national integration in independent states. It is no coincidence that unifying symbols like the New Brunswick flag came to be deployed in the mid-1960s. The standardisation of services meant that all citizens had equal entitlement to them, and so demands were potentially increased. At the same time, citizens were brought into an equal and unmediated relationship with the state, and so the legitimacy of participation was enhanced. Finally, integration heightened state power, and, if participation at the centre could prove effective, citizens would acquire greater control over government action than they had when neither provincial nor municipal government could operate decisively and efficiently. Increased participation was therefore likely, not because government as such had assumed new functions, but because there was now one obvious and effective centre of power.

Equal Opportunity resulted immediately from an alliance between a reforming Premier, who intended to secure the conditions necessary for the development of the society as a whole, and of Acadian society in particular, and a group of young, professional administrators who believed in the positive state.¹ But although

1. W. Vaughn and R. Bellaire, 'The Introduction of Public Service Collective Bargaining in New Brunswick', paper presented to the Canadian Political Science Association, Fredericton, 1977, esp. pp. 28-29.

it was a programme of state-building, its efficient cause lay beyond the provincial boundaries. This was a set of federal shared-cost programmes introduced in fields of provincial and municipal responsibility: to use these available funds, provinces had to adapt quickly and be able to control programme implementation within their territories.

Between 1947 and 1962, federal spending increased 336% while provincial and municipal expenditure rose 488% and 592% respectively.¹ The differential in rates reflects the growing importance of provincial and municipal functions, especially of education, as well as their labour-intensive character.² But the senior governments controlled the major tax sources: over the same 1947-62 period, federal payments to provinces increased 470% and those by provinces to municipalities by 940%.³ Many of these transfers took the form of conditional grants. In 1956, conditional transfers to New Brunswick amounted to \$5million (21% of all federal payments to the province, and 9.6% of all provincial revenues). In only five years, the total rose to over \$23million (39% of federal payments and 27% of provincial revenues).⁴ These grants distorted provincial priorities, but were almost impossible for the weaker provinces to refuse.⁵ They were important for both economic and social development, and many conditional-grant programmes involved municipalities: a partial

1. A. Moore, J. Perry, D. Beach, The Financing of Canadian Federalism (Toronto, Canadian Tax Foundation, 1966), Appendix A, T28.

2. D.G. Davies, 'The Concentration Process and the Growing Importance of Noncentral Governments in Federal States', Public Policy, 18 (1970), 649-57.

3. E.J. Hanson, The Public Finance Aspects of Health Services in Canada (Ottawa, Q.P., 1963), TA-4.

4. G.E. Carter, Canadian Conditional Grants Since World War II (Toronto, Canadian Tax Foundation, 1971), TA-1, TA-5, TA-8.

5. D.V. Smiley, Constitutional Adaptation and Canadian Federalism Since 1945 (Ottawa, Information Canada, 1970), esp. pp.60-63.

listing includes:¹

- 1948 National health and welfare
- 1950 Vocational and high school training
- 1954 Disabled persons' allowance
- 1956 Unemployment assistance
- 1958 Municipal winter works
- Hospital insurance
- 1960 Technical and trades training
- 1961 Agricultural rehabilitation

In New Brunswick, however, municipalities impeded an effective provincial response to Ottawa, and made coherent administration difficult.

Municipalities might refuse to take advantage of grants, as was the case with the cancer control programme.² More generally, lack of co-ordination made compliance with federal guidelines laborious or impossible. Funds were available for senior high schools, for instance, under the Technical and Vocational Training Act, but New Brunswick's fragmented district boards could not build schools large enough to qualify.³ By 1963, the province had taken up \$134 per capita in grants, as compared with \$414 per capita nationally.⁴

Complex administration was also a problem. Consider the health sector. Between 1949 and 1963, New Brunswick's net health spending was drawn by available grants to rise 560% to \$20.5million, while net municipal spending increased only 120%.⁵ Yet some public health services were administered by the counties, some municipalities

1. Moore, Perry and Beach, Financing, T27.

2. PANB, RS179, RBC 22/1, 'Submission by the Department of Health of New Brunswick', p.5.

3. Drummie, 'Case Study on Change', p.39.

4. D.J. McCreedy, 'Federal Education Grants, 1945-1967: Economic Development in New Brunswick', unpub. Ph.D. thesis, University of Alberta, 1973, p.175.

5. Hanson, Finance of Health Services, T17, TD-2.

ran dental services with federal grants channelled through the province, and counties contributed to the costs of indigent mental patients. Provincial officials were caught up in administering an intricate grants system; hence, no planning could be done.¹ Despite major provincial funding, the Byrne Commission found that initiative in hospital construction still lay with local authorities: 'no over-all plan for hospital development and location is followed.'² This could not be tolerated when costs were rising rapidly.

Between 1957 and 1961, the expenditures of local authorities in New Brunswick rose 47% while provincial transfers to them increased 74%.³ With the integrated Canada Assistance Plan and Medicare both on the horizon, the problem would intensify. The local authorities impeded economic development to pay for the services which they administered inefficiently, and change was necessary:

the municipalities are presently carrying out programmes of general services over which they have limited control and, in some cases, with which they have little sympathy. Under these conditions, and where a large part of the funds spent are provided by grants from the provincial government, there is a strong tendency towards extravagant and irresponsible spending and inefficient and inept administration. Inside of a few years the affairs of the province would be in an even worse mess than at present and the finding of a more enduring solution would be all the more difficult.⁴

One major new shared-cost programme was the Agricultural Rehabilitation and Development Act of 1961. A commentator who was not unsympathetic towards local government regarded this as an administrative test which had to be passed were it to survive.

1. 'Submission by Department of Health', pp.8-10; Public Administration Service, 'Public Services of N.B.', Ch.X.

2. B.C. Report, p.149.

3. Ibid., Appendix O, T5.

4. Ibid., p.116.

The continuing existence of county government in New Brunswick may well depend on the success of federal and provincial industrial development programmes, and on the ability of rural local authorities to use effectively the federal government's ARDA programme.¹

In the event, the counties played a minimal role in this programme. As the province moved towards comprehensive regional development planning, the old system of municipal government - which would certainly have impeded it - was being swept away.

1. H.J. Whalen, The Development of Local Government in New Brunswick (Fredericton, Q.P., 1963), p.119.

CHAPTER 7: PLANNED PARTICIPATION IN COMPREHENSIVE REGIONAL
DEVELOPMENT: THE NORTHEAST PLAN

The project of state-building undertaken in New Brunswick during the 1960s was to make the central administration capable of swifter responses to environmental pressures and of deeper incursions into society as a whole. Since initiatives could be co-ordinated, planning could be integrated, and essentially this implied that social and cultural programmes could be designed to facilitate and complement economic growth.

At the same time as Equal Opportunity was being implemented, the first exercise in comprehensive planning was attempted, on a regional scale. This was in the northeast of the province, in the Acadian heartland of Gloucester and Restigouche counties, and it aimed to modernise rural dwellers and mobilise them into the industrial economy. If planned changes were to materialise, individuals habituated to traditional rural life had to see new opportunities for choice, and make the choices prescribed for them; to ensure this, elaborate mechanisms of involvement in planning were instituted. Yet the northeast plan faltered. This was due in part to administrative confusion and unexpected events. But it was also the result of resistance by those who had played a part in planning, then discovered their participation was ineffective, and maintained the plan to be both imposed and wrong. Involvement, as a strategy of implementation, failed.

i. ARDA and FRED

In Canada, the recession of 1957-60 sharpened concern about economic goals and strategies, and three strands came together in the mainstream of economic thought. First, the country was approaching full industrialisation, but further productivity increases and continued competitiveness depended upon structural adjustments. Second, to realise national growth potential, persistent regional disparities in income and productivity had to be eliminated. Finally, the primary sector had to be subject to planned development.¹

A. Careless has called this a 'watershed' in Canadian policy.² It had profound effects, not least because the three goals formed a hierarchy: that is, first national growth, then regional development, then rural resource adjustment congruent with the first two goals.³

Primary industry was to be rationalised to provide both markets and cheaper inputs for manufacturing. Rationalisation would also reduce regional disparities which were due to 'continued and self-perpetuating misuse of manpower and land.'⁴ The income gap

1. Canada, Royal Commission on Canada's Economic Prospects, Final Report (Ottawa, Q.P., 1957), ch.20, 'The Role of Government'; ch.19, 'Problems of the Atlantic Provinces and the North', esp. pp.401-13; ch.8, 'Agriculture', esp. pp.171-77.

2. A. Careless, Initiative and Response: The Adaptation of Canadian Federalism to Regional Economic Development (Montreal, McGill-Queen's U.P., 1977), pp.38-42.

3. Canada, Economic Council of Canada, Towards Sustained and Balanced Growth, 2nd annual report, (Ottawa, Q.P., 1965), p.140, p.176; L. Poetschke, Regional Planning for Depressed Rural Areas: the Canadian Experience, paper presented to the Regional Science Association, Tokyo, 1967, (Ottawa, Q.P., 1968), p.2.

4. R.D. Howland, Some Regional Aspects of Canada's Economic Development (Ottawa, Q.P., 1957), p.6.

between the central regions and those on the periphery could be explained by the persistence in the latter of a rural labour force which had seasonal unemployment, low participation rates, and low wages, and which by its very existence reduced the incentive for employers to invest in capital equipment and raise productivity. The solution was to stimulate investment in primary industries, promote secondary manufacturing, retrain workers to fill skilled jobs, and encourage mobility to urban centres either within the region or without.¹ These changes required government leadership and, since programmes had to be integrated, close federal-provincial co-operation.²

Early federal programmes encouraged manufacturing on the periphery in a disjointed way: the Atlantic Development Board made infrastructural grants, and the Area Development Agency subsidised investment.³ But provinces like New Brunswick also acted alone. The Robichaud government's first priority was to develop manufacturing, within the provincial boundaries, for this had been diagnosed as the sole alternative to either unemployment or out-migration.⁴ It extended loans and loan guarantees, founded a Research and Productivity Council, and re-activated the New Brunswick Development Corporation to seek out potential entrants and to accommo-

1. Ibid., pp.3-14, pp.155-201.

2. Canada, Senate, Special Committee on Land Use in Canada, Proceedings, No.12, 8 July 1959; No.8, 13 July 1960.

3. See F.W. Walton, 'The Formulation of Regional Economic Objectives', in B.S. Keirstead et al., eds., Economics Canada: Selected Readings (Toronto, Macmillan, 1974), pp.262-273, esp. p.270.

4. A.K. Cairncross, Economic Development and the Atlantic Provinces (Fredericton, Atlantic Provinces Research Board, 1961), esp. p.25.

date them within the province in any way its considerable powers allowed.¹ But the entry of primary resources onto the political agenda affected this effort because resource problems are rural problems, and in 1961, 54% of the population was rural. Of these people, 81% were not farmers, and of those that were, it was estimated that 50% 'could leave the agricultural industry to the benefit of themselves and to the net gain of the remaining farm community and the national economy.'² Past settlement on marginal land was one farming problem, but it was technological change which made farmers, like other rural dwellers, redundant or uncompetitive and reduced their relative incomes.³ In the fishery, men were displaced by larger boats built to compete with off-shore fleets. In the forests, the chain-saw had reduced the demand for labour in Eastern Canada by 50% between 1951 and 1961, and further mechanisation was regarded as inevitable.⁴

In parts of New Brunswick, rural life was still basically a subsistence one, supplemented by wage-work and infrequent produce sales. In the Acadian north, rural society was sustained by strong religious and patronal leadership, as well as isolation, and its culture knit traditional elements into a valued whole. Despite the

1. Acts, 1961-62, c46; Acts, 1959, c9, and New Brunswick Development Corporation, AR, 1964.

2. Hedlin-Menzies Ltd., The Report on the Eastern Canada Farm Survey (Ottawa, D. of Forestry and Rural Development, 1966), p.1.

3. Canada, Resources for Tomorrow Conference, Conference Background Papers, vol.I, (Ottawa, Minister of Northern Affairs and Natural Resources, 1962), esp. C. Downing, 'Mechanization', pp.83-92; G. Fortin, 'Social Effects of the Evolution of Canadian Agriculture', pp.143-155.

4. D.R. Campbell and E.B. Power, Manpower Implications of Prospective Technological Changes in the Eastern Canadian Pulpwood Logging Industry (Ottawa, D. of Manpower and Immigration, 1966), Fig.6, T17, TA-1.

penetration of new values and out-migration's eroding effects, rural inhabitants still strongly preferred rural life.¹ This was due in part to recently acquired amenities (like the telephone), and in part to inured standards of expectation.² As well, the secure base of church and family, and the loose work environment, provided 'very significant psychic satisfactions' which 'partially compensate for the general low level of economic returns.'³ Evidently, there were attitudinal obstacles to be overcome were resource rationalisation to occur without compulsion: rural development required modernisation as a pre-condition. Were rural dwellers encouraged to evaluate the poverty of their lives, however, they might find other defects than those corrigible by adopting new techniques or migrating to towns, for the resource industries were structured on the exploitation of cheap labour and raw materials. Middlemen extracted profits in wood marketing, and mills could depress farmers' wood prices below their own costs of production.⁴ The forest industries laid off most of the work force in the spring and re-hired without difficulty.⁵ Many fishermen, still effectively share-croppers,

1. Canada, Canadian Welfare Council, A Preliminary Report of Rural Poverty in Four Selected Areas (Ottawa, Department of Forestry, 1965), p.57, pp.59-63.

2. Ibid., p.13, p.58; P.-Y. Pepin, Life and Poverty in the Maritimes (Ottawa, Ministry of Forestry and Rural Development, 1968), pp.214-15.

3. J.A. Abramson with G. Howland, Barriers to Population Mobility: Four Economically Lagging Areas in the Atlantic Provinces and Quebec (Saskatoon-Ottawa, Canadian Centre for Community Studies, 1968), p.53.

4. Pepin, Life and Poverty, pp.169-174; Lockwood Survey Corporation, 'A Report on the Rural Development Pilot Research Region, Northern New Brunswick', 1965, PartVI, 'Additional Development Possibilities and Institutional Arrangements', p.15.

5. Canada and New Brunswick Departments of Labour, 'Provincial Skilled Labour Availability for the North Shore', 1965, Appendix A.

had no bargaining power.¹ One study of the difference in earned income between the Atlantic region and Ontario included a careful factor analysis: 42% of the differential was due to the preponderance of primary industries and seasonal work, but another 46% was due, independently, to lower wages.² Those in primary industry were 57% of comparable wages in Ontario. It was not shown whether low wages were fully justified by low productivity, but it was shown that the incomes of businessmen and professionals in the Atlantic region were 103% of their Ontario counterparts'.³ Rural development might well focus attention on the advantages of traditional elites.

The federal Agricultural Rehabilitation and Development Act (ARDA) was passed in 1961. It authorised federal-provincial agreements on soil and water conservation, alternative land use, and 'rural development', which meant raising incomes and living standards and creating employment in rural areas.⁴ Ottawa could also initiate research into any of these matters, and it was evident that rural planning could tend towards comprehensiveness, due to the extensive provisions for research under the rural development agreement.⁵ The legislation was administered by the ARDA directorate in the department of Agriculture until rural problems were understood more inclusively; in 1964 it became the responsibility of the Rural Development branch of the department of Forestry, and this broader focus was also reflected in 1966 when ARDA was amended to the Agri-

1. N.B., Fishermen's Loan Board, AR, 1960, p.26, p.28; 1963, pp.38-9.

2. Howland, Regional Aspects, Appendix D, pp.237-253.

3. Ibid., TD-XI.

4. Canada, Statutes, 1960-61, c30, s3(1)a.

5. Canada, 'General Agreement: Agricultural Rehabilitation and Development Act', 1962, s4(3) and schedule C.

culture and Rural Development Act.¹ Companion legislation then established the Fund for Rural Economic Development (FRED), which was to supplement ordinary programmes in certain designated areas with low incomes.² The amended ARDA embodied a 'global approach to resource development',³ and made available federal-provincial sub-agreements in eight fields. Sub-agreements for special rural development areas allowed comprehensive planning under the FRED provisions: allocations could be made for land-use adjustment, soil and water conservation, training and mobility grants, and building infrastructure.⁴

The initial ARDA legislation was somewhat vague, for provinces were to make proposals and implement them, after obtaining Ottawa's approval (and funds). It was also intended that rural inhabitants would formulate projects for provincial and federal support,⁵ an innovation favoured both by farm organisations and by officials influenced by the U.S. rural development programme.⁶ But participation was not to be limited to the proposals of farmers who were already prepared to make improvements and merely needed funds: ARDA, in the view of officials, was to stimulate change. And as the depth

1. Canada, Statutes, 1965-66, c11; see J. McCrorie, ARDA: An Experiment in Development Planning (Ottawa, Q.P., 1969), p.10.

2. Canada, Statutes, 1965-66, c41.

3. Canada, D. of Forestry and Rural Development, Rural Development Branch, AR, 1966-67, pp.1-2.

4. Canada, Federal-Provincial Rural Development Agreement, April 1, 1965 to March 31, 1970 (Ottawa, 1966), Part VI.

5. McCrorie, ARDA, quoting the minister of Agriculture, p.6.

6. Canada, Senate, Committee on Land Use, Proceedings, No.5, 31 Mar. 1960, pp.162-68; No.1, 3 Mar. 1960, Appendix A, pp.27-88 for a report by Canadian officials who studied the U.S. programme.

and inter-relatedness of the rural changes required both grew, in the conception of officials, so did the provisions for public participation in planning them. The first ARDA agreement provided for rural development officers to be hired and local committees to be formed. If provinces proposed area plans, this was to be done 'in consultation with, and with the advice of, rural development committees.'¹ Under the amended ARDA, rural development officers were to 'involve local people in the solution of socio-economic problems of the community and area.'² Finally, in special rural development areas, the FRED act wrote participation into the definition of planning:

a comprehensive rural development program is a program, consisting of several development projects, that is designed to promote the social and economic development of a special rural development area and to increase income and employment opportunities and raise living standards in the area, and that makes provision for participation by residents of the area in the carrying out of the program.³

Participation featured in rural development planning for several reasons. First, diffuse information was sometimes required, and in preparing initial land-use surveys, for instance, local residents could be helpful. As well, those knowing the region could suggest useful development projects. But as ARDA administrators moved towards comprehensive planning, and towards rural adjustment rather than development to deal with rural poverty, these motives diminished in importance.⁴ Then, participation was a means to pro-

1. Canada, 'General Agreement', 1962, s4(3)b.

2. Canada, Rural Development Agreement, s24.

3. FRED Act, s5(a).

4. Careless, Initiative and Response, p.77.

mote change by causing an attitudinal break from tradition, and by educating rural dwellers in the planners' realities. Modernisation was also to be accomplished by formal education and counselling,¹ but it was inherent in planning, which stimulated thinking about alternatives, and new organisations and the technique of 'social animation' were both deployed to induce in apathetic and unquestioning rural dwellers an appreciation of their position and the chances of improving it. This view received impetus from the United States' War on Poverty, and gained institutional expression in a Special Planning Secretariat attached to the federal Cabinet.² But participation was most critical in the implementation of rural development plans, for these were mass plans, depending upon the initiative of thousands of individuals for their realisation. First, apathy had to be overcome:

Although it was never put this way [by ARDA planners], one may consider the regional population as possessing considerable power; power to compromise, thwart and undermine the planning process through nothing more than sheer indifference.³

Then, participation was to promote understanding of planned changes, and of their rationale, so that the subjects would tend to choose the course laid out for them:

1. D. O'Connor and D. Magill, The Role of Education in Rural Development (Ottawa, Minister of Forestry, 1-65); M.-A. Morency, Animation Sociale: the Experience of the BAEQ [Bureau d'Aménagement de l'Est du Québec] (Ottawa, D. of Forestry, 1968).

2. Canada, Special Planning Secretariat, Profile of Poverty in Canada (Ottawa, Privy Council Office, 1965), esp. section 8, 'The Role of Attitudes in the Development and Perpetuation of Poverty'. The Special Planning Secretariat was headed by Tom Kent, later the first deputy minister of the highly technocratic department of Manpower and Immigration. Kent perceived such a close link between rural adjustment and industrialisation that he originally intended to link Manpower with Rural Development in the new department.

3. McCrorie, ARDA, p.108.

We believe that it is ideal to have local participation in these rural development areas. We think it may be important in many areas that local people take initiative, that they become involved, that the understanding of the nature of their position be broadened, and that if this understanding is developed they will take a major part in the adjustments that must be made to improve their standard of living situation.

We believe that if people are well informed, they will, in most cases, make wise and sound decisions. This is the basic philosophy behind the approach which involves our rural population.¹

Since rural development was an adjunct to an urban, industrial society, the choices open to rural dwellers were two: to take advantage of normal or extraordinary aid and increase the specialisation and efficiency of their activities, or to be retrained and join the urban workforce. In one way or the other, they would adapt to what the minister responsible for the policy called the 'dog-eat-dog world of modern industrialism.'² If rural dwellers participated in planning their future, not only would this choice become clear, but resentment of it as imposed might be lessened. On the other hand, rural development schemes could be regarded as accentuating the forces encroaching upon rural life to make it more unpalatable, if not impossible. In this case, participation might encourage resistance to plans, a likely possibility in New Brunswick where the legitimacy of participation and the equality of citizens' rights were propagated by the Equal Opportunity programme.

1. Canada, Senate, Committee on Land Use, Proceedings, No.2, 3 Dec. 1963, p.38, testimony of A.T. Davidson [ARDA Director] on the 'package regional development approach' to rural problems.

2. Canada, D. of Forestry and Rural Development, Partners in Progress (Ottawa, Q.P., 1966), Hon. M. Sauvé, 'Preface', p.i.

ii. The response to ARDA in New Brunswick and the Northeast

In 1962, the Robichaud government passed complementary ARDA legislation, and the general agreement and subsidiary agreements were signed soon thereafter.¹ The first effect was to save funds as existing programmes were 'brought under the ARDA Act'.² ARDA's basic thrust was contrary to some established programmes: Lands and Mines' colonisation branch existed to make small land grants, (1,800 over the previous decade), and helped create the marginal farm problem. Most federal money was spent on research in New Brunswick rather than on community ponds or pastures or land drainage, and the province's total allotment of funds was not taken up.³ Under the amended ARDA, provincial programmes changed more, (as in 1966, when the Farm Adjustment Act replaced the Farm Settlement Act⁴), and Ottawa committed more than \$1million to the province in 1967-68.

In the northeastern counties of Gloucester and Restigouche, rural life was the norm among Acadians, and the defensive ideology of solidary isolation had long celebrated rural traditions: in the 1950s, the agricultural page of l'Evangeline was still headed 'La Terre Acadienne'. Yet agriculture's place as the foundation of a viable and religious society was altering as the old collective institutions - the co-operatives, caisses populaires, and l'Assomption - were turned towards diversification and growth by the rising managerial elite.⁵ The managers forthrightly claimed the leadership

1. Acts, 1961-62, c38; O.C. 63-132.

2. N.B., D. of Agriculture, AR, 1963, p.5.

3. Ibid., various years, and Canada, D. of Forestry, The ARDA Catalogue 1962-1965 (Ottawa, Q.P., 1965).

4. Acts, 1966, c9. For a succinct statement of the change in view ARDA vehiculed, see N.B., D of Agriculture, AR, 1967, pp.40-41.

5. J. Cadieux, 'Histoire de la Compagnie de Gestion Atlantique', Revue Economique, 3 (1965), 28-35; Cadieux, 'La Mutualisation de la Société L'Assomption', Revue de l'Université de Moncton, 1 (1968), 31-4.

of Acadian society.¹ They could also claim its allegiance, because they were not entrepreneurs, but managers, and surpluses were re-invested for collective growth and Acadian employment.² Defensive nationalism was supplanted, and by the early 1960s agriculture was reported in l'Evangeline on a page headed 'Nos Industries': there, Acadian agronomists advocated expansion, specialisation, and co-operation.

When the first ARDA agreement was signed, projects were invited by the provincial minister of Agriculture,³ and the established organisations in the northeast moved to take advantage of funds for improving agricultural efficiency. One was the Comité diocésain des cercles d'études of the Bathurst diocese, an extension organisation linked with the Université Sacré-Coeur: its president was the district agriculturist.⁴ In early 1963, after Gloucester county, the eastern half of Restigouche, and the parish of Alnwick in Northumberland were designated a rural development area, representatives of growth-oriented organisations and political leaders met in Bathurst.⁵ It was decided that the Comité diocésain would be the official link between ARDA and the rural population, explaining the programme and

1. Cadieux, 'Les Raisons de Notre Existence', Revue Economique, 1 (1963), 2-3. Cadieux was head of the faculty of business administration at the Université de Moncton, and was later the first lay rector of the university. The most obvious symbol of the status of the new elite, and of its leadership of Acadians into the wider economy, was the appointment of M. Legère, head of the Fédération des Caisses Populaires Acadiennes, as chairman of the Industrial Development Board (which extended loans and guarantees to N.B. firms) in 1961.

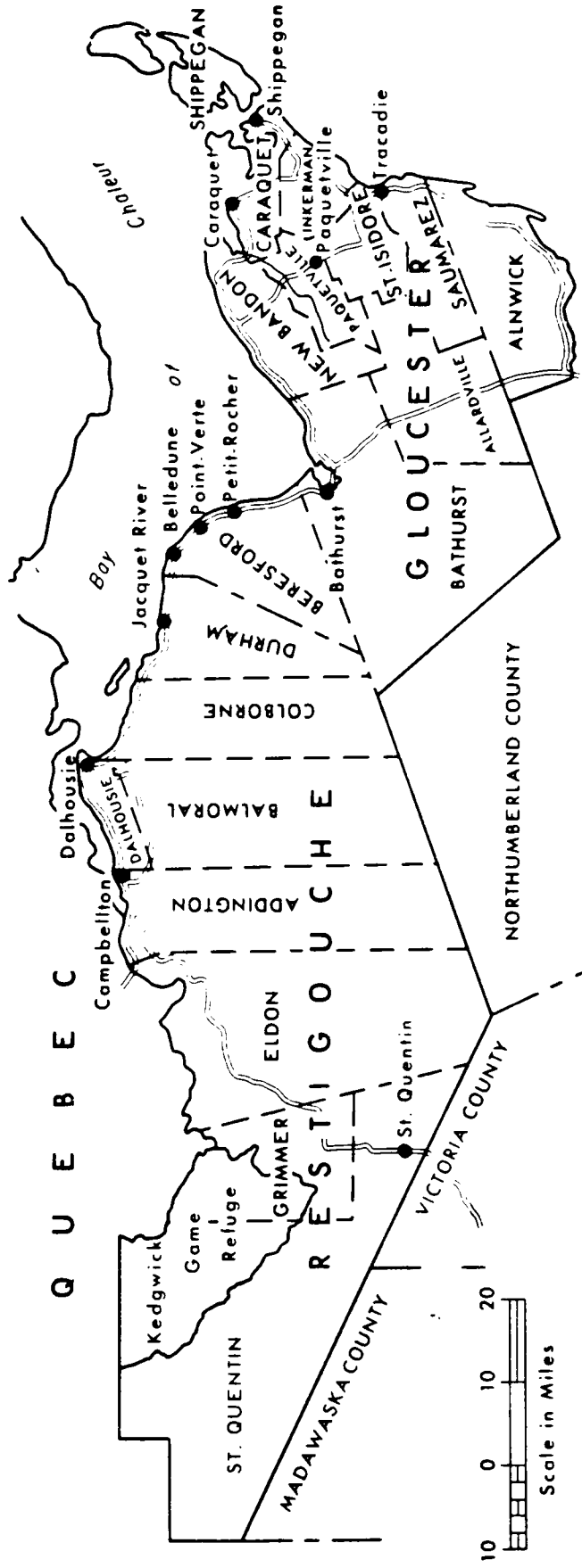
2. Cadieux, 'Compagnie de Gestion', p.35; 'Mutualisation', p.33.

3. Evangeline, 16 Oct. 1962, p.12.

4. Ibid., 8 Feb. 1963, p.1. The agriculturalist was Gérald Chiasson; for an account of his (and the Comité's) early organisational work, see N.B., D. of Agriculture, AR, 1958, 'Report of the Director of Agricultural Education'.

5. Evangeline, 8 Feb. 1963, p.1. 'On Veut Profitez d'ARDA dans le nord-est du N.-B.' Among the organisations present were the Comité, the Fédération des Caisses Populaires, the Union Co-opérative Acadienne, chambers of commerce, and two federations of agriculture.

MAP SHOWING THE LOCATION AFFECTED
BY THE
AGREEMENT COVERING A COMPREHENSIVE RURAL
DEVELOPMENT PLAN FOR
NORTHEAST NEW BRUNSWICK



source: Canada, 'Agreement Covering a Comprehensive Rural Development Plan for Northeast New Brunswick', 1966, p22.

channelling local proposals to the provincial ARDA committee (of officials). The Comité Diocésain organisation intensified. A typical Sunday-afternoon meeting in Beresford drew one hundred people, to whom it was emphasised that ARDA involved self help.¹ Small groups discussed possible projects, and individuals were chosen to initiate interest in their neighbourhoods; at the next meeting, projects such as small industries, parks, and Christmas tree co-operatives would be considered for transmission by the Comité. This kind of organisation was not novel in the region, where parish groups were relatively permanent, and expanded and changed tack as new causes, like fund-raising for l'Evangeline, the Bicentennial preparations, and the anti-alcoholism drive of the 1950s, were put before them by established leaders. The ARDA committees continued to expand, and a few projects for small-scale improvements went forward to provincial and federal officials, but with little result, for inter-governmental consultation was slow.²

In 1964, ARDA authorities requested that a more representative body be formed in the northeast, for rural adjustment required deeper mobilisation and some independence from established leaders:

People not only needed help, but above all they should be prepared to help themselves. Local leaders never realized the importance of delegating their responsibilities. [sic] From immemorial time, this had been the way of doing things. Thus the population overloaded their leaders with responsibilities and in the meantime they sat peaceably waiting for results. We, therefore, had on one part paternalistic and ineffective leaders; and on the other part, inertia, lack of a sense of responsibility, and childish criticisms from the people.³

1. Evangeline, 7 March 1963, p.6.

2. Canada, ARDA Project Review Committee, 'Minutes and Agendas: Meeting No.26 to 50', 16 Mar. 1964 to 31 Mar. 1965.

3. R. Landry, 'The ARDA Impact upon the Restigouche, Gloucester and Alnwick Populations in Northern New Brunswick', (progress report submitted by the Rural Development Officer), June 1966, p.15.

A regional development council (RDC) was formed. It had directors elected by local ARDA committees as well as by other regional organisations, and so was more broadly based than the Comité diocésain, including a teacher, postmaster, welfare agent and labourer among its directors.¹ This body was called CRAN (Conseil Régional d'Aménagement du Nord). CRAN was to maintain contact with government, unite regional groups and individuals into a common effort, and study the economy in order to prepare a comprehensive development plan.² In 1965, the Northern Regional Development Council (NRDC), based entirely upon existing organisations, was formed to represent the region's English-speaking inhabitants: it too aimed to 'implement the ARDA program'.³

iii. Comprehensive planning

According to the federal official largely responsible, comprehensive regional planning was a four-stage process. First, directed by a steering committee, a task force conducted research and evolved a broad strategy. Then the federal and provincial ARDA staffs developed programmes and integrated them into a draft plan. This was reviewed by the province and by senior federal officials. Finally, the plan was formalised in an agreement which divided functions among federal and provincial agencies and allocated supplementary funds so the region would receive the special thrust necessary for its development. 'At all stages in this process the active participation of the local people of the region is encouraged

1. IP, 1964, p.2198.

2. Ibid.

3. IP, 1965, p.1700.

and assisted.'¹ In the case of northeast New Brunswick, the process was far less neat.

First, early research was conducted by several agencies, and produced varying recommendations. An early work based largely on census figures diagnosed unemployment and social demoralisation.² The primary industries offered little scope for expansion, and labour-intensive manufacturing was recommended. The first priority was education to provide new skills and stimulate out-migration. Another study commissioned in 1963 generally bore out this analysis. However, considerable potential was found in the primary sector, which had been stultified both by labour-force immobility and taxation and marketing structures.³ Farm amalgamation could be aided, and the production of blueberries, vegetables, and livestock could expand to serve the local market. Woodlots integrated under a separate forest authority would increase their owners' market power, and property rights could be established in the lobster fishery to stop over-exploitation and raise incomes. The strategy was therefore to combine social adjustment with primary resource development.

In May 1965, a Task Force was appointed to prepare an integrated plan for the region. Its co-chairmen (the assistant deputy minister of Forestry and the deputy minister of N.B. Agriculture) co-ordinated an extensive working group of departmental representatives and consultants. There was also an advisory committee upon which the RDCs,

1. Poetschke, 'Regional Planning: Canadian Experience', p.5.

2. This study was done by H. Whalen, and was unavailable: see Community Improvement Corporation, 'Whalen Report: Selected Excerpts'.

3. Lockwood, 'Rural Development Research Region', 'Summary Volume'; Part I, 'Farm and Rural Non-Farm Enterprises'; Part VI, 'Additional Development Possibilities and Institutional Arrangements'.

CRAN and NRDC, were represented. Their involvement was sanctioned after they met Premier Robichaud to request collaboration with ARDA, and were promised the government's 'total support'.¹ The RDCs received ARDA grants to fund their activities, and organisation in the northeast became intense. Meetings and seminars were held to establish local committees, of which there were 35 by 1966.² Sectoral committees, both local and regional, grouped individuals and organisations interested in certain aspects of development. Over 2,000 people were involved in this organisation, and projects flowed to CRAN and NRDC and thence to the Task Force.³ Most were reserved for study, but one did proceed: the RDCs, in co-operation with the department of Education, promoted adult education classes in 1965-66. Sectoral committees on education recruited 1,700 people to take evening classes, substantially increasing past enrollment.⁴ The grass-roots organisations had demonstrated their effectiveness, and their greatest problem was maintaining popular enthusiasm when further projects were not forthcoming.

In 1964-65, interest had shifted south to the St. John river, where a dam being built at Mactaquac provided an opportunity for comprehensive planning. Preliminary studies were done by consultants, and to prepare a plan, a provincial agency, the Mactaquac Development Board, was funded by Ottawa.⁵ In 1965, this became the Community Improvement Corporation (CIC), a body with extensive powers and re-

1. Evangeline, 30 July 1965, p.3.

2. D. Malcolm, 'Northeast N.B. Rural Development Area: the Role of Local Committees in Program Implementation', November 1966, p.10; Appendix I, pp.13-14.

3. Ibid., Appendix II, pp.19-22.

4. Ibid., p.19, and N.B., D. of Education, AR, 1965-66, 'Report of the Director of Vocational Education'.

5. ARDA grants Nos. 4033, 4034; O.C. 64-828.

porting directly to the Premier.¹ Such agencies reflected the federal preference for unitary planning organisations, (rather than interdepartmental ones), with no particular orientation towards agriculture.² But the CIC also suited provincial needs, for quick work was essential at Mactaquac, where the dam's headpond was filling on a fixed schedule, and it was also congruent with the positive-state philosophy of the young civil servants in the Office on Government Organisation; when the Equal Opportunity package was completed, one of them became chairman of the CIC.³ Although the FRED legislation was not yet passed, the CIC negotiated a Mactaquac plan with the Special Planning Secretariat in Ottawa.⁴ This plan was to affect the northeast indirectly, for the CIC concentrated its early efforts on Mactaquac, and since this was a largely physical plan requiring construction of a recreation complex and a new town, the CIC's staff took on an engineering orientation inappropriate to social planning in the northeast. Public participation was not encouraged at Mactaquac, and while physical developments were competently handled, the CIC did not reach local residents or deal with rural poverty.⁵

The CIC's first approach to the northeast was to engage a

1. Acts, 1965(1), c2.

2. Careless, Initiative and Response, pp.78-79.

3. This was F.R. Drummie. The original board of directors also included Tweeddale of the NBEPC, and the deputy ministers of Lands and Mines, Municipal Affairs, and Agriculture. Five other deputy ministers were later added: see CIC, AR, 1967.

4. D. of Forestry and Rural Development, 'Background Papers: FRED Programs, Atlantic Region', papers for meeting of provincial FRED directors, Moncton, 2 Nov. 1967, 'Mactaquac Comprehensive Development Plan', pp.45-55.

5. L. Gertler, 'Observations on the Mactaquac Plan', in Gertler, Regional Planning in Canada (Montreal, Harvest House, 1972), 86-96.

design group, PPA (Project Planning Associates), to select sites there for 'community development', a term it understood in the physical sense of building infrastructure.¹ Its primary concern in the region was the smelter at Belledune, which was to start operations in 1966. A federal-provincial study had concluded that local inhabitants could be trained for the 1550 jobs at the smelting complex,² and the CIC's consultants forecast a population of 13,000 to 17,000. They recommended that 'some agency' buy sensitive land, control the rest, and develop a growth pole at Belledune through co-ordinating land-use, municipal services, transportation, and education. This plan should be integrated with a province-wide strategy 'regarding the optimum use of all available natural and human resources.'³ No consideration was given to administrative, political, or social obstacles to such planning.

As the CIC solidified around Mactaquac and Belledune, the ARDA Task Force also planned for the northeast, along with its advisory committee and consultants. This was a synthetic process, as neither funding levels nor priorities were yet established. The Task Force therefore presented a set of projects, as well as a computerised procedure for selecting and integrating them once plan parameters were decided.⁴ The projects were suggested by departments,

1. PPA, 'Restigouche & Gloucester Counties: Community Planning Study - Interim Report No.1', 15 Sept. 1965.

2. Canada-N.B. Departments of Labour, 'Skilled Labour Availability', pp.4-5.

3. PPA, 'The Belledune and Region Development Study', Nov. 1965, p.10; see also appendices 1 and 2, and PPA, 'Belledune Area Master Development Plan', Jan. 1966.

4. H.R. Scovil and P.L. Boisclair, 'The Federal-Provincial ARDA Task Force Report for Northern New Brunswick: Report of the Co-Directors', 7 Jan 1966; Dyname Corporation, 'Northern New Brunswick Project', 1966, vol.I, 'General Report'; vol.VI, 'General Report on Projects'.

previous research, the consultants, and the local ARDA committees, and CRAN and NRDC had considerable success here, for 12 of their 17 projects were accepted. Most of these were to expand and diversify primary production, through forestry co-operatives, pig and poultry raising, berry and vegetable cultivation, and fish-processing and cold-storage plants. Tourism was also to be promoted and roads to the region improved. But alongside these projects, and accounting for the bulk of the funds, the Task Force proposed others designed to modify attitudinal barriers to change. It noted frankly that the northeast was an Acadian region with a deep tradition of subsistence on the land.¹ Its plan was to change traditional preferences, through introducing education and new technology.² Since the only French-language television was broadcast from Quebec and was not available throughout the region, a closed-circuit educational television system was proposed.³ A second major project was to free communication in the region by reducing long-distance telephone rates and substituting individual for party lines. Like education, this would stimulate mobilisation:

the purpose should be the alteration of the traditional way of life and of the old pattern of values, and the introduction of the North American way of life. To those who would object to such an over-all target, we feel that it would be unethical for anyone and for society to condemn some groups to be excluded from the mainstream and from the dynamics of society.⁴

The Task Force strategy, therefore, combined full development and further processing of primary resources with education to pro-

1. Ibid., vol.II, 'Historic Demographic and Economic Situation', esp. pp.1-34.

2. Ibid., vol.IV, 'Policies Rationale, Table of Investments, Implementation Organization', pp.26-28; Scovil and Boisclair, 'Task Force Report', p.15.

3. Dyname, vol. M-1S, 'Integrated Education Programme'.

4. Dyname, vol.III, 'Problem Definition, Objectives, Solution', pp.25-6.

vide the skills and motivation for industrial life. Its plan obviously reflected the pre-occupations of the diverse agencies represented on the Task Force, but, significantly, it was accepted by CRAN and NRDC, as it had been in the vocational education programme, that rural dwellers could benefit from re-training and that some should be encouraged to join the urban, industrial economy. The Task Force requested approval of its strategy, decisions on funding and priorities, and authority to proceed with implementation; it was supported in this by the RDCs.¹ However, the interdepartmental committee structure was no longer favoured by Ottawa as an implementing mechanism. Moreover, the Task Force had been led astray by its consultants, whose reports oddly combined extended passages of insubstantial verbiage with flat precepts.² The computer program for project selection was particularly abstruse, yet it was finished while many projects were barely sketched. It was difficult to infer the plan's rationale, and it was not well received: in the same month the report was submitted, the CIC was instructed to prepare a comprehensive northeast plan.

The consultants, PPA, were commissioned again. Their plan aimed to produce a skilled workforce concentrated in towns to which adequate infrastructure would attract industry.³ Very little would be spent developing primary resources, but huge expenditures were projected for transportation, housing, education, and community

1. Malcolm, 'Role of Local Committees', p.21.

2. Dyname, 'N.B. Project', vol.III, 'Problem Definition', 'Appendix on the Planning Process', pp.70-91.

3. PPA and CIC, 'Gloucester-Restigouche Regional Development Plan: Program Implementation', Mar. 1966, esp. pp.4-7; Appendix B.

services in six regional centres and the new town at Belledune. Urban and suburban populations were to increase by over 100%, while rural population dropped by one-third, and although 3,800 families were to be moved, it was assumed that standard public relations techniques and special counselling would suffice to secure compliance:

In order that the overall program will meet with public acceptance and success it will be necessary to engage a small but specialist staff, and employ radio, television and other media in order to disseminate as widely as possible the underlying reasons for the substantial program investment.¹

This plan was revised to exclude operating costs and increase relocation allowances and housing allocations, but the emphasis on constructing infrastructure and the absence of rural development projects remained unchanged.²

The plans of the Task Force and of CIC/PPA each aimed to integrate the northeast into industrial society. Each stressed education and approved the Byrne Commission proposals for improving it. Each aimed to upgrade the region's roads and the highways linking it with the south. As Table 7.1 shows, however, the plans then diverged, the Task Force intending to develop primary industry and tourism while gradually modernising rural dwellers, and the CIC proposing to immediately concentrate both residents and services in the region's larger centres. Table 7.1 also documents the final FRED plan adopted in September 1966.³ This was the result of federal-provincial bargaining. Ottawa refused to fund most road construction and health facilities, but would heavily support vocational education,

1. Ibid., p.7.

2. CIC (staff resources by PPA), 'Gloucester-Restigouche Regional Development Program Implementation', April 1966.

3. Canada, Agreement Covering a Comprehensive Rural Development Plan for Northeast New Brunswick (Ottawa, Q.P., 1966).

TABLE 7.1: SPENDING DISTRIBUTION OF THREE PLANS FOR NORTHEAST N.B.¹

Programmes	FRED	PPA/CIC	TASK FORCE
1. Education (schools)	27.0% ^a	12.7%	
2. Technical and Vocational Education	(24.1)	(5.4)	(10.2%)
capital facilities	1.9		7.9
operating costs	2.7	1.9	2.1
training allowances	11.2		
teacher training	1.5	.3	
adult education	4.0	3.2	.2
pilot project	2.8		
3. Land Acquisition and Resettlement	(27.7)	(10.4)	
land acquisition	9.0	2.4	
resettlement grants	7.2	1.4	
moving allowances	.9		
special assistance	2.7		
counsellors	3.4	.6	
housing subsidies	4.5	6.3	
4. Development and Structural Adjustment	(15.1)	(40.9)	(50.2)
agriculture	.1	1.1	1.5 ^b
fisheries	1.9	.3	7.8
industrial park	.8	.6	3.1
employment opportunities	2.2		
recreation facilities	1.1	2.3	3.1
transportation	9.0	36.6	34.7
5. General	(6.2)	(1.1)	
administration	4.9	.7	
information	.7	.4	
evaluation	.6		
6. Other		(29.4)	(39.7)
marketing structure			.1
rural renovation			4.2
communications			16.6
tourism		1.5	18.8
health, welfare		11.1	
minerals		.2	
community infrastructure		16.5	
Totals	100.1%	100.0%	100.1%
Spending (000,000s)	\$89.25	\$425.31	\$47.95

^a underestimate: 5 years only^b underestimate: pilot projects only

1. Source: Ibid., Schedule C; CIC, 'Gloucester-Restigouche Program'; Dyname, vol.IV, 'Table of Investments', p.59, supplemented by estimates in various volumes on projects. Spending categories are those of the FRED plan; expenditures are over 10 years.

the responsibility of the new department of Manpower and Immigration, which was to spend \$25million of the \$89million total. New Brunswick received some aid for roads, funds for the schools it was committed to build under Equal Opportunity, and an implementation grant of \$7million, payable in installments so long as projects continued to be congruent with the plan. Ottawa was to pay 70% of the cost of the ten-year plan.

The FRED plan approximated the CIC strategy. In the workforce of 29,000, unemployment or under-employment was estimated at 10,000. Rationalised primary industry could support those now in the sector, at adequate incomes, while the smelting complex and a pulpmill which was to expand at Bathurst would provide, directly or indirectly, employment for those currently unproductive. The special investments under FRED were to 'enable the labour force in the area to take up the new productive jobs as they come available.'¹

This required, first, education. Comprehensive secondary schools would serve 6 major centres. Each year, 700 workers would receive vocational training, and a further 2,000 - 2,500 would have skills upgraded. Second, since jobs and infrastructural spending would be in the towns and largely in the west, while the rural poor were concentrated in the east, about 1,000 families would move to nearby centres, and 2,700 would be helped to move west. Their land would be bought (at a maximum price of \$100 per acre, although \$10 - \$20 was the expected average), mobility grants would assist relocation, and subsidies would help the urbanised poor afford one of the 3,000 - 4,000 housing units to be built in the designated centres as ordinary Central Mortgage and Housing Corporation (CMHC)

1. Canada, Northeast Plan, p.25.

programmes were intensified. To ensure rural dwellers were aware of these plan components, 25 to 35 counsellors would advise them.

Rationalising resource use was a small and supplementary part of the plan. Forest land, considered almost worthless, would be bought primarily to free its owners. Aid to a maximum of \$1,000 would be available to the approximately 100 farms thought commercially viable. The offshore fishery was not covered by the plan, but several small projects would release over half the inshore fishermen and improve the productivity of the remaining 700. To provide transitional employment, several minor projects to upgrade resources would be undertaken in the west.

The CIC was to co-ordinate implementation, under a Joint Advisory Committee of officials. It would work with a federal programme director who would in turn secure the co-operation of the federal agencies (principally Manpower and CMHC) responsible for plan components. The CIC was itself responsible for counselling and for an information programme 'to foster full public understanding of the program and to encourage active participation of the local people in carrying out the development plans.'¹ The formal agreement also stated that Canada would make no contributions 'unless there exists the effective involvement and participation of residents and local people of the area through the establishment of local advisory committees as provided for in the [FRED] Act.'²

1. Ibid., p.37.

2. Ibid., s6.

iv. Implementation

The progress of the northeast FRED plan was marked by confusion and delay. One upsetting factor was the inclusion of western Restigouche county in June 1966, for all previous research had covered only the pilot region, and although the plan still assumed there were only 40,000 acres suitable for farming, the newly included parishes alone had this much agricultural land. The extension also produced friction between the towns of St. Quentin and Kedgwick, rivals for recognition as a designated centre. As well, the plan was strategically comprehensive, but many programmes were incomplete. Land acquisition and disposition mechanisms had not been specified. Decisions remained to be taken about a pilot training scheme for the hardcore unemployed, improvements to roads, and the industrial park's location. The CIC, in designing its own public relations and counselling programmes, strove to apply the critical-path methods used in construction projects.¹ Inaction created frustration in the region, and a year after the plan's signing, the CIC determined where to locate counsellors through elimination of areas too hostile to accept them.²

When consultants insisted that delay was more costly than imperfection, a set of projects was hurriedly drawn up.³ But there was little sense of urgency, particularly on the federal side. The Joint Advisory Committee deferred several decisions, and six months passed before the federal Treasury Board approved those which were

1. CIC, Program Control, 'Master Schedule for Public Relations, Area Participation and Counselling Programs', 8 April 1967.

2. CIC, 'Documents on the Evolvment [sic] of "Counselling" Services in Northeast New Brunswick', section 10, n.d. but late 1967.

3. Kates, Peat, Marwick & Co., 'Management Systems for the Northeast New Brunswick Development Plan', Jan. 1968.

taken.¹ The 1968-69 projects were finalised after the financial year began, and a new set went forward shortly afterwards, so approval might be won before they were due to commence.² The information campaign, in 1968-69, was to assure the northeast 'that the first real steps under the FRED agreements are about to be taken.'³

One reason for delay was that 'employment opportunities' had failed to materialise. Pulpmill expansion at Bathurst was postponed. The Belledune smelter encountered technical problems and also changed ownership.⁴ The full complex was not built, and little secondary employment was generated. Increasingly, construction and recreation projects were used to provide temporary work for those entering or finishing training courses.

The need to co-ordinate many agencies with diverse goals also delayed implementation.⁵ Vocational training was impeded by a new federal-provincial agreement under which courses would no longer be purchased for those in the labour force for less than three years. Research was necessary to estimate the gap between the special needs of the region and national guidelines before FRED funds could be allocated to close it. Similarly, a potential amendment to the National Housing Act delayed construction in the designated centres, and uncertainty was perpetuated when the New

1. CIC, 'Northeast Programs 1967-68', 'Background Material' and minutes of JAC meeting of 3-4 Aug. 1967.

2. CIC, 'North-East Project Proposals 1969-70'. These passed the CIC board in October 1968 and were considered by the JAC in December and in April 1969.

3. CIC, 'Program and Project Proposals: Fiscal Year 1968-69', 'Northeast N.B. Programs', '12-Administration'.

4. Hunt and Campbell, K.C. Irving, pp.146-49.

5. J. Pressman and A. Wildavsky, Implementation (Berkeley, University of California Press, 1973), pp.87-124.

Brunswick Housing Corporation was founded.¹ Moreover, CMHC regulations forbade loans for building on unserviced land, yet the municipalities could not provide services, and the plan made no provision for them. Locating the industrial park required consultation with the Area Development Agency, the Atlantic Development Board, the national railways, and the Research and Productivity Council: no proposal could be submitted by 1968-69. Relocation was also hindered, for FRED grants were only for landowners, and the \$100 per acre could not compensate fishermen with few acres but much equipment.²

Given these constraints and co-ordination problems, officials began to look towards the agreement's review, which was mandatory by July 1969. The plan had been faltering indeed. In two and one-half years, \$14.9million had been spent. By programmes the percentages of original allotments spent were as follows:³

school construction	29%
transportation	41
fisheries	41
administration	13
manpower projects	11
counselling	9
land-use adjustment	2
agriculture	2
(all programmes)	(17%)

Construction programmes had proceeded, but social programmes (counselling, land-use adjustment, and manpower projects) were all under-spent. The distribution of delay in plan components cannot be ascribed only to administrative difficulties or unforeseen events: it was caused by resistance which aroused, then was aroused by, CRAN and NRDC.

1. CIC, 'Programs 1968-69', '05-Housing'.

2. CIC, 'Proposals 1969-70', 'Framework for Project Development'.

3. CIC, Internal Financial Statements, 1969, Exhibit B-1.

v. Participation in the northeast plan

The RDCs had accepted the need to modernise the northeast; they had an official role in regional development sanctioned by the FRED legislation; and they had participated in the Task Force planning exercise. In 1966, CRAN and NRDC continued to submit proposals to the Task Force, and pressed for even closer links with it.¹ Their position was apparently reinforced by a meeting with Robichaud and M. Sauvé (the federal minister), following which several projects were approved.² When the plan was signed, projects continued to go forward, but no results were forthcoming.³ Designing projects was now the responsibility of the CIC, and the RDCs' position was awkward: they could either cease planning, and promote among their constituents an official plan of which they were highly suspicious, or continue to involve the population in designing projects which would be ignored.

At first this choice was not evident, as it appeared that CRAN and NRDC might implement the counselling component of the plan.⁴ Provincial ARDA officials pressed for this, and while the Joint Advisory Committee left the decision to cabinet, it increased the per capita ARDA grant so that CRAN received \$90,000 and NRDC \$28,000.⁵ Certainly the regional councils were encouraged to promote the plan by the rural development officer who had organised

1. Evangeline, 16 May 1966, p.2 and 12 May 1966, p.12.

2. Ibid., 25 May 1966, p.1: 26 May, p.2; 27 May, p.2.; 14 June, p.1; 23 June, p.2. Approved were two blueberry projects, and assistance to hog producers and woodlot owners.

3. Ibid., 23 Nov. 1966, p.7.

4. CIC, 'Documents on Counselling', 'Counselling Program for N.E. New Brunswick - An Addendum', n.d., but July-August 1967.

5. CIC, 'Programs 1967-68', minutes of JAC meeting of 3-4 Aug. 1967.

many of their local committees,¹ and they did successfully recruit candidates for vocational classes in the winter of 1966-67.² Yet the CIC continued its critical-path programming of counselling, and the lack of concrete results produced frustration in the northeast, while the mobility programme aroused much apprehension.³ Finally, after disputes about the registration regulations governing vocational training, CRAN withdrew from promoting the classes, and refused to undertake the counselling function.⁴ Relations with the CIC degenerated, and opposition to the plan mounted.

To some extent, conflict was due to mutual misperception. The CIC was regarded as inflexible and unsympathetic, an image personified in its general-manager, who spoke no French, was thought arrogant, and acquired an anti-clerical reputation.⁵ The CIC, however, was strained by its dual responsibility for Mactaquac and the northeast, and it lacked the power to sway federal departments: it was Manpower, not the CIC, which determined eligibility for vocational training. Conversely, the RDCs, and CRAN in particular, were considered reactionary by CIC officials, because they were thought to favour primary resource development alone.

We are going to bring the Northeast into the twentieth century. ... We anticipate some problems. Some people in government, not to mention some of our friends in CRAN, are fundamentalists when it comes to rural development. I don't make the rules, but the rules say they are behind the times. These birds don't swing. They are not living in this day and age.⁶

1. Evangeline, 1 April 1967, covering R. Landry's speech to CRAN annual meeting, p.5.

2. CIC, 'Programs 1967-68', 'Background Material', '02-Manpower'.

3. G. Allain, S. Côté, J. Tivendell, 'Evaluation of New Brunswick Regional Development Councils', 1976, p.42.

4. Evangeline, 6 Oct. 1967, p.1. CIC, 'Programs 1968-69', '03-Counselling'.

5. Interview with R. Landry, 15 Aug. 1978.

6. McCrorie, ARDA, p.76, quoting senior CIC official.

Yet in their work with the Task Force, the RDCs had supported some concentrated projects, and had also accepted modernisation as inevitable, aiming to promote it through a process of education which was not appreciated by the CIC planners, to whom the desirability of specialised, urban, cash-economy living was perfectly obvious. CRAN was also held responsible for 1967-68 protests in the northeast, particularly over school locations. But CRAN was not a radical organisation, before 1969: most of its directors were managers, professionals, or white-collar workers.¹ It seems likely that with expectations aroused by Equal Opportunity, and the province intervening more obviously by building schools, protests would have erupted inevitably, and that if CRAN supported them, it was to hold a constituency.

By 1968, the friction had damaged both organisations. Since the RDCs evidently had little influence, the local committees were disintegrating.² The FRED plan was floundering, and both consultants and federal officials maintained that local co-operation was essential for success.³ So the CIC declared itself interested in 'a sincere and determined search for common ground' with the RDCs.⁴ An agreement was reached and enshrined in a formal protocol: CRAN and NRDC were to identify local needs and aspirations, convey information to residents about programmes, and gather information useful

1. G. Bourassa, Study on Participation and Regional Planning (Ottawa, Canada Council on Rural Development, 1969), T3.

2. Ibid., p.47.

3. D. of Forestry and Rural Development, 'Background Papers: FRED Programs', 'The Northeast Plan', p.37, p.43; Kates, Peat, Marwick, 'Management Systems', p.IV-2, p.X-1.

4. CIC, AR, 1968, p.8.

for evaluating programmes: although project suggestions would also be welcome, 'the final decision must rest with the respective governments.'¹ A new CIC chairman, native of the northeast, was appointed, and the Bathurst office was placed under another 'gar du milieu'. With new optimism, CRAN co-operated in a study of the region's media, and aimed to revitalise its organisation.²

The media study showed the importance of grass-roots organisations, for respondents in all social groups cited personal friends as their most common and reliable source of information.³ It also attested to the RDCs' efforts: 55% of respondents knew of an ARDA project, and 23% had attended a regional development meeting.⁴ On the other hand, the RDCs were not considered particularly well informed about regional problems,⁵ and this documented a situation already apparent to CRAN leaders. It was necessary to rebuild the organisation.

The CIC agreed to fund an 'enquête-participation' to organise western Restigouche through a questionnaire administered at local meetings.⁶ For its animators, the enquête was a tool of mass mobilisation designed to stimulate thinking about under-development and to produce new leaders in communities.⁷ Over 200 people organised

1. CIC, 'The Principles of Area Participation Under Comprehensive Rural Development Agreements Entered Into by the Province of New Brunswick', n.d., but early 1968, p.5.

2. Evangeline, 4 April 1968, p.3, covering annual meeting.

3. CROP, 'The Role of the Mass Media, Opinion Leaders, and Interpersonal Relationships in the Community Development of Gloucester County, N.B.', Aug. 1968, pp.94-95.

4. Ibid., T67, T73.

5. Ibid., T75.

6. CIC, 'Programs 1968-69', "04-Land Use Adjustment'.

7. DREE, 'Rapport Préliminaire de l'Enquête: Région de Restigouche Sud', November 1968, p.62.

the survey, and 20 to 30 meetings per week were held in the area. A similar exercise was conducted in the original region by a group affiliated with CRAN; it recruited 50 local committees to administer a simple questionnaire to over 19,000 adults.¹ Through 'animation sociale', CRAN was reformed, as strategists who believed in direct action mobilised those originally by-passed by the organisation into a renewed network of local committees. There existed a mobilisable constituency. According to available figures, the inequality of income distribution in the province had increased markedly between 1958 and 1968. Of those filing income tax returns, the upper one-third had average incomes rise 42% while the lower thirds rose 16%.² The lower group's real income had declined, and among farmers and fishermen, this was true of current income, which dropped 14% between 1966 and 1968 alone.³ In the northeast, the FRED plan had not ameliorated these groups' conditions. School-leavers had no access to Manpower training; only a few farmers could benefit from the limited agricultural projects; the construction jobs were in the towns; and spending on job-creation was both low and restricted to vocational trainees.

It was the poor that the organisers mobilised, arguing that the FRED plan had been imposed upon the region, that it was not wanted, and that it was wrong in concentrating on urban infrastructure.⁴ The mobility programme was especially resisted because it eroded rural power: it was held to be contrary to the inhabi-

1. CRAN, 'Rapport Ouellette: Enquête-Participation - Comité d' Action Sociale', June 1968.

2. W.B. Sawdon, 'Relative Income in New Brunswick and Problems Thereto Related', in N.B., Report of the Task Force on Social Development, Participation and Development, Vol.II, (Fredericton, Q.P., 1971), 207-220, TIII.

3. Ibid., TXIV, TVII.

4. CRAN, 'Rapport Ouellette', pp.8-9, pp.46-53.

tants' desires for rural revitalisation, and doubly perverse because it merely re-created unemployment in the towns. There is some evidence that these contentions were accurate: even before CRAN was founded, farmers were found to believe that their problems could be resolved by reduced taxes, better agricultural services, and rural industries.¹ And a 1968 study, the first investigation of household budgets, concluded that migration would not increase the proportion of the population above the poverty line, and that rural residents had a 'reasonably accurate, rational' appreciation of this.²

Thus, there were two organisations in the northeast competing for popular support. One, still a minority within CRAN, resisted the FRED plan outright as an imposition, and demanded structural change to aid the rural poor. The other, the CIC, still aimed to implement a plan which, although it was helping bring about the conditions which would make it so, was regarded quite simply as correct:

The ultimate objective of the Community Improvement Corporation's Public Relations program is total acceptance and participation by residents of the designated areas in development projects. They can choose a better future for their families. ... We must, however, encourage them to accept that there is in actuality, only one choice - to relocate where growth and development are occurring.³

1. Lockwood, 'Rural Development Research Region', part I, 'Farm and Rural Non-Farm Enterprises', pp.118-133; also PANB, RS179, RBC, 10/9 and 11/3 for summaries of farm federation briefs to the Byrne Commission.

2. Abramson with Howland, Barriers to Mobility, p.167.

3. D. Hoyt [co-ordinator of public relations], 'Public Relations - CIC', 20 Oct. 1968, pp.1-2. (In CIC, 'Proposals 1969-70')

vi. The plan superseded

In early 1969, a steering committee was established to guide the mandatory review of the FRED plans, and consultants, Abt Associates, were chosen to evaluate them. The role of the RDCs in this evaluation soon arose:

The opinion was expressed that one of the strongest criticisms which has been directed against the existing plans is that the present agreements were drafted in a vacuum without having the local population involved in their formulation. They felt that these plans do not take into account their real needs and therefore do not offer adequate solutions to their problems. Not to involve them at this stage would be to repeat the same mistakes that were made when the present agreements were developed.¹

This was probably the position of the federal Rural Development branch, whose head had earlier endorsed local participation in the review process.² It was agreed, however, to refer the matter to the Premier, and while it was eventually decided that Abt would arrange interviews and workshops in the region, only summaries of its reports would be given the RDCs. Moreover, the evaluation would not depend on local advice: participation was to be evaluated instrumentally, like any other plan component, according to its contribution to goals.

The consultants did put participation 'on the same footing as other development programs so that the relative pay-offs can be compared.'³ While the primary causes of the northeast plan failure were held to be inflexible administration and the absence

1. Canada-N.B., 'Minutes of Federal-Provincial Steering Committee Meetings for the Revaluation of the Mactaquac and Northeast N.B. FRED Plans', meeting of 31 Jan. 1969.

2. Canada, House of Commons, Standing Committee on Regional Development, Minutes of Proceedings and Evidence, No.5, 28 Nov. 1968, evidence of A. Saumier, esp. pp.70-72.

3. Abt Associates, 'Evaluation of the New Brunswick FRED Plans - Second Interim Report: Prospective', June 1969, p.59.

of a locus of authority, local resistance was also a factor, for the regional population desired dispersed community development in opposition to the plan's concentrated spending: local leaders sought equity, planners efficiency.¹ This could lead to useful bargaining when each side understood the other's objectives. Ultimately, however, since the consultants served the planning agencies, there was no doubt that officials should pre-arrange the structure of power which would determine outcomes:

The addition of a powerful role for local groups in the decision-making process will quite obviously determine whether equity or efficiency goals are sought through the agreement.²

The consultants identified three possible strategic objectives: maximising income and employment within the region, maximising them through mobility, or maximising aid to the poor and unemployed. The third was rejected, and the optimum strategy was defined as the attraction of industry until the cost of creating jobs matched that of moving labour out of the region.³ Four possible plans were outlined. The first resembled the existing programme mix of social services and infrastructure construction. The others revolved around out-migration and job-creation: at one extreme, 5,000 workers would be trained and helped to migrate and 1,000 jobs created; at the other 3,750 workers would migrate and 3,750 jobs would

1. Abt, 'First Interim Report - Retrospective', April 1969, ch.VI, esp. pp.82-85.

2. Abt, 'Evaluation of the New Brunswick FRED Plans - Final Report', July 1969, p.112.

3. Abt, 'Second Interim Report', pp.1-2.

be created.¹ The residents' aims were ignored:

They would, of course, favour a strategy of primary resource development over industrial development, had it been included as an alternative.²

But the consultants also included a fifth strategy - deferring a decision. This was shrewd, for the attention of neither government was currently focused on the region. The steering committee simply recommended that the revised agreement should be compatible with more important decisions which were to be taken.³ A negotiating committee was established, but it was not until 1972 that a revised agreement was signed.

On the federal side, the FRED plans were overtaken when the department of Regional Economic Expansion (DREE) was formed in 1969 to amalgamate all agencies administering regional development policies. DREE was a vehicle for expanding and co-ordinating these policies, and did so in three ways: special areas, either very depressed or potential growth poles, were designated for intensive action;⁴ investment grants to industry became larger, more flexible, and regionally variable;⁵ and federal-provincial planning became more integrated and continuous.⁶ In New Brunswick,

1. Abt, 'Final Report', Exhibit III-3.

2. Ibid., p.22.

3. Canada-N.B., Joint Steering Committee, 'Report to the Joint Advisory Committee for the Mactaquac and Northeast New Brunswick Federal/Provincial Rural Development Agreements', Oct. 1969, p.9.

4. J. Francis and N. Pillai, Regional Development and Regional Policy - Some Issues and Recent Canadian Experience (Ottawa, DREE, 1972), pp.53-63

5. Careless, Initiative and Response, pp.91-108.

6. J. Perry, Inventory of Regional Planning Administration in Canada, staff paper No.1, Intergovernmental Committee on Urban and Regional Research, (Toronto, 1974), pp.85-98.

the growth-point strategy which had been applied on a regional basis within the northeast shifted to the provincial level. Saint John and Moncton were designated centres to receive heavy infra-structural spending, and firms which located there (previously ineligible for incentive grants) could receive loan guarantees (up to 90% of the loan) and capital grants (up to 35% of investment and \$7,000 per job created). They were special areas.

DREE favoured a province-wide development strategy, but it had also been advocated by regional spokesmen.¹ And once Equal Opportunity removed obstacles, the Robichaud government had also begun to plan at the provincial level. In 1968, a department of Economic Growth was established, and so was a Development Policy Secretariat, a small central agency which was to prepare a provincial development plan and to support a new cabinet committee on Development Policy.² This structure was established because the state, now the largest economic organisation in the province, had to act in a coherent and positive manner. It also had to produce economic growth to finance its own expansion. At the first meeting of the new cabinet committee,

the Chairman noted that the implementation of the Byrne Report through the programme of Equal Opportunity meant the assumption by the Province of increasing costs in various fields...The Government had decided that an overall examination of economic trends and expenditure priorities in New Brunswick was required in order to ensure a sufficient flow of taxation revenues in future to meet these increasing needs.³

1. F. Walton, 'Atlantic Development: An Appraisal', Business Quarterly, 33 (1968), 61-71; APEC, A Development Program for the Atlantic Provinces, pamphlet, (Fredericton, 1965).

2. F.T. Walton and G.H. MacGarvie, 'Public Development Agency Planning - Lessons From the New Brunswick Government', paper presented to the Project Cycle Seminar, 20 Jan. 1977.

3. 'Minutes of the May 7, 1968 Meeting of the Cabinet Committee on Development Policy', p.1.

Province-wide planning was disorganised by the overlapping responsibilities of provincial agencies, and competition between them.¹ DREE, too, was ill-prepared for infrastructural planning, but very substantial funds were allocated to Saint John and Moncton.² The emerging provincial strategy strengthened the commitment to manufacturing, and focused on attracting industry to the south, where growth - with government aid - was to be concentrated.

In 1969, the CRAN leadership was prepared to play the constructive role in re-negotiating the FRED agreement which the CIC had promised it would.³ But the CIC and politicians at both levels of government were alienated by the new movement within the organisation, and the RDCs' participation was limited.⁴ Local committees met the consultants, generally to recommend rural projects, but sometimes to present detailed briefs not incongruent with the CIC's goals.⁵ Still their part in the review process was obviously a nominal one, and this buttressed the arguments of the more radical local committees, which challenged the executive at the turbulent 1970 annual meeting. Ten directors resigned, and constitutional changes soon placed power in the local committees

1. APEC, 'New Brunswick Industrial Policy', report to the Development Policy Secretariat, Fredericton, Nov. 1968.

2. \$2.4million in grants and loans were allocated to Moncton in 1970-71 alone, and \$16.2million to Saint John. In 1971, these sums were increased to a total of \$62.1million, and a further \$29.3 million was to be spent by 1975. These allocations were for infrastructure only.

3. CRAN, 'Assemblée Annuelle', 31 March 1969, 'Rapport du Président', p.7; CIC, AR, 1968, p.5.

4. Officials were threatened because in the ideology of direct action they were to become resource people for local committees; and the mobilisation threatened not only traditional patrons in rural communities, but also the new elite, which could be portrayed as a comprador group: see A. Even, 'La Territoire Pilote du Nouveau-Brunswick Ou les Blocages Culturels au Developpement Economique', unpub. doctoral thesis, Université de Rennes, 1970, pp.27-30; 387-90.

5. CRAN, 'Assemblée régionale tenue à Tracadie', 10 May 1969; CRAN, 'Rapport du Seminar des Secteurs: Atholville', 'Secteur Industrie', 25 May 1969.

alone.¹ As the radicalised base committees were about to overwhelm him, even the moderate CRAN president denounced the review exercise as a sham.²

The take-over of CRAN divided opinion in the northeast. The organisation was now overtly nationalist, and attacked Acadian elites in the name of the disadvantaged.³ This led to a thundering attack by l'Evangeline, demanding CRAN's funding be cut,⁴ and one month later the Robichaud government withdrew its support from the RDCs.⁵ In the October 1970 election, the Conservatives under Richard Hatfield defeated the government. Hatfield promised not to raise taxes, but there were no major issues: the Conservatives criticised the lethargy and disorganisation of the administration.⁶ In the northeast, there was no swing against the Liberals, but in Moncton, increasingly Acadian, the Conservatives gained three of their six new seats. The Hatfield government restored the RDCs' funding, but the administration of the northeast plan altered only slightly, to create some jobs and preserve existing firms after lay-offs in 1971-72.⁷ Social adjustment programmes, with emphasis on education and mobility continued, and so did resistance

1. CRAN, 'Assemblée Annuelle' 14 Mar. 1971 (for minutes of 1970 annual meeting); 'Assemblée générale spéciale sur les amendements à la constitution', 17 May 1970.

2. CRAN, 'Assemblée Annuelle' 3 April 1970, 'Rapport du Président', pp.3-4.

3. Evangeline, 4 June 1970, p.1; 24 June, p.2.; 23 July, p.3.

4. Ibid., 24 June 1970, p.4., editorial, 'Animation ou Activisme?'.

5. Ibid., 27 July 1970, p.3; 3 Aug., p.1.

6. Woodward, N.B. Campaigns, pp.83-85.

7. CIC, 'Report on Implementation Activities 1971-72'.

to relocation.¹

The new, province-wide strategy largely by-passed the northeast, which was rural, isolated, and served by an agency now on the fringe of policy-making. But the region did have a role to play: all provincial resources were to be developed and deployed where most productive, and the northeast 'job gap' could balance a possible labour shortage in the south. Although politically unacceptable, a geographic mobility programme could be masked by one ostensibly promoting socio-economic advance through counselling and education.² The emerging strategy for the northeast combined out-migration with some regional job-creation to protect existing industries, provide training, and alleviate poverty.³

Revisions to the northeast FRED agreement were formalised in 1972.⁴ Mobility, other than to regional centres, was not mentioned. But as Table 7.2 shows, the new package lay between two of the review consultants' plans, which proposed high out-migration combined with low or moderate job-creation.

The new agreement acknowledged the difficulties of local participation, but affirmed its value.⁵ Nevertheless, the contractual section definitely restricted it to the 'execution' of programmes.⁶ Moreover, a single regional body would no longer con-

1. Evangeline, 9 Feb. 1971, p.3; 2 Feb. and 5 Feb, 1973, p.5; C. Benoit and R. Landry, 'Evaluation du Projet Cooperation: Des Localités Rurales de la Paroisse Civile de Beresford, N.-B.', 1975.

2. J.P. Fogarty, 'Socio/economic and Geographic Mobility', paper for Social Adjustment Subcommittee of New Brunswick Joint Planning Committee, April 1971, p.27.

3. G. Maynard, 'Towards a Social Adjustment Strategy in New Brunswick', Social and Human Analysis Branch, Planning Division, DREE, March 1972, pp.31-32.

4. DREE-CIC, Northeast New Brunswick Federal-Provincial Rural Development Agreement as Amended to September 5, 1972 (Ottawa, Q.P., 1972).

5. Ibid., p.22, p.27.

6. Ibid. s6.

TABLE 7.2: EXPENDITURE COMPONENTS OF THE REVISED NORTHEAST FRED PLAN AND OF TWO ALTERNATIVE STRATEGIES OF THE REVIEW CONSULTANTS.¹

Programmes	Abt Strategy II	FRED plan	Abt Strategy III
Economic Development			
industrial development		2.2%	
employment development	.2%	11.4	.2%
industrial infrastructure	1.2	5.0	1.0
(roads) ^a	6.0	11.7	4.8
(incentives)	14.3	b	28.9
(subtotal)	(21.7)	(30.3)	(34.9)
Social Adjustment			
education	21.9	15.5	17.7
adult training	17.1	18.1	16.1
urbanisation	27.4	30.8	21.7
social adjustment	6.0	3.1	4.8
(subtotal)	(72.4)	(67.5)	(60.3)
Administration and Public Information			
	(6.0)	(2.1)	(4.8)
Totals	100.1%	99.9%	100.0%
Spending (000,000s)	\$84.0	\$95.4	\$103.8
Jobs created	1,000		2,500
Out-migration	5,000		5,000

^a Northeast plan figures include \$11,135,000 to be spent in the region under the Canada-New Brunswick Special Highways Agreement, 1971.

^b Normal DREE incentives are not relevant here as they were available equally throughout the province.

front the implementing agencies. DREE and Economic Growth set up regional industrial development commissions, stimulating local businessmen to consider expansion through the same techniques with had animated the rural poor a decade before.² As well, dis-

1. Source: Ibid., Schedule C; Abt, 'Final Report', Exhibit III-3 and strategy tables following. The components are those of the amended northeast plan.

2. Hedlin-Menzies Ltd., 'Regional Industrial Development' (draft), March 1971.

strict planning commissions were set up so citizens could be involved in integrating municipal physical plans. Hence, the representativeness of CRAN and NRDC was undercut. They were assigned no specific role except 'articulating the objectives of particular segments of the Northeast's population',¹ and they turned mainly to organising and training primary producers, creating several sectoral bodies. And the northeast plan continued to make slow progress:

Results would indicate a relative success with physical infrastructure projects, but a high failure rate for initiatives dealing with people.²

1. DREE-CIC, Northeast Agreement Amended, p.27.

2. DREE, '1975-76 Northeast New Brunswick Treasury Board Submission and Evaluation', p.43.

PART C: ANALYSIS

Although the preceding case studies described important events in New Brunswick's post-war history, they were selected to illuminate the problem of securing acquiescence in planned change.

It was originally maintained that, with the adoption of economic development as a goal, state activity would increase and would become more rationally planned. At the same time, citizens would express new demands, direct them towards a more visible state, and consider them legitimate; furthermore, this might be encouraged by governments to promote modernisation and state integration. A tension would exist, therefore, between the planned changes required for economic growth and demands grounded in existing interests and attitudes, and this must be resolved because plans' implementation depends finally upon individuals adopting new behaviour. Force and large incentives might be deployed. But another possible resolution could be to encourage participation in planning, thereby informing participants and generating commitment to proposed changes, and so smoothing the descent of the plan. It was hypothesised, however, that participation in planning would be restricted to the form of 'involvement', so as to facilitate plans' implementation while preserving them intact.

In Chapter 8, the initial propositions about development, planning and participation are examined in light of evidence from the case studies as well as new material from the 1970-75 period.

It is found that involvement has been fostered to ease implementation, but that this strategy is no longer viable. If the descent of plans depends upon acquiescence, then it depends upon citizens acquiring an effective voice in planning. Partial participation, at least, is the price of consent.

Chapter 9 then examines whether individuals' participation can satisfy this requirement. Channels of access to decision-making are available to individuals, but the information essential for a telling contribution generally is not, so the possibility of direct participation being effective is minimal. Indirect participation, through elections, may be effective if differences between parties are discernable, if a link exists between government policy and preferences expressed through the vote, and if governments can control the state apparatus. In the past, each condition has been met only in part; cumulatively, this indicates that this form of individual political action has also been ineffective.

CHAPTER 8: DEVELOPMENT, PLANNING, AND PARTICIPATION RECONSIDERED

i. Development

Between 1945 and 1975, New Brunswick made considerable economic progress. In the latter year, its gross domestic product reached \$3.2billion, and real personal income per capita rose 104% between 1945 and 1972.¹ There was a marked shift of workers from the primary industries, for in 1941, 34% of the male labour force worked in agricultural occupations, as did only 3.7% in 1971.² Although the greatest occupational growth has occurred in the service sector, a total of \$1.1billion was invested in manufacturing between 1950 and 1970.³ Still under-developed relative to Canada as a whole, the province came to share many characteristics of industrial societies, a change due to foreign and indigenous enterprise, its favourable position as part of Canada, and the efforts of both federal and provincial governments.

Economic growth became the central goal of New Brunswick governments. Promotional measures were taken before WWII, but only later did the state cease to act solely on behalf of existing industries and begin to re-shape economic and social structures in order to achieve higher rates of growth. This was a role first

1. Statistics Canada, Provincial Economic Accounts, T1; National Accounts, T36 deflated by indices in T7A.

2. Statistics Canada, Occupations: Historical, T1.

3. Canada, Department of Trade and Commerce, Public and Private Investment in Canada: Regional Estimates, various years. Manufacturing capital per worker now exceeds the Canadian average, due to its concentration in heavy industries: see Economic Council of Canada, Living Together: A Study of Regional Disparities (Ottawa, Supply and Services, 1977), pp.81-87.

mooted in light of post-war uncertainty, then was largely unfulfilled by the McNair government which, despite its public works spending, nevertheless established the basic framework of an interventionist state. Developing the province's economic potential became the dominant theme of politics during the 1950s. Flemming's government concentrated spending on electric power supply, in an explicit growth strategy designed to realise extraordinary opportunities by attracting heavy foreign investment. Incentives to both local and extra-provincial manufacturers were increased towards the end of the decade, and formed the core of the Robichaud development policy. That government also removed rigidities inhibiting both economic growth and efficient state provision of the increasingly comprehensive requirements of industry.

In the first half of the 1970s, Richard Hatfield's Conservative administration intensified and broadened efforts to rationalise the primary sector and to promote further processing. It also aimed to attract 'footloose' secondary manufacturing industries, (those independent of the raw material base), a strategy which had emerged towards the end of the 1960s.¹ An integrated metal-working complex, Multiplex, was promoted in Saint John.² Heavy state investments were also made in the Bricklin sports car, a sophisticated product highly symbolic of modernity - 'the sort of thing', Hatfield often proclaimed, 'that we are not supposed to be able to do in New Bruns-

1. See N.B., L.J. Robichaud, Programs for the 70s - An Economic Blueprint for the 70s (Fredericton, Q.P., 1970), pp.7-9. For an outline of the Hatfield government's economic development policy, see SR, 1972, pp.819-830.

2. Italconsult, S.p.A and Economic Consultants Ltd., 'New Brunswick Industrial Complex Study', for the New Brunswick Development Corporation, 1970, esp. Vol.I, 'Summary and Conclusions', May 1970. The complex was never developed.

wick.¹

Governments have acted to stimulate growth for several reasons. One is popular pressure, for the notion that adequate incomes can be achieved through governments' action has spread in New Brunswick since successful wartime economic management contrasted with the preceding depression. Demands are, in general, difficult to quantify, but improved health and educational services have certainly been sought, in part because they were available elsewhere in the country, and federal grants-in-aid for these purposes proved irresistible. With funds committed to services which expand - not least because they build a suitable industrial labour force - further growth is essential to support them. The state has also intervened in the economy as interests threatened by change sought protection from it or, more commonly, demanded resources for adaptation to it. But the New Brunswick state has also taken action simply because other states have done so. As the NBEPC power-price negotiations showed, development is competitive: if foreign capital is required, or if capital is not to leave, then infrastructural conditions must match those available elsewhere.

A special aspect of this external pressure is the influence of the federal government. Ottawa has similar cause to stimulate growth, and it possessed earlier the expertise and resources to do so. Many federal initiatives were channelled through Fredericton, (the national equivalent of E.O. having been defeated in 1945-46), and, as in the case of the FRED plan and the formation of the CIC,

1. See, e.g., Gleaner, 29 Aug. 1974, p17. On the project, which collapsed, see H. Fredericks with A. Chambers, Bricklin (Fredericton, Brunswick Press, 1977).

the province responded. Because of federal pressure, not only has the apparent economic responsibility of the provincial state, paradoxically, been enhanced, but through centralisation and planning capability induced by Ottawa, both its powers and inclination towards creating economic growth have also been bolstered.

The spreading and deepening of the state presence can also be traced to several dynamics which share a 'ratchet' mechanism: involvement cannot easily be reversed but leads to further involvement. If industries are already dependent upon government, then it acquires responsibility for them, and must generally expand support rather than allow their failure.¹ Pulpmills, in New Brunswick, depend on state timber: during the depression, one received the first substantial direct state aid, and later governments provided fire protection, cheap electricity, forest roads, and anti-pollution grants. Similarly, when expensive infrastructure is installed, but unused, governments take further measures to recruit industry, as the Flemming administration did in the late 1950s. Moreover, the concept of infrastructure has broadened with the recognition that industry requires certain health and educational facilities and communications and urban policies.² Investment in these services then induces further efforts to stimulate growth. In the state organisation itself, there is also a ratchet effect which arises, fundamentally, from the aversion of officials to curtailment of their activities and livelihoods. Just as the popular provision of services accounts in part for politicians' willingness

1. Nelles, Politics of Development, pp.427-88.

2. T.K. Shoyama, 'Public Services and Regional Development in Canada' Journal of Economic History, 26 (1966), 498-513, esp. pp.500-02.

to take expert advice which might lead to higher tax revenues without higher taxes, so are officials committed to economic growth and the easy expansion of budgets which allows their professional and personal goals to be realised.¹ To some extent, the embryonic agencies established under the McNair government grew because they facilitated economic expansion, and, just like the NBEPC, they also facilitated expansion, in part, to grow. Others simply expanded.

The growth of the New Brunswick state has been impressive. Between 1949 and 1975, the civil service more than quadrupled, to reach a strength of 7,200 direct employees.² In 1945, total ordinary expenditure was \$14million, or about \$30 per capita; in 1975, it was \$707million, or \$1050 per capita.³ In 1935, provincial government current spending was 6.8% of total personal income; by 1965 it amounted to 16.5% of net provincial income (a more inclusive measure), and in 1975 it reached 26.9%.⁴

But the state has not simply grown. It has diffused throughout the economy. After WWII, the tiny department of Industry and Reconstruction started to regulate tourist accommodation, organised handicraft production, worked with Ottawa on a housing project, conducted an industrial survey, encouraged wood-processing industries, and provided some loans and training to fishermen. Many of these activities became managed by other agencies - the N.B. Housing

1. W.A. Niskanen, Bureaucracy and Representative Government (New York, Aldine-Atherton, 1971), pp.38-41.

2. N.B., Civil Service Commission, AR, various years.

3. Accounts, 1945 and 1975.

4. Petrie, Economy of N.B., T44 and Accounts, 1935; Statistics Canada, Provincial Economic Accounts, T1.

Corporation, the departments of Tourism, Youth, and Fisheries, and the Office of the Economic Advisor. By 1975, the programmes of the department of Commerce and Development were to identify and promote investment opportunities, foster manufacturing expansion, (in co-operation with Ottawa and the regional commissions), and co-ordinate import substitution and state purchasing with provincial suppliers.¹ It also provided firms with management training, marketing and export services, technical assistance, factory sites, and access to loans. Finally, it supervised companies in which the state had taken an equity position. Spending by the main economic development department rose from \$256,000 in 1960 to \$12.6million in 1975, and over the same 15-year period, direct loans and loan and bond guarantees for all industries (but primarily for manufacturing) rose from \$5million to \$195million.²

The state's expansion, however, was not limited to the economic realm. Its activities broadened, and the administrative apparatus amplified (see Appendix 1). It became pervasive as well, managing the rivers and wildlife, deliberately affecting family structure, assuming full responsibility for education at all levels, even guiding sports and cultural activities. Without doubt, all these fields have always been affected by economic conditions and, if only indirectly, by governments. Now, however, programmes are explicitly dependent upon the performance of the economy, and they can be evaluated, more or less precisely, according to their contribution to economic growth.

1. Acts, 1974, P-23.1 (Public Purchasing Act); D. of Economic Growth, AR, 1969-70, p.11 (concerning imports).

2. N.B., Industrial Development Board (later Industrial Finance Board), AR, 1960 and 1974-75; Accounts, 1960 and 1975, esp. schedule 17 and 'contingent liabilities': these figures exclude bonds in pension funds, sinking funds, and trust funds.

The framework laid out in Chapter 2 assumed an expanding state. It was also maintained that demands upon government would increase in the course of development. Some demands, like those for improved education and health services, are autonomous; that is, they are due to extra-provincial examples or the effect of changes unmediated by state activity. These are not novel, for pensions and marketing regulations were requested in the 1920s, and, similarly, the coal operators sought and found safe markets in the NBEPC in 1930. But industrialisation diversifies demands by creating occupational specialisation. This operated in two ways in New Brunswick: first, new groups like hardwood furniture manufacturers, atomic scientists, and sports instructors requested measures to protect and advance their interests; second, as the traditional clientele systems based on primary production weakened, the interests they served could be challenged by relatively independent citizens, like those who formed the St. John river improvement group. As well, when the state encourages specialisation and efficiency, it helps create quasi-groups, which then cohere around more obvious interests, as did farmers in the post-war period.

In general, state initiatives produce demands in reaction, and as state activity increases so do demands. Consolidated rural schools produced the need for better bus services and snow-plowing; the Tobique camp-owners came together to press their case in opposition to Beechwood; and designating urban growth areas in the northeast for infrastructural spending produced inter-community competition for provincial funds. Over the course of development, such demands multiply. They also increase in intensity because the state acquires

the capacity to affect entire sectors of social and economic activity. In 1949, new health programmes were not a mere matter of funding a new hospital or hiring more public-health nurses; instead, they had a comprehensive impact upon the whole health field. Similarly, concentrated spending on Beechwood stimulated a response from the coal industry, whereas demands previously had concerned individual purchases, and the FRED plan was no incremental change, but affected the pattern of life in a major region and provoked a very strong response. Particularistic and isolated demands accompany a pattern of divisible, incremental spending, but when action is concentrated for planned development similarly concentrated and intense demands ensue.

Finally demands in New Brunswick increased in quantity as political participation became widespread. This occurred in the 1960s when centralisation brought all citizens into a direct relationship with the provincial government. But the diversity of demands was also increased when new groups were mobilised, by the provincial state, into the industrial economy, for the new participants had interests formerly unexpressed in the political arena. State-building, finally, increased the legitimacy of participation: state penetration became more pervasive, as in the FRED plan, and as the central administration became more obviously powerful and responsible for a large range of factors affecting life-chances, demands for an equal voice in shaping those factors were bound to increase:

The more comprehensive the system of planning, the more it is true that every inequality is the responsibility of government, not a mere fortuity.¹

1. C. Reich, 'The Law of the Planned Society', Yale Law Review, 78 (1966), 1227-70, p.1245.

ii. Planning

The growth of government activity in New Brunswick is matched in significance by its character, which came to take the form of planning. Governments' actions have been purposeful since Sir Thomas Carleton chose Fredericton as a defensible capital. But planning has grown long-term, co-ordinated, and continuous.

The lengthening horizon of planning is evident in financial control. Over-borrowing caused crises in 1940 and 1951, but the financial requirements of large, indivisible projects later dissociated capital spending, to a degree, from political cycles. Federal-provincial programmes, too, require current-account funds to be committed years in advance. Each new administration in New Brunswick has sought to tighten financial planning, and the Hatfield government increased control considerably. In 1972, Treasury Board was made a separate portfolio, and its power over the budgetary process was augmented.¹ The department of Finance emerged as the agency identifying long-term financial constraints: a five- to ten-year fiscal framework patterned steady and efficient borrowing, and incorporated short-term forecasts laid annually before cabinet for taxation and expenditure decisions.² Within line departments, longer-term planning was stimulated by contact with central agencies, the growing expertise of staff, and the larger scale of programmes. By 1975, most departments had separate planning units; it was shown in the Beechwood case how such institutional arrangements

1. D.G. Dennison, 'Developments in the Budgetary and Policy-Making Process in New Brunswick', MS, Queen's University, 1973.

2. Interviews with M. Massé, [deputy minister, Finance/chairman, Cabinet Secretariat], 23 Sept. 1974 and 4 Aug. 1977.

stimulate long-range planning, and the effects have been similar in normal departments.

Over the 1945-75 period, planning also increased in co-ordination. This became possible as the overall aim of state policy - to maximise income generated in New Brunswick - gradually became clarified. The contribution of diverse programmes to this goal, and the effects of impinging factors, were estimable when statistical data improved and new measurement techniques were derived. Hence, co-ordination became practical at the same time as the increased scope of state activity produced the inescapable recognition of policies' interdependence.

Under the Hatfield government, administrative co-ordination increased. Treasury Board instituted functional budgeting, and subsequently a planning-programming-budgeting system was introduced. Central-agency officials could then control and integrate financial commitments and also impose a common definition upon the programmes of various departments.¹ In 1971, a Cabinet Secretariat was created to ensure that the substance of programmes was not incompatible. This agency provided a source of expertise independent of departments and served as a buffer between them and cabinet. In 1974, it was expanded to serve two main cabinet committees, on Economic and Social development.² Together, Treasury Board and Cabinet Secretariat order departmental programmes: key decisions to be taken by ministers are itemized before detailed estimates are

1. N.B., Treasury Board, Management Policy Secretariat, 'Government Budgeting in New Brunswick', August 1973.

2. S. Bérubé, 'Le Lien Entre le Secrétariat de Conseil des Ministres et les Autres Ministères et Agences Gouvernementales', MS, Université de Moncton, 1975. Another Cabinet Committee, on Policy and Priorities, appears to have operated intermittently since it took major decisions when established in 1971.

prepared; departments must then defend programmes before both financial controllers and substantive experts; finally, cabinet ministers with associated portfolios must reach decisions in a zero-sum negotiating process. The effect of the procedure, (which is, in practice, less structured than portrayed here), is to constantly force evaluation of policies' contribution to overall goals.

Both planning and co-ordination were further stimulated by DREE's 1973 policy of negotiating General Development Agreements with individual provinces.¹ Cabinet Secretariat helped devise the New Brunswick agreement, which established basic developmental objectives and set the framework for subsidiary agreements, each comprising a variety of shared-cost programmes in substantive fields.² Not only did this tend to unify the entire range of economic development policy, (albeit flexibly, for the operationalisation of general goals into subsidiary agreements leaves much discretion), but it also directly funded planning staff in both central and line agencies.³

Planning, finally, became more continuous over the 1945-75 period. Basic economic statistics were not available before Petrie's study, and were first gathered regularly by the Economic Advisor's Office in 1954. Data are essential for planning, as was clear when Lands and Mines' post-war efforts were impeded by the lack of information about the forest resource, and by the end of the period data were systematically collected by every department. In 1972,

1. Canada, DREE, The New Approach (Ottawa, 1976).

2. D. Savoie, 'Collaboration in Federal-Provincial Relations in Canada: A Case Study of the Canada-New Brunswick General Development Agreement', unpub. D.Phil. thesis, University of Oxford, 1979.

3. Canada, DREE, Subsidiary Agreement: Canada/New Brunswick - Planning, 16 Dec. 1975 (Ottawa).

for example, the new department of Tourism began surveys to ascertain the number of visitors to the province and their routes, activities, expenditures, and motives for coming. This information helped evaluate the effectiveness of existing programmes and also identified opportunities to expand the industry. With continuous monitoring, the location of tourist facilities and the character of advertising becomes experimental: functional rationality of plans can be progressively improved.

It was originally postulated that planning would gain in importance, to allow the efficient allocation of resources, as state involvement grew. This has been true.¹ Plans, however, must be implemented to be realised. In New Brunswick, the state has limited power to use force or deploy very large incentives. Yet in each case examined here, plans required actors to change their attitudes and behaviour, and encountered opposition or demands which, if met, would reduce their efficiency.

iii. Participation

It was hypothesised that governments would encourage participation in planning both to secure information and to facilitate implementation. Information gathering did not prove to be an important function of participation in the New Brunswick cases, for reconstruction planning relied on the work of government departments and of Petrie, while expert research furnished the data upon which the FRED plan was built. Only in hydro planning was information gathered

1. N.B., Development Policy Secretariat, 'The Need for Planning', submitted to the Cabinet Committee on Development Policy, 7 May 1968.

co-operatively, in the Work Group, and later power plans also depended on the information provided (or not provided) by companies to the NBEPC. Participation, therefore, was encouraged primarily to allow the descent of plans.

Since planning and the state have expanded together over the 1945-75 period, mechanisms of participation have multiplied in New Brunswick. At the end of the 1930s, political participation was largely restricted to voting and to a party system based on regional networks of integrated political and economic clientelism. But as economic development and state activism have led to increased and more diverse demands, new channels have accommodated them.

Both the Byrne Commission and the Reconstruction Committee were exceptional in the scope of their investigations and the degree of participation elicited, for most New Brunswick Royal Commissions covered limited topics and contacted only those directly involved; since there were 11 appointed between 1915 and 1945, and 16 over the 1945-75 period, no great increase in their use occurred.¹ But various investigatory committees were also appointed during the latter period: between 1966 and 1975 alone, such committees and task forces tabled 14 reports on subjects as vital as the pulp and paper industry, family and child services, alcoholism, and forest resources.² These bodies generally operate much as the Reconstruction Committee did: the Task Force on Non-Incorporated Areas, for instance, held 10 public hearings and re-

1. L.G. Edmondson, 'Canadian Provincial Royal Commissions: New Brunswick, Newfoundland, Prince Edward Island', unpub. M.A. thesis, Queen's University, 1961, and N.B., Journals of the Legislative Assembly of the Province of New Brunswick, various years.

2. N.B., Journals of Assembly, various years.

ceived 99 written and oral submissions.¹

Direct public consultation also became important in the Legislative Assembly. Its standing committee system changed little over the 1945-75 period, although committees on Veterans' Affairs, Natural Resources, and Energy were established. Committees on Corporations and Municipalities still hear the proponents of local and private Acts, but the scope for general participation on matters of policy was much broadened by the Law Amendments Committee, which was established to receive the E.O. legislation, made permanent in 1967, and used as a forum for representations on contentious bills and government white papers. Although the substantive committees did not receive bills by 1975, they came to meet more frequently and to receive submissions from organised interests as well as the traditional short briefings from officials. The greatest change in the committee structure, however, was a proliferation of select committees. Between 1965 and 1970, only two were appointed - Law Amendments and one on Reform of the Labour Relations Act, which took many briefs and submitted an influential report.² But over the following five years, eight were established.³ Several met outside the House sessions, travelled, held hearings and conducted investigations, and so stimulated public interest and channelled participation.

1. N.B., Task Force on Non-Incorporated Areas in New Brunswick, Report (Fredericton, Q.P., 1976), pp.101-03.

2. Interview with R. Boyd, [secretary, Labour Relations Board], 29 Sept. 1979.

3. N.B., Journals of Assembly, various years: committees included those on Agriculture and Rural Life, Renewable Resources, the Elections Act, Maritime Affairs, Motor Vehicle and Highway Safety, Natural Resources, and the Statutes Revision Act.

Further participatory mechanisms burgeoned at the executive level. One was the white paper, first adopted by the Robichaud government, as a device to prepare public opinion and elicit reaction before legislation is introduced. Between 1965 and 1975, a further six papers were issued on important topics like Language Equality and Opportunity, Social Development, and Conflicts of Interest. Under the Hatfield administration, more preliminary 'green papers' were also published, and still more informal discussion papers and consultative documents were circulated outside the bureaucracy.¹ As in other jurisdictions, such procedures encourage public participation.²

A more significant development was the growth of quasi-official bodies which institutionalise participation instead of encouraging it intermittently. In 1976, a survey of the bureaucracy found 440 bodies which involved members of the public in 'planning, provision of advice, decision-making, evaluation, or administration.'³ Membership data are available for 385 of them, and in these 3,053 people - close to 1% of the adult population - participated. Some bodies, such as boards of libraries and of school trustees, were only local in scope, but a provincial role was played by others, like the Tourism Advisory Council, various Industrial Training Advisory Councils, the Physicians' Manpower Committee, and the

1. See, for example, N.B., D. of Social Services, 'Summation of Present Difficulties and Proposed Changes: Child and Family Legislation', draft of May 1977. This paper had a circulation of approximately 250.

2. A. Silkin, 'Green Papers and Changing Methods of Consultation in British Government', Public Administration, 51 (1973), 427-448.

3. N.B. Cabinet Secretariat, 'A (Second) Report on Citizen Participation in the Government of New Brunswick', May 1976, Appendix B, p.2.

Environmental Council. This participatory structure is recent, for bodies were established as follows:¹

pre-1940	9
1940-49	7
1950-59	12
1960-65	11
1966-70	130
1971-76	136
(unknown)	(135)

Of course, only close study could reveal the quality of participation within these bodies or through the other channels which grew as state activity spread and took the form of planning.

iv. The central hypothesis

It was expected that the involvement of the state in development would increase as would demands made upon it; that planning would be adopted to promote economic growth; and that participation in planning would be encouraged: all this did occur in New Brunswick. It was also maintained, however, that participation would be limited to the form of involvement. That is, it would be encouraged to produce effects - education and commitment - conducive to plans' implementation, but demands expressed in participation would be ineffective in altering plans. The case studies allow this hypothesis to be evaluated.

During WWII, New Brunswick's chronically depressed economy was temporarily buoyant, but post-war prospects were uncertain. The province's staple exports of raw and semi-processed materials depended upon unpredictable world markets. Domestically, the federal

1. Ibid., Appendix A, T3.

government might assume important provincial functions, as recommended by the Rowell-Sirois Commission, but it was also possible that the weak provincial state would have to maintain wartime regulations, co-operate with the Dominion in housing and public works projects, and act with new purpose to organise the efficient exploitation of resources and the implantation of secondary industries. The government would then require the co-operation of an elite entrenched in commerce and inefficient manufacturing, while facing popular demands to preserve incomes which had risen during the war.

The extraordinary public hearings of the Reconstruction Committee extended the status of participant to all citizens at a time when new initiatives over the entire range of state activity were contemplated. The hearings were intended to convey a sense of the uncertainty ahead, and to build diffuse support for measures which might be necessary to confront new conditions. At the same time as an elite consensus supporting a more active state might be generated, the more demanding primary producers and blue-collar workers could be informed of constraints upon governments and temporarily placated by the promise of action.

Public participation in reconstruction planning was in the form of involvement. It was stimulated rather than spontaneous, for it was encouraged by the Reconstruction Committee and subject to a schedule and format over which participants had no control. It was undertaken instrumentally, but was intended by the authorities to have developmental effects - to educate the public and build support for key policies, like those in forestry, formulated outside the formal participatory process. Finally, public participation was only moderately effective. Major popular demands produced no

vigorous governmental response, and while rural electrification and road-building were pre-eminent in post-war state spending, this was not because they met the priorities expressed in 1943-44 but because they were congruent with a party system which required divisible spending to support the regional economic hierarchies upon which it rested. In this case, the strategy of involvement was largely successful, although economic growth suffered.

Electric power in the 1950s was planned to counter economic stagnation by attracting investment to new resources. Yet it was widely felt that spending should not be concentrated in a single project like Beechwood, and the resistance by the coal interests met a sympathetic tradition of support for established industries. As well, any major development of the St. John basin would require much information and the agreement of major interests around the river.

Those interests engaged in a planning exercise characteristic of full participation. It was stimulated originally by the IJC reference, yet sub-committees of the Work Group could form to confront problems and interests raised by participants, and the deliberations could be joined to the extent thought suitable, so the group was autonomous and solidary, aiming to define common goals. Actors participated instrumentally, and that no development scheme emerged does not indicate that participation was ineffective; on the contrary, the goals of most actors were met. Within New Brunswick, public participation in power planning was minimal. Premier Flemming did release full information about developments and sought with some success to inculcate the doctrine that large power developments were required to realise the province's economic potential, but the public was only consulted indirectly, in the 1956 election,

when the project in question was underway. The coal operators, and other interests reacting to Beechwood, came eventually to participate in planning structures largely controlled by the NBEPC, in a fashion which foreshadowed the shape of later relationships between most organised interests and a state as actively planning economic development as the NBEPC did power expansion. Later power planning by the NBEPC was, in turn, dependent upon potential investors: both were instances of partial participation; a voice in plans was achieved, but effectiveness was consistently unequal.

In the 1960s, national concern with primary resources and regional development co-incided with the New Brunswick government's aim of fuller industrialisation and also with the emergence of a dynamic Acadian elite. Equal Opportunity helped incorporate rural dwellers and Acadians into the modern state, and the FRED exercise was designed to accelerate modernisation and urbanisation among the poorest rural Acadians. Incentives would be deployed, but this plan could falter through apathy, and could also encounter demands that funds be used to increase the efficiency and bargaining power of those currently in the primary sector. Participation was therefore encouraged, to allow implementation through overcoming indifference and promoting informed decisions congruent with the plan. Although demands for special treatment under the ARDA programme had arisen in the northeast, the new institutions of participation, the regional development councils, were stimulated and supported by the state. Participation was intended to have developmental consequences, but new participants sought to influence the allocation of resources within the region, and had some initial successes. Their ends were

then ignored, and when the authorities aimed simply to use participation to generate commitment to the FRED plan, mobilised inhabitants reacted against the plan, on the grounds that it had been imposed and was therefore incorrect. Their opposition was fairly effective. In the FRED case, partial participation in planning was replaced with involvement: the result was solidary resistance based on common interests not expressed in the product of experts' planning

These results suggest that modification of the original hypothesis is in order. The first qualification concerns the continued practicability of limiting participation to involvement. The FRED experience indicates that towards the end of the 1945-75 period this strategy was no longer viable. In other words, citizens will demand partial participation - a voice of some effectiveness - in planning as the quid pro quo of acquiescence. Generalisations cannot be based solely on the FRED plan, complicated as it was by an ethnic dimension and perhaps by raised expectations due to initial success: had the CIC been more sensitive and the Task Force less accommodating, the plan might have succeeded. But there is other evidence to support this modification. When Beechwood was proposed, Flemming's government was able to generate a supportive consensus, and difficulties with expropriation were minimal; when the NBEPC announced the construction of a nuclear plant in 1974, however, protest was much more extensive, despite an intense educational campaign.¹ Whereas Beechwood produced reaction after the event, more recent initiatives encounter organised opposition in advance.²

1. G.B. Doern, The Atomic Energy Control Board: An Evaluation of Regulatory and Administrative Processes and Procedures (Ottawa, Supply and Services, 1976), Appendix, 'Case Study (A), The Lepreau Nuclear Power Plant Case', pp.52-74.

2. A defensive group was quickly organised when the NBEPC investigated the Green River in the late 1960s.

Similarly, northeast planning under the General Development Agreement encountered a citizenry still aroused and wary.¹

The involvement strategy may break down because participation is self-reinforcing. The experiments analysed by Verba showed that pseudo-democracy could ease acceptance of decisions, but that results varied according to the expectations brought into the process of consultation.² If participants expect no effectiveness, involvement may reduce their restiveness; the reverse may occur when expectations of the part to be played are higher. Organisation theorists have also argued that mere formal admission into decision-making can strengthen subordinates' determination to achieve their ends.³

More concretely, change accompanying economic development tends to create citizens who expect effective participation, possess the capacity for spontaneous, instrumental political action, and consider it legitimate. Education is associated with participation; it allows a precise understanding of interests, a precision sharpened by occupational specialisation, which also increases the stake in advancing and defending interests. The wider scope of government action makes effective participation essential for more citizens, and its pervasiveness provokes response from all, in time. Finally, the egalitarianism underlying centralised state power transforms effective participation into a universal right.

Economic development may proceed rapidly if experts' plans

1. Savoie, 'N.B. Development Agreement', pp.220-30.

2. Verba, Small Groups, pp.239-41.

3. Gamson, 'Management of Discontent', p474.

remain undistorted by effective popular participation, while at the same time being economically implemented through the facilitating effects of involvement. But development itself has effects which render the restriction of participation to the form of involvement increasingly difficult. Citizens will demand, at least, an effective voice in planning state projects which affect them. And if implementation still depends on acquiescence, then partial participation must be extended or initiatives will be resisted, and will fail. The strategy of involvement is no longer adequate, then, to ensure the descent of plans.

Another possible modification of the original hypothesis is suggested by the case-study material, which contained little evidence of effective participation by individuals. Particularly in power planning, the non-participation of individuals contrasted sharply with the negotiations conducted between organised interests, both before and after Beechwood was built. Effective participation, towards the end of the 1945-75 period, became essential to secure acquiescence in plans. Could effective participation be achieved through individual action?

CHAPTER 9: THE PARTICIPATION OF INDIVIDUALS IN PLANNING

i. Direct participation

If individual citizens are to directly affect planning decisions, two conditions must be satisfied. They must have knowledge of government intentions, or, at least, about its actions, so that they can frame an opinion about them. Second, they must have access to decision-makers to present their views.

That channels of access have broadened and multiplied as state activity increased has already been demonstrated. One important new mechanism of participation was found to be serving on quasi-official bodies. Most of these, however, are concerned with local administration rather than planning or evaluation.¹ Furthermore, 37% of all members were nominated by organisations, and cabinet appointed another 38%, many of whom represented special interests or possessed relevant expertise. Only 20% of members were elected (mainly to school boards), and so the opportunity for non-specialist, unorganised individuals to participate in planning at the provincial level, through this channel, is limited.²

Many individuals take part in the intermittent consultations of task forces, commissions, and Legislative committees. As in the case of the Reconstruction Committee, however, such bodies are often intended to combine policy-making with public education, and

1. N.B., Cabinet Secretariat, 'Citizen Participation', Appendix A, T4.

2. See however, T-J, 10 May 1977, p.2, advertisement inviting applications for five posts on the Advisory Committee to the Minister [of Education] on Provincial Testing and Evaluation.

to the extent that the latter function predominates, individuals' representations must impress not only the panel but, through it, the participants in the background planning process. As was also the case with the Reconstruction Committee, schedules and formats may inhibit the participation of some individuals. Leisure time and resources are unequally distributed, so new channels of access can effectively decrease the relative input of some types of people.¹

This view of individuals as members of types probably most militates against their effectiveness. To committees studying general problems, individuals' opinions are most important as they exemplify those held by larger social groups. Individuals are, implicitly, 'descriptive representatives' who stand for others not present.² Their opinions will be weighed precisely to eliminate their idiosyncratic aspects. More generally, planners interpret expressed opinion in terms meaningful and useful to themselves, and lone individuals can rarely impose their concepts upon the dialogue.³ The FRED review consultants' contact with individual RDC members, when a simulated planning game was played to measure their pre-occupation with 'equity' as opposed to 'efficiency' goals, is an extreme example of this general pattern.⁴

For individuals to take advantage of channels of direct access is therefore rather quixotic, and although the possibility of a

1. L. Dion, 'Participating in the Political Process', Queen's Quarterly, 75 (1968), 432-47; pp.437-41.

2. H. Pitkin, The Concept of Representation (Berkeley, University of California Press, 1967), pp.60-91.

3. T. Brewis and G. Paquet, 'Regional Development and Planning in Canada: An Exploratory Essay', CPA, 11 (1968), 123-62; pp.160-62.

4. Abt, 'First Interim Report', Appendix A and p.95.

telling individual contribution to policy-making must always be admitted so long as access is open, its probability is further reduced by the paucity of information about the government which is generally available in New Brunswick. The average citizen has little chance to know of impending action, and must make a substantial investment even to discern existing policy.

New Brunswick governments, on the Westminster model, maintain policy formulation secret, on the grounds that releasing studies, opinion papers, and alternative proposals would compromise cabinet solidarity and the principle of ministerial responsibility.¹ So, information about prospective measures is not available. In a few cases, white papers may encourage public representations about policy, but, like the 1965 paper on the responsibilities of government, they may embody firm decisions. Even informal documents often represent official consenses alterable only marginally, especially by individuals: the principles of a 1977 Social Services paper on child and family legislation were formulated by a joint committee of Justice and Social Services officials, then approved by Cabinet Secretariat and the cabinet committee on Social Development, and only then circulated in detail to field staff and interested groups. Individuals would be most unlikely to affect the results of such a process, although they could obtain copies of the proposals - if they knew the paper existed. In the many fields subject to federal-provincial co-operation, information is also restricted, for planning is conducted by officials, and confidence is maintained until initiatives are finally announced. Alterations are then inhibited by the

1. N.B., Outline of Government Policy Pertaining to a Legislated Right of Access by the Public to Government Documents, 1977.

time required for re-negotiations, and often by a formal contract.

If it is almost impossible for individuals to know of the government's intentions, neither are its current activities easily discernible. Legislation is public and publicised, but it has traditionally been framed to allow Cabinet much discretion. The Assistance to Industry Act of 1936, for example, simply authorised 'measures' for 'assisting agriculture, lumbering, fishing, mining or any other industry in the Province.'¹ Contemporary legislation often confers wide powers to make agreements with Ottawa: the Tourism Development Act authorised them 'for the purpose of promoting the tourist industry'.² Arguably, such delegation is necessary in a federal system where executive negotiation plays such an important role. But broad powers to make regulations 'generally for the better administration of this Act' are not uncommonly conferred upon the executive by legislation in fields of provincial jurisdiction.³ Moreover, the power to exempt persons from legislation is also delegated, as in the sweeping provisions of the Water Act:

Unless approved by the Minister and the Minister of Health, no municipality or person shall discharge any material [into water] that may cause pollution or impair the quality of the water for beneficial use.⁴

Obviously, such a form of words leaves control of water quite subject to executive discretion, and such latitude has been criticised within New Brunswick and in other jurisdictions as weakening respons-

1. Acts, 1936, c46.

2. Acts, 1971, c14.

3. See, for example, Acts, 1970, c4, S6 (Intoxicated Persons Detention Act).

4. Acts, 1970, c3, S31 (a) (iii).

ible government, which rests ultimately upon Parliamentary supremacy.¹ Delegation is functional, however, because it allows consultation and negotiation about the implementation of policy, a process which is not, of course, carried out by ministers but by officials. The problem it raises for the individual, however, is to discover what arrangements have been made and formalised in regulations and other statutory instruments.

Although important orders-in-council were traditionally published in the official organ, the Royal Gazette, it was not until 1962 that the filing and publication of regulations was systematised.² Still, regulations may be exempted from publication, and those 'of an administrative nature' need only be listed by title in the Royal Gazette.³ These, which may have titles like 'Debts deleted from assets of the Province', are available from the department concerned, (but not by right), from the Provincial Archives in Fredericton, (where they are deposited annually), or from the office of the Legislative Counsel, (again, not by right).

Difficulties in discovering government policy are not entirely alleviated by the occasional advertising of them.⁴ Another source of information is the state news agency, the New Brunswick Information Service (NBIS), which was founded in 1967 to provide careful

1. A. Carter and J. Drummie, 'Trends in New Brunswick Legislation Affecting the Executive and Legislative Agencies', Canadian Bar Review, 21 (1943), 810-825; Canada, Standing Joint Committee on Regulations and Other Statutory Instruments, Second Report (Ottawa, Q.P., 1977), para.10, para.15.

2. Acts, 1961-62, c15.

3. N.B., Statutory Orders and Regulations 1963 (Fredericton, Q.P., 1964), regulation 142 under the Regulations Act.

4. See, for example, T-J, 22 Aug. 1974, p11, advertisement of a firmer executive stance towards drunk drivers.

publicity about the government's expanded activities, and especially for the CIC. It is attached to the Premier's Office, writes or edits all departmental press releases, and transmits them by teletype to each television and radio station and daily newspaper. This service does provide a flow of information about state actions. But since news is released on the initiative of ministers and officials, coverage tends to be selective and highly promotional; it is certainly uncritical and inadequate information.

The Legislative Assembly is the principal forum for the clarification of government policy and its scrutiny on behalf of the public by the Opposition. Written questions put to ministers provide much information, as do motions for the tabling of documents and correspondence. The use of both devices has increased, from an average of 53 instances per year between 1945 and 1949 to 137 per year between 1971 and 1975.¹ They were supplemented when the oral Question Period became a daily institution in the 1950s. But these information outlets are under government control. Most documents requested are supplied, but the government majority does allow motions to produce embarrassing material to be defeated.² Written questions may be converted by ministers into such a motion, and oral questions referring to non-urgent matters, negotiations, or 'government policy' are often evaded: they can be met with silence in any case.³

1. N.B., Journals of Assembly, various years.

2. Fredericks and Chambers, Bricklin, p.130.

3. N.B., Legislative Assembly, Standing Rules of the Legislative Assembly, adopted June 19, 1963 (with amendments to 1972), (Frederickton, Q.P.), S72, S75(3). After a particularly acrimonious Question Period in 1977, one seasoned Press Gallery member remarked, 'If they were going to answer the questions, they'd call it "Answer Period", wouldn't they?'

The most intensive exploration of government activity occurs in the Public Accounts Committee and in Committee of Supply. The former has been judged moderately effective in the Canadian provincial context.¹ Officials are directly questioned about spending and the policy which underlies it. But the chairman has been a government member, and the government majority can thwart awkward lines of inquiry.² In Committee of Supply, detailed probing of estimates is possible, but since all are dealt with by the whole House, many remain undiscussed; moreover, the Opposition tends to concentrate on one issue per day to inflict maximum damage upon the government, and in pre-election years the exploration of policy is generally overshadowed by the search for scandal. Scrutiny is most limited, however, by the management of Legislative Assembly business. Sessions open with leisurely debate on the Speech from the Throne, gain momentum through the budget debate, and culminate in the simultaneous consideration of accounts, estimates, and legislation in marathon sittings. Although the proportion of each session devoted to the two set-piece debates decreased steadily between 1945 and 1975, (from over 50% to under 25% of the sitting weeks), the essential rhythm changed little, and consequently it was rare that a major department's estimates would receive more than twelve hours discussion, even in 1975, while the Public Accounts Committee must conduct 'fast work, wide but shallow examination.'³ The Legislative Assembly does generate most information about government activities. But, although its sessions tripled in length over the 1945-75 period, government activity increased far more, and

1. S. McInnes, '"Watchdogs of Government": a Comparative Study of the Public Accounts Committees and the Auditors General of the Legislative Assemblies of Canada', CPSA paper, 1976, p.4.

2. In 1978, an Opposition member became chairman for the first time.

3. McInnes, 'Watchdogs', p.17.

between 1971 and 1975, the public still lacked this source of information, on average, for three-quarters of the year.¹

Even when the Assembly sits, most individuals must depend upon the mass media for reports of state activity. The 6 daily newspapers are the most important source of information, although with a combined circulation in 1975 of 119,000 they do not reach everyone in the province.² With the exception of l'Evangeline, the dailies are all controlled by the Irving interests, which acquired the Saint John papers in 1944, those in Moncton in 1948, and the Fredericton Daily Gleaner in 1968.³ The last purchase sparked a Senate committee inquiry as well as a prosecution under the federal Combines Investigation Act. The Senate committee found New Brunswick a 'journalistic disaster area', but the divestiture order issued Irving in New Brunswick was overturned in the federal Supreme Court.⁴ Concentrated ownership must produce suspicion of bias, particularly when the Irving holdings in the province are vast and were under close personal control: Irving testified that were the papers to publish material that would 'hurt New Brunswick', 'Then I would step in.'⁵

Systematic bias, however, is hard to demonstrate, for the non-coverage of events, the 'negative frequency' of reporting, can be crucial in forming public opinion. The papers have boosted

1. Journals of Assembly, various years.

2. Atlantic Advocate, Atlantic Yearbook 1975-76 (Fredericton, Atlantic Advocate, 1975), pp.224-225.

3. Hunt and Campbell, Irving, pp.155-90.

4. Ibid., p163; Gleaner, 18 July 1974, p.5, for the original New Brunswick Supreme Court judgement.

5. Canada, Senate, Special Committee on the Mass Media, Proceedings No.5, 16 Dec. 1969, p.36.

projects dear to Irving, opposed Equal Opportunity as strongly as their owner, and failed to report that the Conservative leader in the 1967 election had once been Irving's executive assistant.¹ On the other hand, the Moncton Times printed an interview damaging to that leader on the day of his by-election.² Limited studies of non-coverage conducted for the Combines Act prosecution produced no conclusive evidence of bias.³

A content analysis of the Daily Gleaner and the Telegraph-Journal over the 1945-75 period allowed a test of the effects of ownership on news coverage. (See Appendix 2 for methodology and full results.) A survey of quantity alone is blind to the slant of coverage, but is less assailable than an interpretive study: it was simply hypothesised, given the scale of the Irving operations, that the amount of news and of news about New Brunswick would decrease after a paper's take-over. Results did not bear this out. Although there was a change in the predicted direction in three of the four instances, the differences were not statistically significant when the whole period of Irving ownership was compared, for both papers, with the preceding period.

Nevertheless, the content analysis did demonstrate the small quantity of information available to individuals in New Brunswick. Table 9.1 presents selected data. The proportion of each paper devoted to news decreased steadily over the 1945-75 period, and this was due not only to an increase in features and advertisements,

1. Hunt and Campbell, Irving, p.160, pp.181-2.

2. R. Wilbur, 'New Brunswick' in J. Saywell, ed., Canadian Annual Review for 1967 (Toronto, University of Toronto Press, 1968), 138-49, p.140.

3. These were conducted by staff of the Carleton University School of Journalism, and were kindly provided by W. Hoyt, Q.C..

TABLE 9.1: SELECTED ASPECTS OF NEWS CONTENT, FREDERICTON DAILY GLEANER AND SAINT JOHN TELEGRAPH-JOURNAL, 1945-1975.¹

	1945	1955	1965	1975
news as % of newspaper:				
Gleaner	26%	14	14	12
T-J	23%	18	18	17
words of news per day:				
Gleaner	22,800	15,000	16,700	16,200
T-J	23,600	21,600	18,200	26,100
% of news: provincial				
Gleaner	12%	18	23	16
T-J	17%	21	22	22
% of news: local or other localities:				
Gleaner	17%	35	35	20
T-J	30%	38	41	25
words of provincial news:				
Gleaner	2,800	2,660	3,770	2,630
T-J	4,020	4,500	3,960	5,830

but also to an absolute decline in news content (with the exception of the 1975 Telegraph-Journal). Over the whole period, the Fredericton paper averaged 17,700 words of news per day, the Telegraph-Journal 22,400: as an illustrative comparison, two 1979 issues of the Manchester Guardian averaged approximately 50,000 words.² The New Brunswick dailies, in news quantity, are slightly larger than the London Daily Express and rather similar to the Oxford Mail. Such comparison is not frivolous, for while the province obviously

1. Source: see Appendix 2. Figures are weekly averages.

2. Issues of 29 May 1979 and 5 June 1979.

could not support a Guardian, there is scope for more informative newspapers than are published, and also a need for them: New Brunswick developed into a complex society between 1945 and 1975, and the state grew enormously, but the quantity of provincial news available to the public did not increase correspondingly. Nor is this a general North American pattern, for a recent study of comparable United States newspapers, which used a definition of news similar to that employed here, found that proportional news content fell between 1950 and 1970 but that absolute content increased.¹

The New Brunswick English-language dailies provide little provincial news, and they rarely probe government activities.² One indication of this is their use of NBIS stories. In the three-day periods preceding the 1975 sample dates, the NBIS files were found to contain 60 news items: of these, the Telegraph-Journal used 10, while the Gleaner printed 6, re-wrote 3, and based an editorial on another. In the sample week, 17% of the provincial news in the Gleaner and 9% in the T-J was reproduced from the NBIS wire, often without attribution.

A fuller study of these newspapers would consider both management's influence on content and the low wages, youth, and insecure tenure of employees. But the implications for the present study are two. First, the lack of information is likely to dull interest, awareness, and the sense of political competence which are all conducive to political participation.³ Second, the newspapers do not

1. B.H. Bagdikian, 'Fat Newspapers and Slim Coverage', Columbia Journalism Review, 12 (1973), 15-20.

2. l'Evangeline has not been considered, for it was not a daily over the whole period. It is owned indirectly by l'Assomption, and increased its provincial coverage during the 1960s. Its reporting has often been more probing than that of the English dailies, although its news content and circulation (9,000) are smaller.

3. Nie et al., 'Social Structure and Political Participation' II, esp. p.816.

compensate for official secrecy, Cabinet discretion, and the limitations of the Legislative Assembly by providing enough information for individual citizens to make representations on matters of public interest. Should they do so nevertheless, individuals will generally be regarded by authorities as 'standing for' people similar to themselves, and will be understood in planners' terms. Individual direct participation, in sum, is unlikely to be effective in New Brunswick.

ii. Indirect participation

The electoral process is generally considered the primary mechanism of popular control over collective projects in New Brunswick. The two major parties have alternated in office, and close competition in small constituencies negates the general argument that the marginal weight of a vote is not worth the effort of casting it: in 1967 and 1974, the margin of victory was less than 1,000 votes in 22 and 45, respectively, of the 58 seats contested, and in 1974 it was 100 or less in 7 seats.¹ Voter turnout in general elections is about 80%.

For individuals' electoral participation to affect state policy, at least three conditions must be satisfied. Candidates must clearly stand for different policies. There must be a relation between the representative chosen and government policy. Third, the government must be able to impress its plans upon the state machinery. These conditions are considered in reverse order.

1. N.B., Report of the Chief Electoral Officer, 26th and 28th general elections, (Fredericton, Q.P.)

Estimating the relative influence on policy of cabinet and officials is a complex matter subject to interminable debate by the actors themselves.¹ Cabinet confidentiality and official secrecy make conclusions tentative. Still, cabinet control was apparent when the NBEPC was closely supervised, when the administrative machine was restructured in the 1960s, and when political impetus carried the Bricklin project past hesitant officials. On the other hand, the NBEPC now seeks 'government involvement' in its planning.² The Byrne recommendation of administrative commissions was rejected by officials, and the Equal Opportunity legislation was not fully reflected in programme and administrative change because of bureaucratic strain and inertia.³ And while government spending may partly correspond to electoral cycles, so that special-warrant funds could shore up the Bricklin project during the 1974 election campaign, the framework within which such fluctuations occur is defined by officials in Finance.

Richard Rose has argued that parties must have clear goals and workable plans in order to impose policies upon officials.⁴ In New Brunswick this has not often been the case, but governments may have both general inclinations and very specific aims. In the latter event, cabinet can effectuate policy because New Brunswick departments remain small enough not to be quite beyond ministers' purview. General goals may be reflected in policy through cabinet vetoes of officials' proposals, and may more positively integrate

1. D.M. Cameron, ed., 'Power and Responsibility in the Public Service: A Summary of Discussions', CPA, 21 (1978), 358-72.

2. Interview with A.J. O'Connor, [general manager, NBEPC], 28 Feb. 1978.

3. Ruff, 'Reform and Development', pp.283-365, pp.381-84.

4. R.Rose, 'The Variability of Party Government: A Theoretical and Empirical Critique', Political Studies, 18 (1969), 413-45.

state actions if the central agencies can be controlled and can ensure that departmental programmes correspond to them. Impeding control, however, are the myriad small decisions taken by lower-level civil servants; that is, the separate interpretations of general rules which cumulatively affect whole policy areas but are detectable only after the fact, if at all.¹

Controlling these is a management problem. The primary impediment to ensuring that management policy reflects cabinet's goals is the expertise of civil servants, both in line departments and in the central agencies. The case of the NBEPC is most instructive in this regard. The engineers were in contact with the field, understood the planning environment in their own terms, and planned to achieve their objectives; neither the cabinet nor the Commissioners could adequately evaluate those plans, and real decision-making power descended to the experts. The NBEPC is an extreme case, for officials' determination and dominance varies with the technicality of their function and training.² But power in New Brunswick has been delegated to many other specialised agencies over which cabinet control is limited (and legislative accountability tenuous).³ And, as ordinary departments' activities have expanded and planning has increased, their evolution has paralleled that of the NBEPC. The trend over the 1945-75 period was for officials to plan policy, execute it, and define the terms of its evaluation, while ministers came to give final approval and to publicise and defend departmental

1. K. Kernaghan, 'Changing Concepts of Power and Responsibility in the Canadian Public Service', CPA, 21 (1978), 389-406; pp.391-2.

2. R. Putnam, 'Elite Transformation in Advanced Industrial Societies: An Empirical Assessment of the Theory of Technocracy', Comparative Political Studies, 10 (1977), 383-412.

3. Examples include the Industrial Relations Board and the Property Compensation Board. See F. Schindeler, Responsible Government in Ontario (Toronto, University of Toronto Press, 1969), pp.69-80, pp.213-40.

policy.¹

New Brunswick ministers generally have neither substantive expertise nor managerial experience; small businessmen and lawyers have been most numerous.² They can claim expertise only in reading public opinion, but officials also are in contact with the public, and professional civil servants are highly trained and experienced. They respond to ideas in currency among the national and international communities of their peers, and have definite goals. Consequently, their sense of responsibility is divided: objectively, they are obliged to obey ministers' directives and translate cabinet decisions into policy; their subjective responsibility requires that they make judgements according to the dictates of conscience and professional standards.³ Many seek to reconcile the two by strongly presenting a distinctive 'planning viewpoint' for ministers' consideration, and then supporting such decisions as result from politicians' weighing of diverse recommendations. But commitment to particular policy options still affects officials' interpretations of ministers' wishes. It also leads to packaging plans in terms which appeal to ministers. In the early 1970s, for example, social service departments across Canada came to favour community homes for the aged, as opposed to state-supported private homes,

1. Much of the following material is taken from 8 interviews conducted with deputy ministers in September 1974, and from a further 11 interviews with senior planning staff done mainly in September 1978. The first set averaged 1½ hours in length, the second 1¼ hours.

2. Thorburn, Politics in N.B., TXXIX.

3. K. Kernaghan, 'Responsible Public Bureaucracy: A Rationale and a Framework for Analysis', CPA, 16 (1973), 572-603.

but the New Brunswick cabinet rejected such proposals: after changes in federal-provincial financial arrangements, the measure was advocated once more by officials, guised as a cost-cutting proposal, and was approved.

Civil servants do recognise decisions requiring ministerial or cabinet approval, and are reluctant to proceed without ministers placing the political imprimatur upon plans and assuming responsibility for them. Having secured decisions, however, officials have won an area of discretion, and they attempt to frame decisions so as to broaden this area. Policy guidelines, once approved, insulate subsequent programme management from ministerial interference. Similarly, general approval of goals allows officials to devise plans. (This is particularly common in federal-provincial programmes, where ministers may have to accept unpalatable projects as part of a package to which they agreed in principle and which, they may be given to understand, is not re-negotiable due to the strong views held by provincial officials' federal bargaining partners.¹) Approval of criteria for evaluating programmes is also of great importance, and in this area officials' expertise is most influential.

Deputy ministers may offset ministers' incapacities. Following WWII, these men were the departmental experts, but during the 1960s their role evolved from administration to both management and policy advice.² Deputies calculate the implications of policy for political support, and their tenure across regime changes is

1. Savoie, 'N.B. Development Agreement', pp.286-295, p.333.

2. A. Blakeney, 'The Relationship Between Provincial Ministers and their Deputy Ministers', CPA, 15 (1972), 42-45.

not secure. Through them, ministers' influence may have been strengthened, particularly between 1970 and 1975 when several departmental re-organisations reduced deputies' spans of control and integrated planning directors into their management groups. However, the politicisation of the deputy minister's role, and their shorter tenure, may simply indicate that effective decision-making power has descended further within departments.¹ It is also worth noting that deputy ministers are not elected.

Officials and ministers share power over policy. Cabinets can set the tone of an administration, in part by appointing new central-agency staff and deputy ministers. But most policies are initiated by civil servants who have most data and the professional expertise to formulate responses. Ministers may force measures through departments; the civil service defines the criteria by which they are evaluated. Although all final decisions are taken by ministers, civil servants aim to involve them and have them understand the department's policy primarily so they can defend it adequately in cabinet, the Assembly, and before the public. To policy suggestions, ministers may add a political component based on their understanding of public opinion or the requirements of re-election.² Civil servants try to secure approved guidelines which reduce the number of decisions to which that component can be added. Ministers can veto proposals; civil servants continue to suggest initiatives. Power is shared.

But as economic growth has become the dominant goal of New

1. J.E. Hodgetts, 'The Civil Service and Policy Formation', CJEPS, 23 (1957), 467-79; pp.474-5.

2. W.D. McKeough, 'The Relations of Ministers and Civil Servants', CPA, 13 (1970), 1-8.

Brunswick governments, and planning the means to achieve it, the civil service has increased in size, security, and expertise, and each augmentation has shifted the balance of power over policy further into its favour.

The second criterion of effective electoral control was that there be a link between the voter's choice of representative and government policy. Ignoring 'wasted votes' in single-member-plurality systems, this condition is met if the representative is a cabinet member; otherwise it depends upon the influence of Opposition and back-bench members on government policy.¹

Most New Brunswick MLAs have full-time occupations, but spend 20 to 30 hours per week on legislative and constituency business. First, they act as ombudsmen, helping individual constituents with the bureaucracy; second, they transmit local complaints and demands, a function of particular importance in rural areas where local government is non-existent and the party organisations are relatively strong. As a result of these pre-occupations and their lack of staff, MLAs have little time and few resources to devote to general policy, and the amalgamation of demands is accomplished by party members considering practical questions together, and by the party leader.

Commentators, focusing on the Legislative Assembly's ritual battles, imply the Opposition has little interest or effectiveness in influencing government policy:

Issues, when they are allowed to arise, interest government and opposition alike less on their own merits than as a means to score debating points, often using the most childish tactics. In short, the Assembly functions less as a deliberative body than as an arena for partisan conflict.²

1. This section is largely based on interview with 11 MLAs, 6 from the Opposition and 5 back-benchers, in March 1977, averaging 1½ hours.

2. Fitzpatrick. 'Politics of Pragmatism', p.120.

It is not uncommon, however, for the Opposition to propose minor amendments to legislation and to have them accepted. In Committees on Corporations and on Municipalities, MLAs lead on matters affecting their constituency, regardless of party. Opposition members often speak privately with ministers about constituents' problems. And joint deliberations in substantive committees produce a sharing of views, which is not regularly fractured, as elsewhere, by partisan debate on bills at the committee stage.¹

It remains true, nonetheless, that partisan considerations unconducive to mutual influence pervade the relations between Government and Opposition. Although the Throne Speech is not often debated following elections, as governments' mandates erode debate becomes bitter: legislation is unopposed or is opposed root-and-branch, and cabinets are reluctant to bend before assailants whose tactics and motives they have damned as contemptible. If policy is influenced then, it is only negatively, as governments hesitate to introduce controversial legislation.

The influence of back-benchers is difficult to estimate, but is probably minor. They do express constituency opinion, but policies are not much discussed in caucus before legislation is introduced, and back-benchers have few resources to challenge policy.² MLAs prefer to reconcile differences between themselves, the constituency, and the government through private discussions, and a genuine back-bench question is a noteworthy event; a speech against

1. C. Franks, 'The Dilemma of the Standing Committees of the Canadian House of Commons', CJPS, 4 (1971), 461-76.

2. Thorburn, Politics in N.B., p.155. P. Leslie, 'The Role of Constituency Party Organizations in Representing the Interests of Ethnic Minorities and Other Groups', unpub. Ph.D. thesis, Queen's University, 1967, pp.223-25, reports a case of a successful challenge by a back-bencher close to agricultural organisations; much of Leslie's thesis argues that such liaisons with associations are rare.

a measure is very rare. The norm of party solidarity is buttressed by the Legislature's small size, which allows no organised back-bench committees, and which, since the cabinet is relatively large, makes promotion prospects excellent. Solidarity is an important qualification for advancement to the cabinet.

The third condition of electoral influence over state policy is that voters choose between clearly different platforms. Yet most observers of New Brunswick politics have emphasised the similarities between the two major parties: after a close study of Westmorland county, Leslie concluded both parties lacked defined policies;¹ Fitzpatrick depicts both as pragmatic organisations;² and Thorburn judged platforms to be 'remarkable more for their similarities than their differences.'³ Of MLAs interviewed in 1977, 20% thought the parties' policies differed little, and 20% believed civil servants' influence would make them coincide in any event.

However, there may be generally shared and accurate perceptions of the parties which guide voters. Some MLAs enter politics at the behest of one (or both) parties, and see them as similar, but those who are self-recruiting tend to perceive the Liberals slightly left of centre and the Conservatives on the right. Fitzpatrick ascribes to the Liberals a 'responsiveness to change' which places them to the left.⁴ Historically, such views find support in the rhetoric of leaders like McNair and Hugh Mackay who, despairing of McNair's road-building, once summarised the cycles of New Bruns-

1. Ibid., pp.244-46.

2. 'Politics of Pragmatism'.

3. Politics in N.B., p.107.

4. 'Politics of Pragmatism', p.128.

wick governments: 'The Conservatives make the money and the Liberals spend it.'¹ But these perceptions are contradicted by many examples. Robichaud's involvement in development projects like South Nelson Forest Products was no greater than that of the Conservative administration in Bricklin. McNair fought the 1952 election against 'international unionism' in the NBEPC, while the Conservatives under Flemming were considered sympathetic to organised labour.² Perhaps spending on natural resources and on education may indicate, respectively, concern with economic development and social welfare. Under Liberal administrations after 1945, outlays on education rose, on average, 50% per year, and natural resources spending by 36% per year. Under Conservative governments, the comparable figures were 22% and 3%. The figures may indicate that Liberals are much more concerned with welfare than are the Conservatives, or that the latter are relatively more pre-occupied with welfare than economic development: such inconclusiveness does not argue for clear policy differences, in practice.

The Liberal party may also be regarded as relatively more responsive to Acadians. This, however, has never been reflected in party platforms, and if once true it became less so. Both parties accepted the Official Languages Act of 1969.³ And Conservative efforts to attract francophone votes were successful in 1974 when the party won 3 seats in the northeast, 2 in the northwest, and 1 in Kent county, and 4 francophones entered the cabinet. An

1. SR, 1948, p.279.

2. PANB, BAI, G. Chiason, 'Interview with Frank X. Crilley', July 1976, p.51; 'Interview with A.J. Doucet', Nov. 1976, pp.52-54.

3. Acts, 1969, c14: this was to make government services available in both languages; most provisions were proclaimed by 1978.

explanation for the diversification of the Acadian vote has been offered by Leslie: only if this occurs can structural assimilation (equal rights) be attained without behavioural assimilation (loss of ethnic identity), for a single party would risk a losing polarisation by enacting legal guarantees for a linguistic minority.¹ If this holds, and Acadian society continues to diversify, then the identification of Acadians with the Liberals will continue to weaken.

The major parties have indistinct positions on the left-right dimension, and their ethnic bases are becoming less clear. On many other issues, like rural electrification in 1944, the Chignecto canal in 1960, and a lower voting age in 1970 (despite a negative referendum result in 1967), the party platforms have coincided. On potentially major issues like resource taxation, forest management, and the labour relations framework, both parties have failed to enunciate definite positions.² The choice they offer the voter is neither clear nor sharp.

iii. A note on patronage

If both direct and indirect participation are unlikely to effectively influence state policy, there remains the possibility of individual action through the political parties to secure particularistic benefits. This is patronage, for which New Brunswick remains famous in Canadian political folklore.

Patronage was central in politics when regional entrepreneurs were key political actors. Politics furnished some of the resources which filtered down through clientele networks, and these benefits sustained loyalties which were demonstrated at the polls. Spending

1. 'Role of Political Parties'.

2. Woodward, N.B. Campaigns, appendix, 'Provincial Election Documents 1866-1974'.

on roads in the reconstruction period helped maintain this structure. In the 1950s, machinery was established to co-ordinate federal patronage after the 1957 election.¹ In 1960, there were heavy lay-offs from Public Works to make room for Liberals. Fitzpatrick contends that jobs are still supplied to party supporters, and that some contracts depend upon party adherence.² MLAs continue to receive inquiries about jobs and government business, and most remain in close contact with constituency organisations. After 1975, it was alleged by the Liberal leader that not only did the government receive kickbacks (party contributions charged as a percentage of government contracts), but also that the police inquiries into the matter had been discouraged by the minister of Justice.³ Finally, 45% of New Brunswickers agreed in 1968 that 'quite a few in government are crooked.'⁴

Patronage involves the distribution to party supporters of jobs, services, and other benefits. These must be selective incentives which can be withheld from others. Patronage does not refer to the regional allocation of public goods which cannot be so restricted; only when supporters are very highly concentrated is the effect the same. In the standard view of the system, benefits are controlled by cabinet and are distributed through local patronage committees which operate as 'complementary administrative machin-

1. PANB, MOB, 12/2, 'New Brunswick Progressive Conservative Association; Correspondence, 1957', A.J. Brooks to J.L. O'Brien, 20 Aug. 1957.

2. 'Politics of Pragmatism', p.122.

3. See Gleaner, 26 Jan. 1978, pp.5-8, p.10 for the conclusions of the judicial inquiry into the matter.

4. R. Simeon and D. Elkins, 'Regional Political Cultures in Canada', CJPS, 8 (1974), 397-437, TIV.

ery' to that of the state.¹ But the received image of New Brunswick politics as thoroughly patronage-ridden is both incorrect and seriously misleading.

First, the diversification of the economy from primary production has eroded the system. The particularistic economic links which overlapped with politics have weakened, and were construction contracts awarded to party supporters, for instance, it is difficult to see how this could secure the votes of the company's unionised employees. Urbanisation has also had an effect: parties may organise stable rural dwellers, but mobile urbanites are less readily integrated into the bonds of loyalty and trust which help cement patronage networks.

More important, the distribution of benefits has gradually been assumed by a secure bureaucracy, which allocates them according to universalistic criteria. Social welfare payments no longer depend on the discretion of local party men. Loans to companies are scrutinised according to criteria laid down by Economic Growth officials. If small contracts are awarded to 'friends' of the government, ministers still cannot refuse standard forms of support to others. MLAs can act for constituents, showing that cases have been neglected or rules mis-applied, but they cannot easily secure selective benefits for individual supporters. Officials control rule-application. Of course, new fields of patronage, such as lotteries, may be opened up, but they, in turn, are gradually regularised: clientelism may survive in the 'traditionalistic interstices of the modernizing polity', but these close eventually.²

1. Leslie, 'Constituency Party Organizations', p.239; Thorburn, Politics in N.B., pp.161-64.

2. Lemarchand and Legg, 'Clientelism and Development', p.167.

The scale and specialisation of state activities reduce the scope for patronage. Unskilled and temporary jobs have declined as a proportion of government positions, and have limited appeal. Permanent government posts are protected not only by the Civil Service Act, but also by the public-service unions. As spending becomes more concentrated, the divisibility of goods diminishes, and their selective allocation is impeded: snowplows cannot be diverted to particular driveways when they are designed to clear an inter-regional highway system, and when electric power lines reach the 345KV league, they are not re-routed to provide a supporter with a profitable expropriation of his back pasture. The range of patronage has been reduced, and it is very unlikely that efficiency losses due to it amounted to more than 5% of state spending by 1975.

The received image of widespread patronage does have serious effects, however. It concentrates attention upon policy execution, and so obscures underlying issues and important decisions. It may be that a decision about road location or contracts is less fundamental than one setting the specifications which govern road construction or determining the criteria of evaluation which favour roads over railways. It is interesting, and highly 'political' in New Brunswick terms, that the Tourism advertising contract is let without tender to a party supporter. But decisions having greater general impact are whether advertising should appeal to backbackers or bus tours, whether to subsidise historic villages or private campgrounds, whether to spend on tourism or manufacturing. Such questions have arisen as New Brunswick governments have undertaken to positively plan economic development, and they entirely over-

shadow the remnants of a patronage system formed when the state rented resource rights and helped maintain a road network.

iv. Conclusion

Effective participation has been shown to be improbable when poorly informed individuals approach decision-makers directly. Neither is indirect participation through the electoral system likely to prove effective in influencing state policy, for three conditions of this were advanced and none was fully met; cumulatively, this makes the link between votes and state action highly tenuous. The possibility of an impressive individual contribution to planning cannot be dismissed, and neither can voting be discounted, for it guards against oppression and gross corruption. But individual participation is, in New Brunswick, a largely ritualistic activity.

Questions therefore arise with respect to the original framework. It was argued that plans require acquiescence for efficient implementation. Towards the end of the 1945-75 period, it was found that this could only be secured through effective participation in planning; involvement was not adequate to produce commitment and consent. Now, it is evident that participation by individuals, both directly and through the electoral process, is unlikely to be effective: it does not allow even partial participation in planning. How, then, is participation carried beyond involvement to be effective? By what mechanism is consent generated and plans' implementation assured?

The answers lie in another form of participation. Alongside

the ceremonial processes of the electoral system lies a parallel political system, an efficient one through which consent is secured because it allows effective participation in determining collective projects. This system has grown in proportion with, and in response to, the planning state. It is the system of organised groups.

PART D: ORGANISED INTERESTS

In Chapter 10, to allow an approach to organised interests, two basic schools of group theory are examined. They are pluralism and corporatism. Theoretical positions are contrasted with respect to five aspects of interest-organisations - their formation, nature, operation, representativeness, and influence. Based on the case studies, and other material, an hypothesis about each aspect is derived to guide the investigation of organised interests in New Brunswick.

The next two chapters explore these hypotheses. One principal source of data is the incorporation records of formal, voluntary organisations created in the province. From this universe, a sample was selected and mailed a questionnaire, the responses to which complement the historical data with contemporary information about group-government relations.

In Chapter 11, the historical development and the current structure of organised interests are examined, to test three of the five hypotheses. One, about group formation, was that an active state would stimulate them, both directly and indirectly, and there is much evidence to support this. The second, about the nature of organisations relevant to the state, was that both economic and non-economic associations would have contact with it, but that the former would have closer links. This is generally sustained. Third, the representativeness of organisations, with respect to social and economic populations defined by major cleavages, is examined: rural

dwellers, Acadians, and the working classes are found to be under-represented in formal organisations.

In Chapter 12, the relations between organised interests and the state are considered more closely. The hypothesis about groups' operation - that they would have most contact with officials rather than politicians - is substantiated. Then the questions of the relative influence of groups and officials, and of various kinds of groups, are taken up. It is found that although the perceived responsiveness of the state is most dependent upon the organisational resources of groups, many of those representing Acadians tend to find it unresponsive, and, given the unequal distribution of organisation, rural dwellers and the working classes are also less likely than others to have their preferences reflected in state policy.

CHAPTER 10: APPROACHES TO ORGANISED INTERESTS

i. Pluralism and corporatism

The notion that elections are rituals of social integration with little bearing on policy is not a novel one. Electoral appeals were classified by Edelman as 'hortatory' language, which has the latent function of reassuring political spectators that their consent is needed.¹ Organised interests determine policy:

The complement to this adaptive and acquiescent behavior on the part of spectators is cognitive and rational planning on the part of groups directly involved in manoeuvring for tangible values. Using referential symbols, bringing to bear what sanctions they can in the form of organization, money, boycotts, and other deprivations of opposing groups or of governmental authorities, they get what they can.²

Here, organised groups have been approached through a process of elimination, but they have long pre-occupied analysts who share G.D.H. Cole's view of their centrality:

While the political philosophers are holding high argument about the philosophical theory of the State and the individual, the world around them has become interested in a new set of problems, in the position of voluntary and functional associations in Society... The subject matter of social theory is the action of men in association.³

There are two basic theoretical positions into which modern treatments of organised groups generally fall - pluralism and cor-

1. M. Edelman, The Symbolic Uses of Politics, (Urbana, University of Illinois Press, 1967), pp.130-151, esp. p.135.

2. Ibid., p.16.

3. G.D.H. Cole, Social Theory (London, Methuen, 1920), p.9, p.17.

poratism. Most scholars closest to either school reject certain of its postulates, and empirical studies have combined elements of each, so the distinction is somewhat forced; still, these two tendencies enclose the field, the pluralist associated with structural-functionalism, and the second, recently, linked to Marxism, from which position corporatism is identified and criticised. To these may be added a third, less comprehensive view, elitism, which has been expounded in the Canadian context by Presthus and elsewhere by others.¹ The general theories may be analysed in the light of the New Brunswick case studies to derive hypotheses guiding investigation of that province's organised interests. They can be conveniently approached through their contrasting postulates about the formation, nature, operation, representativeness, and influence of interest groups.

ii. Group formation

In the pluralist view, groups form autonomously. Although social, economic and technological changes define social cleavages and areas of common interest, these are not wholly determining. In a free market of ideas and group appeals, individuals associate to promote interests and causes, and they join and leave at will, calculating the advantages (broadly defined) of membership. In the political sphere, therefore, perpetual competition exists between organised minorities: if some group obtains benefits from the state, others will form to do the same or will mobilise in opposi-

1. R. Presthus, Elite Accommodation in Canadian Politics (Toronto, MacMillan, 1973); A. Lijphart, 'Consociational Democracy', World Politics, 21 (1969), 207-25.

tion, and negotiation ensues.¹ Since a multiplicity of interests exists, and groups form and present demands freely, the result is a stable policy equilibrium which, at any moment, accurately reflects social forces. Latham fulsomely described

one pluralistic world which is an aggregation, a collection, an assemblage, a throng, a moving multitude of human clusters...a single universe of groups which combine, break, federate, and form constellations and coalitions of power in a flux of restless alterations.²

Although apparently chaotic, this is an ordered process and a valuable one. Because 'Groups exist to fulfill the desires of those who comprise them', competition among them distributes benefits fairly to their members.³

In the assumption that individuals associate to jointly secure benefits, however, lies a problem for pluralist theory. Mancur Olson has argued that since the marginal probability of influencing policy by lending one's weight to large associations is minute, and since the public goods achieved by successful group pressure would accrue collectively in any event, then rational actors will not join large organisations on that basis. To attract and hold members, groups must offer selective incentives available only to adherents.⁴ This logic renders questionable both the spontaneity of groups' formation and their function as pure interest-articulators: formation requires not only latent common interests but also leadership,

1. R. Dahl, Pluralist Democracy in the United States: Conflict and Consensus (Chicago, Rand-McNally, 1967), pp.326-29, p.455.

2. E. Latham, 'The Group Basis of Politics: Notes for a Theory', APSR, 46 (1951), 379-97, p.396. A stable equilibrium, unlike homeostasis, does not imply fixity, since it moves if affected by exogenous forces.

3. Ibid., p.396.

4. M. Olson, The Logic of Collective Action, 2nd ed., (Cambridge, Mass., Harvard U.P., 1971).

(an 'organisational entrepreneur'), while measures ensuring organisational maintenance will distort and could outweigh activities expressing members' wills.¹

In corporatist² theory, the formation of groups is less problematic than defining those which are theoretically important. Some analysts, Like Panitch, limit the term to certain structured relationships between classes: corporatism is 'a political form designed to integrate the organized working class in the capitalist state.'³ In Schmitter's seminal definition, however, corporatism is not so restricted. It is

a system of interest representation in which the constituent units are organized into a limited number of singular, compulsory, non-competitive, hierarchically ordered and functionally differentiated categories, recognized or licensed (if not created) by the state and granted a deliberate representational monopoly within their respective categories in exchange for observing certain controls on their selection of leaders and articulation of demands and supports.⁴

If corporatism is restricted neither to classes nor to economic groups, the relation between social structure and organisational structure becomes a problem.⁵

1. J.Q. Wilson, Political Organizations (New York, Basic Books, 1973), esp. pp3-55, 171-92, 305-326. In Canada, these problems have occupied R. Manzer, 'Selective Inducements and the Development of Pressure Groups: the Case of Canadian Teachers' Associations', CJPS, 2 (1969), 103-117, and D. Kwavnick, 'Pressure Groups and the Struggle for Organizational Status: the Case of Organized Labour in Canada', CJPS, 3 (1970), 56-72.

2. 'Corporatist' should not be read literally, for the theorists discussed here are not proponents but analysts and critics.

3. L. Panitch, 'Recent Theorizations of Corporatism: Reflections on a Growth Industry', presented to the World Congress of Sociology, Uppsala, Aug. 1978, p.12.

4. P. Schmitter, 'Still the Century of Corporatism?', in F. Pike and Schmitter, eds., The New Corporatism (London, University of Notre Dame Press, 1974), pp.85-131, pp.93-4.

5. B. Nedelmann and K.G. Meier, 'Theories of Contemporary Corporatism: Static or Dynamic', Comparative Political Studies, 10 (1977), [hereafter CPS10], 39-60; pp.45-46.

As in the narrower conception, this question is resolved by stressing the state's role in stimulating and managing organised interests. It supports and certifies associations, and regulates the whole group structure, coming to do so abruptly, as in fascism, or gradually, as the range of government intervention broadens even in liberal democracies. The latter process is akin to that described by Lowi as a 'parcelling out of powers between the central government and all structures of power.'¹ Corporate structures provide the central administration with specialised information and aggregated opinion in all policy areas. More important, they provide a means to implement policy, not only through organisations' licensed power over members but also through their ability to secure members' active consent in policy which, having been formulated in part by their representatives, is legitimate.² In this wider view of corporate interest-intermediation, most groups are attached to the state, more or less continuously, as representatives and as agents. In Jessop's words, 'the formal institutions through which different interests are articulated are also means through which agreed-on policies are implemented.'³ If associations adequate to these purposes do not exist, the state will form them.

For the elitists, group formation poses no problem: organisations naturally express the major cleavages of class, region, religion, and ethnicity.

1. T. Lowi, 'The Public Philosophy: Interest-Group Liberalism', APSR, 56 (1967), 5-24, p.18.

2. Schmitter, 'Century of Corporatism', p.111.

3. B. Jessop, 'Corporatism, Fascism and Social Democracy', paper presented to European Consortium of Political Research workshop, Grenoble, April 1978, cited in Panitch, 'Theorizations', p.6.

New Brunswick development between 1945 and 1975 produced new communities of interest, latent or quasi-groups which were potentially organisable. But the state's activities have so expanded to drive and serve economic growth that it was probably a major stimulus to organisation. In the pluralist view, the pull of groups' demands would account for this expansion, a proposition adequate, perhaps, in the reconstruction period. But some groups likely formed later because a more active state became generally salient and took specific initiatives which provoked reaction. If the Fredericton anti-pollution group, for instance, was latent for some time, it organised and made demands after the state, through the NBEPC, took the St. John river in hand. The Tobique camp owners were galvanized into joint protest by hydro development. Further, policies may define the cleavage lines of group-formation, as when agricultural programmes stimulated specialisation, and also delineated, through neglect, the category of mixed (and marginal) farmers.

But the provincial state has also created organisations directly, as in the FRED case with the RDCs and the regional industrial development commissions. Groups can provide information, and are most important in facilitating implementation of plans. They provide a compliance-securing network which legitimises policies, forestalls opposition, and may aid in plan administration. Given the need for effective participation to secure consent in plans, it would be most surprising to find that the state did not form and support interest groups and draw them into participation in planning.

iii. Relevant groups

Pluralists take an inclusive view of the universe of groups relevant to politics, admitting, for example, professional groups, veterans' associations, religious and women's groups, and 'social action and ideological' organisations, along with organised agriculture, business, and labour.¹ This range is due to the assumption that groups form around their primary concerns, which are not usually political, and only occasionally transmit demands out of the private sphere:

Organised interest groups are the vehicles through which the demands emanating from the various sub-systems of the society are carried to the political system.²

Groups formed around economic functions, however, appear both more coherent than others and more interested in the positive state. Hence distinctions are drawn, like those between 'interest' or 'spokesmen' groups on the one hand and 'promotional' or 'attitude' groups on the other.³ The first advance sectional interests, the second are associations of people sharing particular views. Subsequently, these distinctions are often blurred, and groups are analysed en masse.⁴ Not only can the two sorts be hard to disentangle

1. F. Englemann and M. Schwartz, Political Parties and the Canadian Social Structure (Scarborough, Prentice-Hall, 1967), pp.94-97.

2. Ibid., p.92. See also L. Dion, 'A la Recherche d'une Méthode d'Analyse des Partis et des Groupes d'Intérêt', CJPS, 2 (1969), 43-63.

3. S.E. Finer, Anonymous Empire: A Study of the Lobby in Great Britain, 2nd rev. ed., (London, Pall Mall Press, 1966), pp.3-4; A. Potter, Organized Groups in British National Politics (London, Faber and Faber, 1961); G.F. Castles, Pressure Groups and Political Culture (London, Routledge & Kegan Paul, 1967).

4. Finer, Empire, p.4; Potter, Organized Groups, pp.63-68, 228-41.

empirically, but pluralists hold that all sorts of groups have equal possibilities of forming and making demands, for pluralism maintains fundamentally that a multiplicity of values activates men, and therefore group formation, and that none of those values, (economic ones, for instance), is dominant.¹ If economic groups permanently predominated over others, then other values could not be infused into policy through group action. Hence, Pross declines to distinguish pressure groups from interest groups, arguing that all kinds of organisations are similar in that political activity is 'often a minor and unwelcome addition to more general concerns'.² Other theorists maintain that economic groups are restrained from dominance by cross-pressures upon their members,³ by disinterested civil servants,⁴ and by politicians who respond to potential, but unorganised, interests and to fair 'rules of the game'.⁵

In corporatist theory, economic groups are central. Winkler defines the corporatist state as one which controls privately owned business according to certain guiding principles.⁶ Lembruch, like others, applies the term to structured relations between economic

1. J. Chapman, 'Voluntary Associations and the Political Theory of Pluralism', in J.R. Pennock and Chapman, eds., Voluntary Associations, (NOMOS XI), (New York, Atherton Press, 1969), 87-118, esp. pp.89-93.

2. A.P. Pross, 'Pressure Groups: Adaptive Instruments of Political Communication' in Pross, ed., Pressure Group Behaviour in Canadian Politics (Toronto, McGraw-Hill Ryerson, 1975), 1-26, p.3.

3. Dahl, Pluralist Democracy, pp.338-70.

4. Finer, Empire, esp. pp.102-104.

5. D. Truman, The Governmental Process: Political Interests and Public Opinion (New York, Alfred Knopf, 1951), pp.503-16.

6. J.T. Winkler, 'Corporatism', Archives Européennes de Sociologie 17 (1976), 100-136, p.103.

groups.¹ Of course, this limitation is questioned, given the fact that strong non-economic organisations often have close relationships with the state, both representing members and implementing policy in their fields.² Large cultural and sports organisations could certainly be 'constituent units', 'functionally differentiated' from others, within Schmitter's definition. And the incorporation of non-economic groups could be useful in legitimising capital accumulation, one of the state's key functions, in Marxist theory.³ But economic groups are still considered central to corporatism.

In the elitist view, all major segments defined by social cleavages and their organisations are relevant.⁴ Leaders engage in bargaining to distribute benefits, within an elite consensus sustained by shared norms and a mutual interest in system-maintenance.⁵ Moreover, there is no sharp distinction between the state and society: they interpenetrate: Presthus argues

... for an end to any artificial separation between 'political' leaders in the formal apparatus of government and 'private' elites in the institutional sectors. ... The web between so-called private and public elites is, as we hope to demonstrate, virtually seamless.⁶

1. G. Lembruch, 'Liberal Corporatism and Party Government', CPS10, 91-126, pp.95-6.

2. Nedelmann and Meier, 'Theories of Corporatism', pp.42-43.

3. J. O'Connor, The Fiscal Crisis of the State (New York, St. Martin's Press, 1973), ch.1, ch.3.

4. Presthus, Elite Accommodation, p.72, p.107.

5. R.B. Kvavik, Interest Groups in Norwegian Politics (Oslo, Universitetsforlaget, 1976), pp.24-26, pp.155-60.

6. Presthus, Elite Accommodation, p.10.

While an active state in New Brunswick has probably influenced the interest-group structure, it appears most likely that non-economic groups are important components of it, as the pluralists maintain. This is not to deny that mechanisms exist for the incorporation of labour into planning, nor to accept the pluralist proposition that different motivations are equally susceptible to organised expression. But the state does act in fields beyond the economic, and planning and implementation may be facilitated there by corporate structures. Organisations in those fields are important because economic development is dependent upon non-economic factors. In the FRED exercise, structures of consultation were established to promote modernisation, and education and health plans may work through regular contact with organised groups, if their consent is required. So there is reason to expect a pattern similar to that found by Potter:

the practice of the Government now assumes that each substantial section has its organized group, which should be consulted when the interests of the section are affected and which can also be utilized if need be for some administrative purposes.¹

On the other hand, since economic growth is the goal towards which state planning is directed, it is anticipated that government will have closer contact with economic groups than others.

If non-economic groups are included in the range of relevant organisations, however, the pluralist position that groups are essentially private cannot be accepted. The difficulty of making the distinction is shown by Potter's criterion of officiality - that a majority of a group's executive is appointed by the government.²

1. Organized Groups, pp.31-32.

2. Ibid, pp.16-17.

The New Brunswick state has grown pervasive, and even when no such appointments are made, it is expected that many organisations will be intermingled with the bureaucratic apparatus 'to such an extent that little differentiation in function can be discerned.'¹

iv. Operation of Groups

In the pluralist view, interest groups direct demands towards parties and politicians, who respond because re-election depends on adjusting policy outputs to maximise voter satisfaction. Dahl, for instance, lists four strategies open to individuals concerned about policy: three involve political parties, the fourth is to form a group to influence parties.² This emphasis on politicians may result from the selection of politicised issues for case studies.³ It is also less prevalent in studies of parliamentary systems, for M.P.s are not lobbied much where 'No pressure group is so strong as a party whip.'⁴ Groups must then affect policy before it is introduced to Parliament as legislation, and before regulations are drawn up, and so they must contact ministers or officials, and particularly the latter where regulations are concerned. Most pluralists still incline, then, towards the party and the cabinet as finally controlling policy; cabinet 'is the final decision-making authority in the political system and the pressure groups, whether issue-oriented or institutional, behave accordingly.'⁵

1. E.S. Govan, Voluntary Health Organizations in Canada (Ottawa, Q.P., 1966), p.173.

2. Pluralist Democracy, pp.429-30.

3. K. Newton, Second City Politics: Democratic Processes and Decision-Making in Birmingham (Oxford, Clarendon Press, 1976), p.65.

4. PEP, Industrial Trade Associations: Activities and Organisation (London, George Allen & Unwin, 1957), p.87.

5. Pross, 'Pressure Groups', p.20.

Classic corporatist doctrines posited a single party unifying the state apparatus and its functional appendages. In contemporary theories, the state is an agency of economic regulation and class domination which operates according to its own logic (reflected from the capitalist economy), and so electoral competition and the complexion of incumbent parties are epiphenomenal, if not entirely irrelevant. In this view, it is the persistent structures of state-interest relations which are vital: Mahon, for example, has tried to account for Canadian policy outputs by showing how different classes and interests are represented within the state by agencies of unequal influence.¹ The bureaucracy is central to the corporatist position, although it has been argued, especially by analysts of proportional representation systems, that permanent links may exist between parties and organised interests of all kinds, and that new governments may re-arrange power relations among groups.²

In the elitist view, politicians, civil servants, and the leaders of organised interests are all important in policy formation. They constitute a unified elite.

In New Brunswick, civil servants' influence over policy increased as state activity became broader, more intensive, and rationally planned. Civil servants are expert and have long tenure, and the parties tend not to be closely associated with groups, and so it is anticipated that most organisations will have most contact

1. R. Mahon, 'Canadian Public Policy: the Unequal Structure of Representation', in L. Panitch, ed., The Canadian State: Political Economy and Political Power (Toronto, University of Toronto Press, 1977), 165-198.

2. S. Rokkan, 'Towards a Generalized Concept of Verzuiling: A Preliminary Analysis', Political Studies, 25 (1977), 563-70; Nedelmann and Meier, 'Theories of Corporatism', p.46.

with the bureaucracy. On the other hand, politicians may force particular policies through departments, at least temporarily, and the province is small enough that ministers, and the premier, are accessible. It is likely that a significant amount of contact will be made with politicians, particularly when discussions with officials have been unsatisfactory.¹

v. Group representativeness

Interest groups raise two problems of representativeness - the extent to which the universe of associations reflects existing economic and social interests, and the extent to which group leaders represent their members' opinions. In pluralist theory, neither problem is serious. Since groups may freely form in response to encroachments, if not to achieve positive goals, then all interests will eventually be represented by associations. Even if they are not formally organised, politicians will still take account of them. Second, since individuals are free to leave associations, leaders must be responsive to them.² So, groups must 'fulfill the desires of those who comprise them.' This view of internal representativeness is not quite uniformly shared: it has been noted that access to government increases the organisation's influence over members, and that permanent staff are concerned both with organisational maintenance and with securing sufficient autonomy to pursue their professional goals.³ It is also recognised that groups regulate

1. Presthus, Elite Accommodation, pp.152-63, esp. T6-1, showing that the Cabinet ranked first as the secondary target of groups.

2. Wilson, Political Organizations, p.215.

3. Finer, Empire, p.38; Wilson, Organizations, pp.9-10, 226-230.

their members and promulgate policy among them.¹ But generally these considerations are secondary to the function of articulating members' views.

Corporatist theory assumes most social interests are represented by organisations. The way in which the state and objective interests interact to produce formal organisations is not fully understood.² But it is agreed that the distribution of organisations, their strength, and their representation within the state all reflect existing power relationships and produce a systemic bias in policy which helps maintain those relations. This bias also includes policy towards organisations: because the state actively affects groups, a distorted structure is maintained, as some groups are repressed, and others stimulated to channel participation or to co-opt dissent.³

Corporatism most emphasises the flow of influence from the state to groups: it is a disciplinarian system.⁴ This is true when labour unions enforce incomes policies, a pattern considered by some theorists as the nub of modern corporatism. But more generally, while organisations may be formally representative, they serve primarily to transmit policy to their members, legitimising it and easing its implementation.⁵

1. Pross, 'Pressure Groups', pp.6-7, p.21.

2. P. Schmitter, 'Modes of Interest Intermediation and Models of Societal Change in Western Europe', CPS10, 7-38, esp. pp.33-35.

3. M. Loney, 'A Political Economy of Citizen Participation', in Panitch, ed., Canadian State, 446-72.

4. Winkler, 'Corporatism', p.110.

5. G. McConnell, 'The Public Values of the Private Association', in Pennock and Chapman, eds., Voluntary Associations, 147-60.

In the elitist view, all interests may be represented by associations. But their leaders together constitute a unified elite, to which they are responsible as much as to their memberships. A distinctive feature of this view is that this pattern is either desirable, for it ensures stability,¹ or that it is 'operationally necessary in any complex, functionally differentiated social system.'²

In New Brunswick, social and economic interests are unlikely to be fully represented by organisations. Its development has been rapid and recent, and the unequal distribution of resources - money, education, and time - necessary for organisation will leave some quasi-groups under-represented. Moreover, if the state has stimulated organisations, it seems unlikely that they would correspond with 'naturally' occurring quasi-groups. With respect to internal representativeness, it cannot be assumed that leaders simply articulate members' views, in part because in a strongly hierarchical society leaders may have rather different interests than members.³ More important, if interest groups take part in planning, compromises must be enforced, and particularly when organisational maintenance requires continuing relations with the state, leaders will be anxious to secure members' acquiescence in plans.

On the other hand, a fully corporatist view cannot apply in New Brunswick, where there is relative freedom to form, join, and leave associations. Most corporatist links would approximate the

1. A. Lijphart, 'Cultural Diversity and Theories of Political Integration', CJPS, 4 (1971), 1-14.

2. Presthus, Elite Accommodation, p.9.

3. T. Bottomore, 'Social Stratification in Voluntary Organisations', in D.V. Glass, ed., Social Mobility in Britain (London, Routledge & Kegan Paul, 1954), 349-382.

'societal' model; that is, to have been formed on the joint initiative of pre-existing groups and the state.¹ Internally, too, leaders should be restrained not only by members' freedom to leave, but also by the possibilities for them to appeal to politicians, the press, and the courts. Representativeness, therefore, is a matter for investigation.

vi. Influence of groups

In pluralist theory the political process is transparent. Groups present demands to government, (and that is their only political role), and it responds neutrally to the complex of pressures, producing 'representative public policy' through free and fair group competition.²

The legislative vote on any issue thus tends to represent the composition of strength, i.e., the balance of power among the contending groups at the moment of voting.³

For the particular and the general interest to harmonise through this process, there must be state neutrality and free association. It also requires that access to policy-makers be equal, and that inequalities in the distribution of the political resources that determine influence are not cumulative. If so, then

Whenever a group of people believe that they are adversely affected by national policies or are about to be, they generally have extensive opportunities for presenting their case and for negotiations that may produce an acceptable alternative.⁴

1. Schmitter, 'Century of Corporatism', pp.107-8.

2. Kvavik, Groups in Norwegian Politics, p.22.

3. Latham, 'Group Basis', p.390.

4. Dahl, Pluralist Democracy, p.23, also pp.326-29, 129-31, 372-86.

These conditions are questionable in practice. The representativeness of any policy can always be challenged by pointing to groups which were not consulted.¹ And at times pluralists assume consultation is generally adequate: Finer describes the 'disinterested, aloof, critical, dispassionate' civil service, which hears, 'all' interested associations; Dawson, similarly, stresses that 'all possibly interested organizations' are asked to comment on Canadian bills, although her account shows that the largest affected groups have access to policy-makers before bills are drafted.² Second, in the distribution of resources, it is not evident that votes, in particular, may match organisations' expertise, funds, and capacity to mobilise members. Finer claims that party ideologies check the Lobby, although the party view is itself the product of previous and current Lobby-claims.³ Where parties are non-ideological, the disparity between organised and unorganised interests is likely to be greater: pluralists may hold that the representativeness of policy is saved by politicians' responsiveness even to unorganised interests, but these populations cannot engage in coalition-building, nor do they have the access to information which organised groups possess.⁴

In classic corporatism, the state was neither neutral nor responsive: it co-ordinated groups according to the party's definition

1. C.W. Anderson, 'Political Design and the Representation of Interests', CPS10, 127-152, pp.139-40.

2. Finer, Empire, pp.102-3; H. Dawson, 'National Pressure Groups and the Federal Government', in Pross, ed., Group Behaviour, 29-60, pp.45-46.

3. Empire, pp.104-5.

4. P. Bernholz, 'Dominant Interest Groups and Powerless Parties: the mere fact of organization as a reason for the political influence of interest groups', Kyklos, 30 (1977), 411-20.

of the national interest. Due to recent ferment in Marxists' theories of the state, the neo-corporatist position is less clear. The state is understood to produce policies which help to perpetuate capitalism. But contemporary theories allow that the state may act against the interests of part of the dominant class in order to secure the perpetuation of the whole,¹ and also that it may act against the short-term interests of the entire dominant class in order to preserve it by legitimising its accumulation of capital.² So the state is 'relatively autonomous', and the mechanisms through which dominant economic interests ensure that its policies favour them are obscure.³ Mahon's account of Canadian policy, for instance, relies upon the assumption that hierarchically ordered government departments are fully captured by their respective client groups, an assumption illustrating the difficulties of reconciling relative state autonomy with capitalist domination.⁴

Nevertheless, the notion of state autonomy does allow the pluralists' uni-directional flow of influence from groups to government to be reversed, and theorists of corporatism are agreed on this point. The semi-autonomous state, as an organisation, embodies projects and interests, and it influences groups and uses them to implement policy. The central empirical questions, then, concern the relative influence not only of different organised interests but also of various interests and the state.

1. R. Miliband, 'Poulantzas and the Capitalist State', New Left Review, 82 (1973), 83-92.

2. O'Connor, Fiscal Crisis.

3. Nedelmann and Meier, 'Theories of Corporatism', pp.40-41.

4. See also N. Poulantzas, 'The Capitalist State: A Reply to Miliband and Laclau', New Left Review, 95 (1976), 63-83, esp.pp.73-5.

In the elitist view, policy is determined through negotiations to which the leaders of organisations are admitted if they accept basic principles, the first being the legitimacy of other interests.¹ In the Canadian case, Presthus is ambivalent about influence; at times the state seems equally responsive, at others, some groups appear to be permanently weak in influence.² The central point, however, is that access is relatively free, while influence is meted out according to the collective decisions of other elites.

In New Brunswick, it is unlikely that the pluralist view of policy as the representative vector-sum of group pressures will apply. First, it is expected that social segments will not be uniformly represented by organisations, and that existing groups will have unequal access to policy-makers. Second, the state is not transparent: officials act purposefully upon the environment; they aim to manage it. They may therefore contribute 'withinput' by selectively supporting the demands of existing groups.³ But they will also alter the group structure in the planning environment, to gain information, facilitate plan implementation, and shape public opinion, and so they will help determine which groups exist to make demands. The state is non-transparent because bureaucratic organisations seek stability and growth, and act upon the environment to secure them, as did the NBEPC. Individual civil servants, too, have policy preferences. Since Presthus found that fewer senior Canadian civil servants considered the government (27%) or interest groups (16%)

1. Presthus, Elite Accommodation, pp.3-19; Kvavik, Groups in Norwegian Politics, pp.153-61.

2. Ibid., compare p.224, 348-49 with pp.121-39, 178, 350-51.

3. A.P. Pross, 'Input versus Withinput: Pressure Group Demands and Administrative Survival', in Pross, ed., Group Behaviour, 149-171.

as important in policy-making as the 'public interest' (32%), there is obviously considerable leeway for them to define this elusive term according to their personal, professional, and departmental goals, and to act upon that definition.¹ There is no reason whatsoever to expect that such action results purely from previous group pressure or that it is congruent with demands which would have arisen had certain segments been organised and represented in planning. Such assumptions merely affirm the state's perfect responsiveness with mystical faith.²

While the state is assumed to be active, the corporatist view that this activity can be accounted for without residue by its function of reproducing capitalism is not accepted. It has been tentatively suggested here that the goal of economic growth came to be more clearly defined in New Brunswick as maximising the income generated in the province. This unites officials with politicians seeking re-election through providing services and employment. It also accounts for some policies, such as the support for extra-provincial firms, eventual aid to marketing boards, and recent changes in forest policy,³ which appear inexplicable in terms of the capital accumulation function. In many instances, of course, generating income will produce policies congruent with capital accumulation.

But the optimal strategy for the reproduction of capitalism is never evident, even to capitalists. When the relatively autonomous state may weigh the need for legitimation as well as arbitrate between fragments of the 'power bloc', uncertainty is further in-

1. Elite Accommodation, T8-3.

2. Truman, Governmental Process, pp.51-2, 114-5, 393, 511-16.

3. R.A. Young, 'Woodlot Owners Join the Forestry Community', MS, 1979.

creased. The 1944 Forestry brief, for example, could be accounted for by supposing that state control over harvesting methods would increase corporate revenues in the long run. However, the policy was not implemented. Structuralist theories may provide ex post facto explanations of policy or changes in government organisation which affect policy. But ultimately, action depended largely on officials' choices made under uncertainty. A satisfactory theory would need to link civil servants' professional views as well as politicians' drives to the requirements of capitalism, and, in the absence of such a link, to assume that relative state autonomy simply allows them 'to negotiate the compromises essential to the maintenance of the basic interests of the dominant class' is no less an article of faith than the representation of unorganised interests in the pluralists' neutral and transparent state.¹

The relative influence of groups and classes is a matter for investigation. It can be approached first by examining the distribution of formal organisation and of organisational resources, then by considering access to the state and the relative power of associations and the state, and finally by comparing satisfaction with outcomes of different groups. Then conclusions about influence may be framed.

vii. Hypotheses

In summary, in the expectation that organised groups will be incorporated into state planning to provide information and facilitate plan implementation, the following hypotheses will guide

1. Mahon, 'Unequal Structure of Representation', p.173.

the analysis of New Brunswick groups.

1. The state will play an active part in stimulating groups, both directly and indirectly (as groups form in reaction to initiatives), and it will also support organisations for instrumental purposes.
2. It is anticipated that groups with a wide range of interests and purposes will be concerned with policy and in contact with the state, but that economic groups will have the closest relations with it.
3. It is expected that most contact will be with permanent officials rather than with politicians, but that the latter channel may be important in some cases.
4. It is expected that organised interests will not exactly reflect underlying social segmentation, in part due to state influence. The internal representativeness of groups, where possible, will be investigated.
5. It is expected that the relative influence of organisations will vary according to socio-economic and organisational factors.

CHAPTER 11: GROUP FORMATION AND THE STRUCTURE OF ORGANISED
INTERESTS IN NEW BRUNSWICK

Here, organised interests in New Brunswick are described, and their development is traced, so that three questions can be addressed. Has the state stimulated and supported associations? What organisations are interested in state policies? Are the groups defined by various social and economic cleavages equally represented by organisations, and are organisations internally representative?

i. Group formation

a. labour unions

In New Brunswick, union organisation has been impeded by the dispersion of workers in primary industries, their deference to patrons, unemployment, out-migration, union conflict, and, until WWII, legislation which, in many cases, 'was decisive in enabling employers to defeat unions' efforts to organize and achieve recognized status.'¹ Nevertheless, some of the first Canadian unions were formed in the province,² they were among the earliest affiliates of international (American) unions,³ and a provincial federation was formed relatively early, in 1914.

The expansion of the union movement since 1940, as shown in

1. Jamieson, Times of Trouble, p.53.

2. Acts, 1867, c39 (Shipwrights' Union).

3. J. Montague, 'The Growth of Labour Organization in Canada', The Labour Gazette, 50 (1950), 1388-1411; p.1390.

TABLE 11.1: LABOUR UNION STRENGTH IN NEW BRUNSWICK: 1940-1975.¹

	Union Locals	Locals Reporting	Members	Members as % of workforce
1940	167	139	14,300	9.8%
1945	177	157	18,200	
1950	210	192	23,600	14.0
1961	290	251	26,100	14.6
1971	471		59,100	26.7
1975	488		66,157	

Table 11.1, falls into three periods. During and just after WWII, when compulsory collective bargaining was introduced, growth was rapid. There followed a decade of slow expansion, then membership grew rapidly once more, largely because of the unionisation of government employees. By 1973, 6 public-service unions accounted for 240 provincial locals, and by 1974, the Canadian Union of Public Employees was the largest in the province.² Apart from civil servants, unionised sectors included heavy industry (pulp and paper, mining, the Saint John drydock, the NBEPC), the railways, large food-processing plants, and the construction trades. Labourers, rural workers, and those in smaller plants continued to be, for the most part, unorganised.

1. Source: to 1959, Canada, D. of Labour, Directory of Labour Organizations in Canada; 1959-68, The Labour Gazette; 1969-75, Canada, Statistics Canada, Corporations and Labour Unions Return Act Part II, cat.71-202. Workforce figures from Statistics Canada, Occupations: Historical, for Canada and Provinces, cat.94-716, T1.

2. These figures do not include the New Brunswick Teachers' Federation.

Several supra-local associations of union branches or related trades have existed, mainly for bargaining and training.¹ More important are local associations of unions, like the Saint John and District Trades and Labour Council, which were also organised before 1940 in Moncton in Fredericton, and later in Edmundston (1947), Newcastle-Chatham (1958), Campbellton-Dalhousie (1965), and Bathurst (1969). The provincial body representing organised labour is the New Brunswick Federation of Labour (NBFL), which has largely represented skilled, blue-collar workers. When founded, it consistently advocated measures to improve their security, such as workmen's compensation and mechanic's lien, but was also concerned with broader issues like free school books and women's suffrage. It also sought representation on government boards, and opted early for a responsible, gradualist approach:

no other agency has done more to offset the influence of radicalism than the members of the International Trade Unions in their various affiliated units.²

The NBFL faced a strong challenge from the New Brunswick Council of Labour (CCL/CIO) during WWII, one removed only when the Canadian Council of Labour and the Trades and Labour Congress merged in 1956. Its organisational strength was later reduced by schisms between Canadian and international unions and between white- and blue-collar workers. The NBFL has continued to represent the elite of workers in large corporations and specialised trades: in 1971, its 28,500 members were just 48% of unionised workers and only 13% of the New

1. An exception was the Joint Legislative Committee of the International Railway Brotherhoods.

2. G.R. Melvin, History of the New Brunswick Federation of Labour (n.p., n.d., but 1933-34), pp.2-3.

Brunswick labour force.¹

b. co-operatives

Co-operative associations, formed for a variety of purposes, have a long history in New Brunswick.² The modern movement has grown within the framework of the 1938 legislation, which is administered by the Co-operatives and Credit Unions branch of Agriculture. Apart from housing co-operatives (which are self-liquidating) 166 charters were granted by 1975; as 53 have been cancelled, these organisations have proven fairly unstable.³

TABLE 11.2: CO-OPERATIVES FORMED IN NEW BRUNSWICK: 1938-1975.

Type	pre-1940	1941-50	1951-60	1961-70	1971-75	total
Fishermen	11	7	--	--	3	21
Farmers	7	21	7	1	2	38
Special service	--	4	21	5	1	31
Other producers	1	3	--	7	14	25
Consumers	2	15	2	5	7	31
Other ^a	--	2	5	1	12	20
Totals	21	52	35	19	39	166

^aincludes a potato processing plant, a theatre group, a slaughter-house, and several small sawmills.

As Table 11.2 shows, five types of co-operatives stand out:
fishermen's co-ops pack and market part of the catch, particularly

1. Membership figure from NBFL, 'Annual Submission to the Premier and Members of the Cabinet of the Government of New Brunswick', 3 Nov. 1971, p.1.

2. Acts, 1894, c30 (Seed Grain Clubs); 1901, c10 (Bait Associations).

3. Information on co-operatives is taken from official incorporation papers in the office of the Supervisor of Co-operatives, Fredericton.

in the north; farmers' co-ops market produce and purchase equipment; special service co-ops are mainly agricultural, including livestock breeders and community pastures; other primary producers - of crafts, blueberries, and Christmas trees - jointly market goods; finally, consumers' co-ops are retail outlets, attached to the wholesalers, Maritime Co-operative Services, or to l'Union Coopératif Acadienne and thence to MCS.¹

c. credit unions

Credit unions are co-operative financial institutions designed originally as 'a source of credit for members at legitimate rates of interest for provident and productive' purposes.² As a defence against the 1930s depression, the movement grew rapidly, with 132 local bodies organised between 1936 and 1940, mostly in Acadian parishes. A central body was established in 1942, and split in 1946 into the Brunswick Federation of Credit Unions and the Fédération des Caisses Populaires Acadiennes.³ Most credit unions were small and served rural areas, and the movement grew slowly until the 1960s.

In the north, however, credit unions developed into the major financial institutions, serving an increasingly mobile, urban, and affluent Acadian population. In the late 1960s and early 1970s, they were allowed to extend larger unsecured loans, and also to

1. L'Acayen, [travail d'équipe], 'Vue d'Ensemble sur le Mouvement Coopératif Acadien', L'Acayen, 3 (1976), 11-34.

2. Acts, 1936, c53.

3. Acts, 1942, c45; 1946, c48, c49.

centralise capital in the federations, which could then plan expansion of the system as a whole.¹

TABLE 11.3: GROWTH OF CREDIT UNIONS IN NEW BRUNSWICK: 1936-1975.²

	Number	Members (000s)	Assets (\$000,000s)	Loans (\$000,000s)
1940	132	16.5	.4	?
1952	161	49.1	6.6	3.6
1960	162	81.7	16.6	7.6
1970	156	103.7	45.2	18.3
1975	144	164.0	136.1	80.3

After 1960, most growth was concentrated in the Acadian Federation, which took advantage of the possibilities for co-ordinated expansion. The Brunswick Federation grew at a steady, rather than an increasing, rate.³ The caisses populaires have appealed to Acadian ethnic solidarity, always, but are no longer an instrument of collective defence: their managers, linked through the Fédération des Caisses Populaires Acadiennes, are interested in economic growth.⁴

d. voluntary associations

Associations, like profit-making corporations, were created in New Brunswick by Act of the Legislature until the power of in-

1. Acts, 1967, c32; 1973, c26. Acts, 1968(1), c23; 1971, c23, c24; 1972, c24; 1973, c26; 1974, c9.

2. Source: N.B., Registrar of Credit Unions, Report, various years.

3. Ibid., 1975, p.5.

4. Aunger, 'Fragmentation and Stability', p.80.

corporation delegated by the 1885 Joint Stock Companies Letters Patent Act began to be regularly exercised in 1893.¹ Subsequently, some associations were formed by private Acts, but most were incorporated by letters patent issued by the Provincial Secretary-Treasurer. The powers ordinarily granted them have changed little.² Often, however, associations forming for diverse purposes are granted additional powers, and the characteristics and objects of groups laid out in incorporation papers make these documents a valuable source of information.

Data were gathered on all non-profit-making associations incorporated in New Brunswick before 1976. This set includes 1601 letters-patent (L-P) groups and 394 formed by private Act.³ Bodies not included are cemetery companies; quasi-governmental organisations like regulatory agencies, planning commissions, and housing authorities; health services and hospitals (unless formed before coming under government control); and boards of school and library trustees. The set also excludes branches of national associations (unless incorporated separately in New Brunswick), branches of provincial organisations granted power to form them, and non-incorporated groups.⁴ With these limitations, the 1995 associations constitute the universe of groups formed as a result of the perceived common interests of their members.

1. Acts, 1885, c9. See its predecessors, Acts, 1862, c28 and 1875, c30, and its consolidation, 1893, c7.

2. R. Cudney, 'Corporations Without Share Capital', Canadian Bar Review, 29 (1951), 846-58.

3. The L-P groups were formed between 1886 and 1975. The Acts groups were formed between 1867 and 1975, except that when amendments to earlier Acts were found, the original group was included, (e.g., the Barristers' Society, Acts, 1846, c48).

4. The primary advantages of incorporation are to limit liability and hold money. The process is simple enough and the fees low enough to discourage few groups from incorporating.

Further data were gathered from a sample of these groups mailed a questionnaire. (Its English version is reproduced in Appendix 5.) The universe was reduced to 1653 groups formed after 1925 or active since then, and samples were drawn after it was stratified according to an index of 'intended activity' derived from incorporation papers. Questionnaires were sent to 192 associations, and 92 were returned completed. Comparison of known variables indicates that these respondents accurately reflect both the original samples and the universe. (The sampling procedure, sample evaluation, and a discussion of the statistics used in the analysis are found in Appendix 4.) These data complement the historical material, and provide contemporary information about group activities and orientations.

The original 1995 groups were classified according to their purpose into eight categories, as shown in Table 11.4.

TABLE 11.4: MAJOR TYPES OF VOLUNTARY ORGANISATION FORMED IN NEW BRUNSWICK, BY METHOD OF INCORPORATION

	Act	L-P	Total	
			N	%
Clubs	18	466	484	24%
Community organisations	57	272	329	17
Fraternal/Service associations	19	140	159	8
Social Service/Health organisations	182	396	578	29
Professional/Trade associations	44	95	139	7
Primary Producers/Labour groups	27	88	115	6
Development organisations	20	66	86	4
Special Interest group	27	74	101	5
(indeterminable)	--	4	4	--
Totals	394	1601	1995	100%

These types of associations will not be described further here: they were subdivided into a finer classification of forty-one types which is presented in Appendix 3, along with an example of each, to allow the kinds of association in question to be understood.

These groups are of considerable importance. In most instances, property may be held to a specified maximum amount, and for L-P groups alone, the range of holdings is as follows:¹

up to \$999	17
\$1,000-\$4,999	377
\$5,000-\$9,999	388
\$10,000-\$24,999	329
\$25,000-\$49,999	147
\$50,000-\$99,999	138
\$100,000-\$499,999	125
\$500,000+	53
missing or unlimited	27

Taking the lowest point in each interval, this represents a total value of over \$55million. Another estimate of financial weight is available from the questionnaire responses (to item No.15). The average annual budget of groups was \$39,500, and this places the annual turnover of all 1653 associations at approximately \$65million. Finally, membership figures attest to the significance of this set of associations: the average reported was 154, so total membership was approximately 255,000.²

Perhaps the most striking aspect of New Brunswick organisations is the increasing rate at which they were formed. This has intuitively

1. Only 36% of Acts groups had a specified value of holdings, so all were excluded although their holdings were, on average, higher than those of L-P groups. There is some incentive for the latter to be realistic in estimates, for annual fees are scaled according to the authorised value. Since enforcement is non-existent, these estimated values doubtless understate the reality of holdings.

2. These estimates were made from grouped data, so no confidence intervals can be provided.

struck many analysts of different political systems. Table 11.5 shows that in New Brunswick there were twice as many organisations existing in 1975 as in 1960.¹

TABLE 11.5: NUMBERS OF VOLUNTARY ORGANISATIONS FORMED IN NEW BRUNSWICK, SELECTED INTERVALS TO 1975.

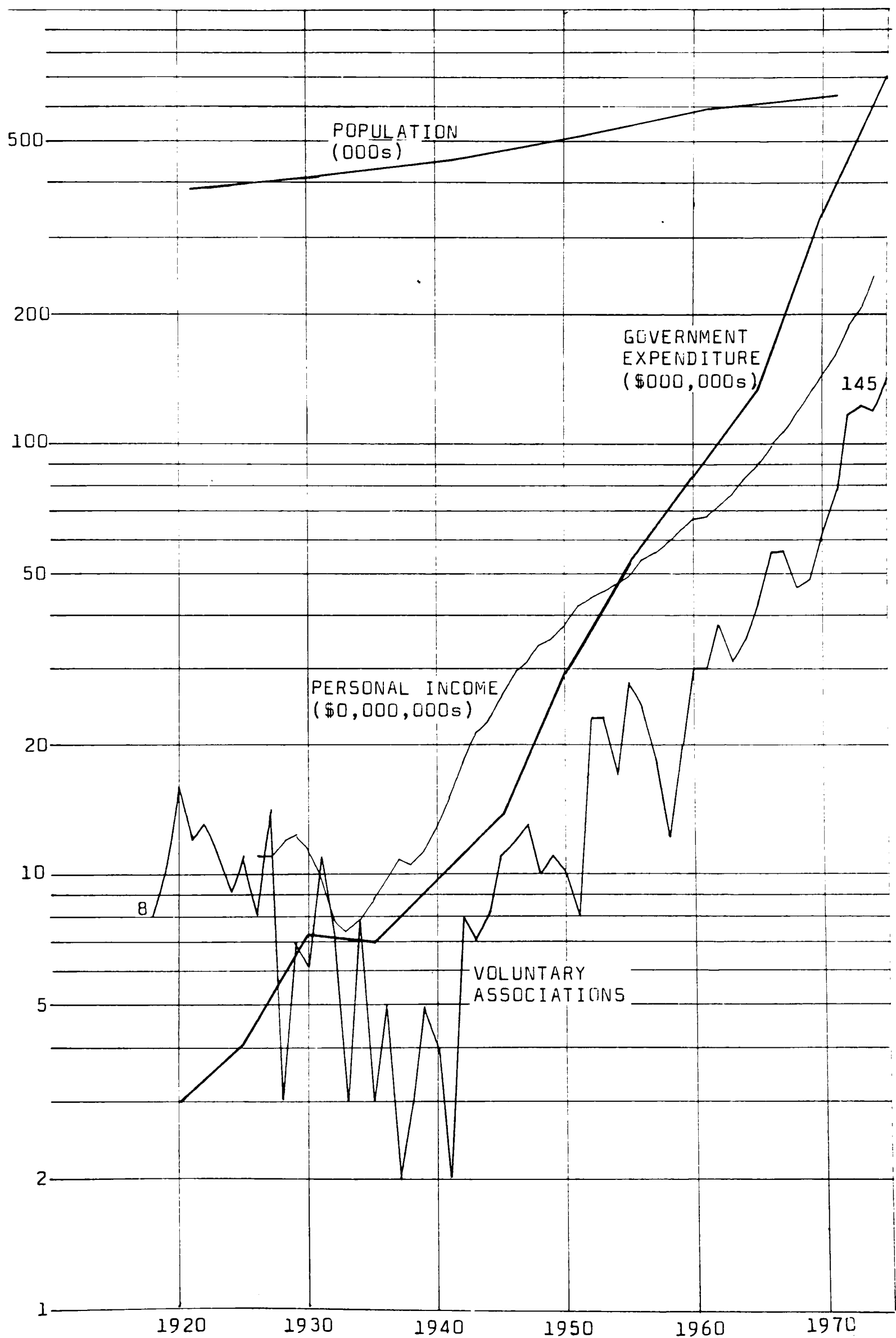
	Number formed	Cumulative total	Average number formed per year
to 1870	17	17	--
1871-1910	237	254	6
1911-1930	220	474	11
1931-1940	67	541	7
1941-1950	122	663	12
1951-1960	242	935	24
1961-1970	504	1409	50
1971-1975	586	1995	117

There are many possible causes of group formation. The decline during the 1930s suggests a relationship with economic activity, which is sensible, for people may organise in expansive times to spend incomes and attract those of others, and communication and time barriers to organisation are relatively reduced. Using total personal income as a predictor of group formation, three periods emerge: 1926-1940, when there was no correlation; 1941-64, when the relationship was linear and fairly strong ($r=.60$); and 1965-75, when the link was close and exponential.² However, other potential causal factors - urbanisation, the division of labour, and education, for instance - also increased after 1945. As Figure II shows, the expansion of government (as measured by total ordinary expend-

1. The dissolution of groups is difficult to estimate. New Brunswick L-P groups may be formally disincorporated if no returns are filed for three years, but this is rare.

2. The correlation between income and the square root of the number of groups formed was .93.

FIGURE II: NUMBERS OF VOLUNTARY ASSOCIATIONS FORMED IN NEW BRUNSWICK BY LETTERS PATENT, POPULATION, TOTAL PERSONAL INCOME, AND ORDINARY GOVERNMENT EXPENDITURE, 1920-1975. (logarithmic plot)



iture) also paralleled group formation, and did so more closely than income over the 1960-75 period.

ii. State stimulation and support of groups

Legally, the state controls group formation, as any persona ficta is infused with life only by its recognition. But the framework of operation is also defined in law, and this is important for some types of organisation: credit unions had twenty-four significant amendments of their two controlling statutes between 1945 and 1975, most of which facilitated centralisation and expansion. Labour unions, in practice, were discouraged by their pre-1944 legislative framework, and substantial obstacles to recognition remained after the 1949 Labour Relations Act provided for compulsory collective bargaining.¹ Amendments in 1971 took ten years to formulate, and did not fully satisfy the unions.² As well, a large proportion of the union movement negotiates with the state as employer. Governments have opposed the certification of some bargaining units, and the framework is more restrictive than that regulating the private sector.³

More directly, the state has helped to form organisations. Most 'special service' co-operatives began because of programmes to promote community pastures and the artificial insemination of live-

1. Leslie, 'Constituency Party Organizations', pp.205-207.

2. Acts, 1971, c9: certification was made easier, but unions became subject to legal action by employers. See NBFL, 'Annual Submission', 1971, Appendix, pp.2-3.

3. PANB, BAI, Chiason and Maher, 'Interview with Pettigrove', pp. 261-67; NBFL, 'Annual Submission', 1975, pp.25-27.

stock, and other producer co-operatives and some L-P producer groups were formed by rural development workers. Co-operatives rarely specify in their incorporation papers that contact with government is intended, (7.8% overall), but of those formed after 1960, 19% did so. Credit unions and labour unions have not been formed by the state. Many other groups have been, however, and the case of the Electric Service League is illuminating.

In 1957, state-directed electrical expansion was occurring, and the NBEPC had recently extended its regulatory powers over wiring installation.¹ It was reasonable that some electrical contractors, the local managers of national electrical component manufacturers, and the manager of Moncton Electricity and Gas Company should associate. But the group did not merely form to make demands about new regulations or because growth in the industry sharpened a latent common interest. The NBEPC distribution manager was a founding member, and, to the extent that the NBEPC contributed to the League's costs, it received 'core funding' from government. The advantages to the NBEPC are obvious: information was made available about supply problems, existing wiring, and consumer tastes, and other members could be informed about new regulations which they would implement. Moreover, the NBEPC was promoting domestic appliances to increase load growth, and could, through the League, 'carry on educational work to develop increased public interest in electrical appliances and their use.'²

The extent of direct group formation by the state is unknown. But groups are also stimulated to form indirectly, through new state initiatives, and this can be indicated by rapid growth in types of

1. Acts, 1953, c13.

2. IP, 1957, p395.

association. Chart II displays variation in relative rates of formation. It shows that development organisations formed rapidly in the early 1960s. As well as CRAN and NRDC, which were formed directly, groups were constituted in Edmundston, Black's Harbour, and St.Stephen-Milltown, and all aimed to solicit and control ARDA or Atlantic Development Board funds.¹ Similarly, the strong growth of community organisations in the late 1960s can be traced to the abolition of county governments and the availability of Centennial Commission grants for building community centres. The Department of Youth, Recreation, and Cultural Resources continued to encourage such groups.²

Rural groups in general formed rapidly after 1960. Previously, 75% of all associations were based in towns, but between 1960 and 1975, this proportion dropped to 69%.³ The effect of rural development programmes is clear in Gloucester county, where groups were formed as follows:

1941-50	2
1951-60	8
1961-70	38
1971-75	79

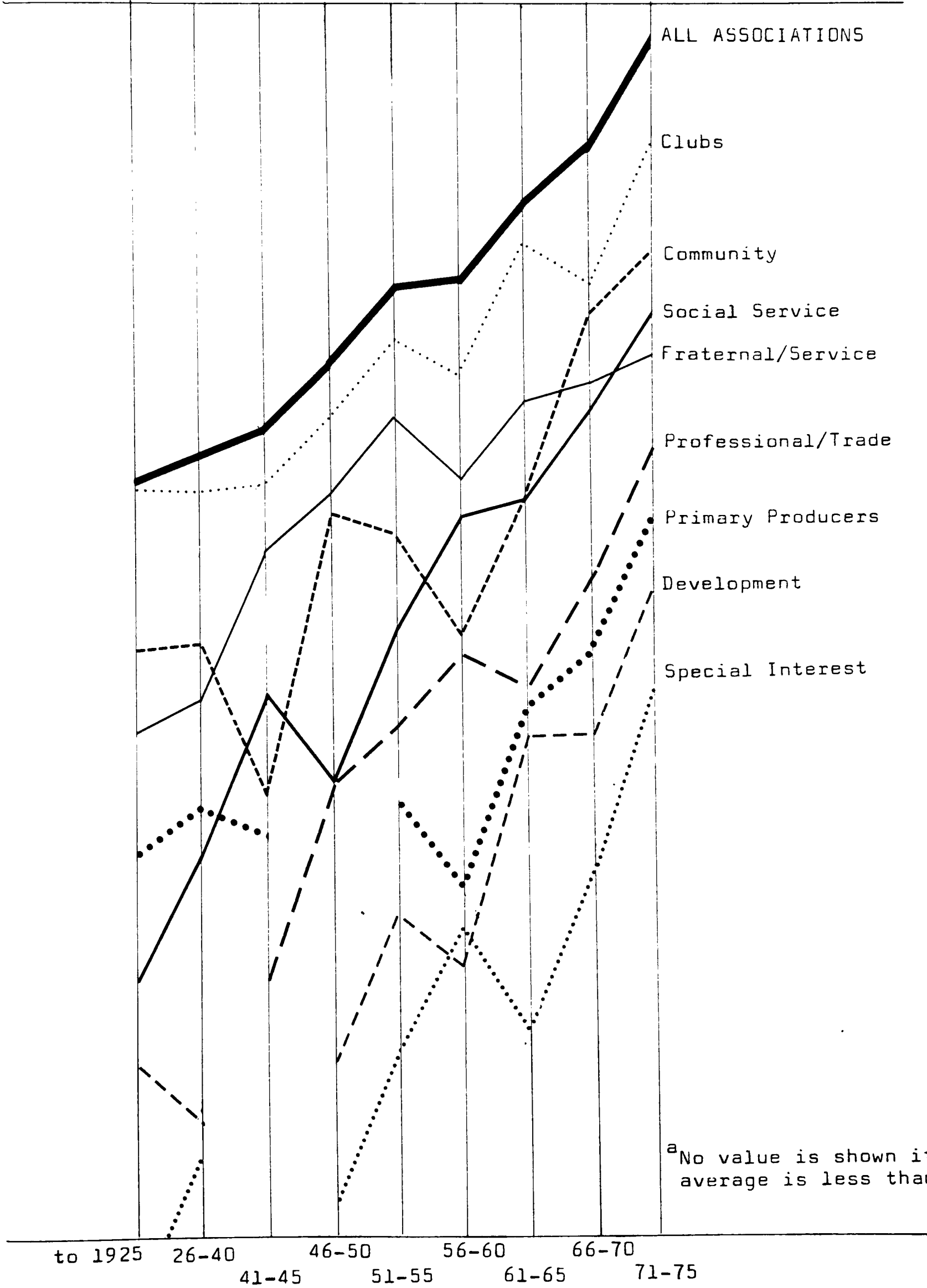
More detailed analysis reveals further examples. There was no 'specific health concern' association formed between 1933, when the Tuberculosis Association was established, and 1950, when the national health programmes for tuberculosis control and crippled

1. See, for example, IP, 1964, p.228: Conseil d'Orientation Economique (Région d'Edmundston) Inc.

2. T-J, 26 June 1978, p.7, advertisement, 'Could Your Group Use Up to \$25,000?'

3. Urban groups are defined as those in the 26 cities and towns so classified in Statistics Canada, Standard Geographical Classification Manual, vol.I, (Ottawa, Information Canada, 1975), as well as Minto and Richibucto, the largest villages in their counties.

FIGURE III: RELATIVE GROWTH RATES OF TYPES OF ASSOCIATION
FORMED BY LETTERS PATENT.
(Average number formed per year over selected
year intervals; logarithmic plot, not to scale.)^a



children, among others, were introduced. In the next decade, twelve such groups were formed, including the Society for Crippled Children, the Saint John Tuberculosis Association, and the Cerebral Palsy Foundation. Similarly, when the provincial government offered grants for senior citizens' housing in 1965, there were 16 charitable old people's homes in New Brunswick: over the next decade, 45 were incorporated.

In such cases, a push-pull effect may operate. That is, other provinces may induce Ottawa to establish a programme, funds become available, and New Brunswick groups form in response, or are encouraged by government to administer programmes. Similarly, existing old-age homes might demand a support policy which encourages the creation of others. If this does occur in some cases, it need not imply that the state's encouraging policies accord with prior demands, for an official response may be made in response to conditions of which the demands are manifestations, and other considerations will bear on policy. What cannot be doubted, whatever the source of policies, is that groups form in reaction to them.

Another, less direct, state influence on group formation is the growth of the bureaucracy. Civil servants may form associations to further policy ends, as in the case of the Electric Service League, but also, since they are experienced in organisation, they may regard it as an obvious means to any social end. Letters patent are issued to incorporators, who are generally the originators and the first executive of new associations. Their occupations are usually recorded, and particular note was taken of civil servants. The figures understate the reality, for many would provide their profession alone, (e.g., 'biologist'), but civil servants still

were associated with 30% of all L-P groups, and were 9.5% of all incorporators.¹ Moreover, their proportions among incorporators have increased over time, as follows:

pre-1940	3%
1941-50	5%
1951-60	7%
1961-70	13%
1971-75	16%

In 1971, according to the classification used here, civil servants accounted for 6.2% of the provincial labour force.² Since the above figures are low estimates, civil servants are very highly over-represented among the originators of associations. Their proportions among the incorporators of educational and historical groups (34%), specific development organisations (29%), and cultural and political pressure groups (44%), suggest that official concerns are carried directly into voluntary action. Even if this is not often the case, the creation of large bureaucracies of organisationally competent citizens is one influence of the expanding state upon group formation.

The most tangible state influence is financial aid. The questionnaire asked whether government funds had been available to the group when founded and, even including older groups with origins unclear to incumbent secretaries, aid had been given to 19% of all associations, and to 12% by the provincial government.³ Respondents

1. Occupational data were missing for 2.6% of L-P groups, and were obscured for a further 18.1% which had been incorporated by a lawyer. The data were available for only 30.7% of Acts groups, and they are excluded from occupational analyses. The categories used to classify occupations are described in Appendix 6. Civil servants formed a supplementary category which included federal and provincial government employees but not municipal employees, except for teachers.

2. See n.1, p.338.

3. Confidence intervals: $\pm 7.5\%$, $\pm 5.9\%$ at 90% certainty.

were also asked whether funds had been received from governments in the preceding year: of all groups, 37% had received support, 29% from the provincial government.¹

Government support is very substantial. It takes three forms. First, departments support large organisations in their policy fields. So, Natural Resources, Health, Highways, and the Historical Resources Administration made payments in 1975, respectively, to the Canadian Forestry Association, the Canadian Mental Health Association, the Roads and Transportation Association, and the Westmorland Historical Society.² Paid memberships in such associations are also taken out for officials. Second, most departments support groups whose activities co-incide with their objectives; in effect, services to the public, or to segments of it, are purchased from voluntary organisations. These relationships may be statutory, as in Health's funding of old-age homes or Education's grants to branches of the Canadian Association for the Mentally Retarded.³ They may also be relatively informal, as in Social Services's aid to particular counselling agencies or the annual grants to the Maritime Lumber Bureau made by Natural Resources. Third, direct grants are provided by the state, from the funds voted for 'General Government'.⁴ This is a house-keeping category, for flood relief, the Council of Maritime Premiers, and other miscellaneous expenditures, but funds are also disbursed to associations ranging from the Boy Scouts to the Temperance Federation to the Centre Provincial de Diffusion de Culture. These grants are at the discretion of an inter-departmental committee of officials,

1. Confidence intervals: $\pm 8.9\%$, $\pm 8.3\%$ at 90% certainty.

2. Accounts, 1975, p.376, p.231, p.264, p.291.

3. Acts, 1957, c5, Auxilliary Classes Act; 1965(1), c5, Senior Citizens Housing Act.

4. See, for example, Accounts, 1975, pp.207-218.

and departmental field staff are consulted before grants are made.¹

The state's payments to voluntary organisations are shown in Table 11.6. Over the 1945-75 period, when total ordinary government expenditure rose by a factor of 51, payments to associations increased by a factor of 110. Direct payments still account for under 1% of the provincial budget, (although if staff time were included the figure would be much higher), but the sums are important in the organisational life of the province, and are unlikely to be without influence upon group formation and the activity and demands of organisations.

TABLE 11.6: NEW BRUNSWICK GOVERNMENT PAYMENTS TO VOLUNTARY ORGANISATIONS: 1945-1975.²

	Membership Fees (\$000s)	Payments by Departments (\$000s)	General Government (\$000s)	Total (\$000s)	%increase
1945		28.9 ^a	7.4 ^b	36.3	
1950		48.8	12.4	61.2	69%
1955		110.1	33.9 ^c	144.0	135
1960		283.8	50.8	334.6	132
1965		516.0	276.2	792.2	137
1970	47.5	1,693.9 ^d	253.8	1,995.2	152
1975	74.8	3,419.0 ^d	512.7	4,006.6	101

^a includes approximately \$20,000 in statutory payments to agricultural societies in this and following years.

^b includes only grants to voluntary bodies, not to emergency relief funds, commissions of inquiry, Atlantic Provinces official bodies or, throughout, to universities.

^c excludes capital grants of \$50,000 to YMCA.

^d includes payments under the object classification 'contributions, grants, subsidies: private institutions and organisations'. Payments to effective Crown corporations (e.g., CIC, Forest Protection Ltd.), to universities, library boards, and museums are excluded. As adherence to object classifications has varied, in some cases expenditures listed in the detailed accounts (not solely used because sums under \$3,000 are unlisted) supplemented or reduced departmental figures.

1. SR, 1963, p.129, and interviews with officials.

2. Source: Accounts, various years.

iii. Interest of groups in the state

If government is interested in voluntary organisations, and increasingly so, the converse is no less true. Among the clauses of incorporation papers are often some to the effect that the association will 'make arrangements with' government, or seek 'co-operation' with it, or make 'representations to' it, or pursue 'suitable and desirable legislation'.¹ Such intentions are more common among L-P groups (35%) than Acts groups (27%), but many of the latter were established when the state was less active, and in other cases relations were so obviously to be close as to require no formal statement of them. Taking L-P groups alone, there has been a clear trend towards state contact, for of groups formed the following proportions mentioned such links:

pre-1941	22%
1941-50	14%
1951-60	26%
1961-70	35%
1971-75	45%

The various clauses were arranged in an ordinal scale of intended links with government (IL scale).² This ranges from 0 to 7, and the average scores for the major types of group were as follows:

club	.77
community	.94
fraternal/service	.39
social service/health	1.33
professional/trade	2.80
producers/labour	1.45
development	3.44
special interest	3.05

1. Examples, respectively, are the Moncton Exhibition Association (IP, 1928, p.297), the Edmundston Association for Retarded Children (IP, 1963, p.1473), the University Human Rights Group (IP, 1970, p.419), and the N.B. Beverage Room Association (IP, 1974, p.3237).

2. All scales and indices used here are described fully in Appendix 6.

Obviously, the economic groups are most interested in the state. Only 11% of fraternal and service organisations indicated links were intended, as compared with 33% of producer/labour groups, 62% of professional and trade bodies, and 69% of development organisations. Economic groups account for most which intend to make representations to government or to secure legislation, while social service groups and community organisations most often aim to make arrangements or co-operate with government.

However, group type, as an independent variable, does not strictly determine intended relations with government. Even the 41-category classification accounts for only 38% of the variance in IL scores. The type of group is the most important factor, but the year of formation is also relevant. It correlates with IL scores overall ($r=.19$), and also does so positively within each major category of group.¹ Hence, all types of group tended to become more oriented towards the state as it grew in scope and pervasiveness. Other group orientations were also revealed at the time of incorporation. Factor analysis revealed no common dimension, so an additive index of intended activity (IA index) was constructed from indications of the group's openness to the public, from its intentions about contact with other groups, government, and the public, and from its intended scope of operations. The IA index summarises predispositions towards significant public activity and, both directly and indirectly, towards contact with government. It ranges from 0 to 16, was approximately normal in distribution, and had an average value among all groups of 7.7. Like the IL scale, the IA index

1. The exception was special interest groups, among which the correlation between year of formation and IL score is weakly negative, due to a very few, highly active groups formed around 1900.

varied both with the type of group and with the period in which it was formed.¹ It is safe to conclude, therefore, that although groups forming more recently have tended to be of more active kinds, (e.g., development organisations rather than fraternal associations), there has also been a secular trend for all kinds of group to intend greater activity, and so to more probably make contact with the state.

Survey results provide further information about interest in government. Two questions asked whether provincial government policies affected the association, and whether it was interested in the policies of some department. Each was answered positively by a majority of the sample. Responses to these two items were summed to form an index of perceived relevance of government (PRG index), with a range of 0 to 2, and only 30% of respondents scored 0, indicating they felt neither affected by nor interested in government.² Respondents also described current contact with the provincial government in answering five questions (Nos. 8b, 20-22, and 25). Summed responses formed an index of links with the provincial government (LP index), with a range of 0 to 7. Finally, one item (No.24) asked whether, in pursuing its objectives, the association co-operated with the provincial government: 49% answered in the affirmative.³ These measures allow tests of the proposition that economic groups have closer relations than others with the state. The

1. The 41-category classification of associations accounted for 50% of the variance in IA-index scores, but the correlation with the year of formation was .29, and analysis of variance confirmed the significance of the independent causal weight of each factor.

2. Confidence intervals: $\pm 8.7\%$ at 90% certainty.

3. Confidence intervals: $\pm 9.0\%$ at 90% certainty.

relevant figures are presented in Table 11.7. They reveal sig-

TABLE 11.7: SCORES OF VARIOUS TYPES OF VOLUNTARY ORGANISATION ON INDICES OF ORIENTATION TOWARDS THE NEW BRUNSWICK GOVERNMENT AND CONTACT WITH IT.

	PRG index (mean)	LP index (mean)	Co-operation (% replying affirmative)	N
club	1.2	1.7	27%	12
commmmunity	.9	2.1	33	9
fraternal/service	.5	1.5	38	8
social service/health	1.4	2.8	56	36
professional/trade	2.0	5.6	100	9
producers/labour	1.4	3.4	71	7
development	2.0	3.8	75	4
special interest	1.4	4.5	57	7
All groups	1.3	2.9	49%	92

nificant differences between the types of group on measures of orientation towards government and contact with it.¹ Clubs, community organisations, and fraternal and service groups are less likely than others to regard the state as relevant, to have close contact with it, and to co-operate with it. When economic groups - professional and trade associations, producer and labour organisations, and development bodies - are compared with the rest, differences in scores on the PRG and LP indices are significant.² How-

1. Analysis of variance showed PRG index scores to vary significantly between types of group (F sig. <.02, eta =.18), as did LP scores (F sig. <.001, eta =.26). Differences on the co-operation item were also significant (χ^2 sig. <.05, V=.40).

2. χ^2 sig. <.01 in each case, V=.29 and .43 respectively.

ever, social service organisations, special interest groups, and, to a lesser extent, community organisations all have considerable interest in government and contact with it. When groups in these three types are compared with economic groups, differences in PRG and LP index scores are less significant than when all non-economic groups are included.¹ As well, differences between the two sets on IL scores of intentions towards government at the time of incorporation were not significant.² (This suggests that economic groups, once established, tend more than others to be drawn into consultation with government.)

The most valid distinction, therefore, is a three-fold one, between relatively private associations like clubs and fraternal/service groups, which have intermittent contact with the state, economic groups, which tend to have close links with government, and an intermediate set of non-economic groups which often have regular contact and sometimes have very close links with government. The simple distinction between economic and non-economic groups is inadequate; it leaves unexplained too much variance in indices of government contact. If that contact results to some extent from the need to implement plans, then it will occur in all fields where state planning takes place. One questionnaire item (No.26) asked about the trend in government contact: 3.7% of groups found it decreasing and 23% thought it was increasing.³ On this question,

1. χ^2 sig. <.03 and .07 respectively, $V=.28$ and $.40$.

2. χ^2 sig. <.19, $V=.27$.

3. Confidence intervals: $\pm 4.1\%$ and $\pm 6.4\%$ respectively at 90% certainty.

there was no significant difference between the economic and the intermediate sets of groups, nor indeed between economic groups and all the rest.¹

iv. Organisational representativeness

One important cleavage in New Brunswick is that between French and English. Acadians are relatively over-represented in co-operatives, and their credit unions are inclusive: approximately 75% of the adult Acadian population are members of caisses populaires.² In labour unions, francophones are under-represented, due to the concentration of large industry in the south. There is some evidence that Acadians adhere to fewer voluntary organisations than the English, but that both tend to join mono-ethnic associations.³ On the other hand, functional bodies like unions, chambers of commerce, and professional associations bridge the ethnic cleavage.

Among voluntary associations, a group's name was taken to indicate its ethnic character.⁴ It was found that Acadians were under-represented by organisations, but that the imbalance was rapidly lessening. In 1941, Acadians made up 36% of the New Brunswick population, yet of all groups formed before 1946, only 4.7%

1. χ^2 sig. <.14 and .10 respectively, $V=.23$ and $.24$.

2. Aunger, 'Fragmentation and Stability', p.80.

3. P. Dion et al., 'Le Biliguisme à la Commission d'Energie du Nouveau-Brunswick', study for the NBEPC, 1969, Vol.I, T3.8; Aunger, 'Fragmentation and Stability', pp.73-81.

4. Bilingual names were counted as French; these were 3.6% of all groups.

were French; in 1971, Acadians were 37% of the population, and 30.2% of groups formed between 1966 and 1975 were French. It has been suggested that few groups were formed earlier because of the multifaceted Catholic Church organisations.¹ As well, Acadians were represented by several inter-locking peak organisations, including the Société Nationale des Acadiens and l'Assomption. Recent rapid group formation among Acadians, therefore, indicates that society's secularisation, differentiation, and decreasing deference towards traditional elites.

Another important cleavage is that between town and country. The relative increase in the rate of formation of rural associations between 1960 and 1975 has been mentioned. But rural dwellers are still organisationally under-represented: between 1971 and 1975, 67% of all new associations were based in urban areas that included only 48% of the 1971 population.²

Class is the third cleavage considered here, and is indicated by the occupations of groups' incorporators. Table 11.8 lays out the class distribution of incorporators, according to a 12-category scale and the 6-class scale used in further analysis.³ This reveals a great preponderance of professionals, independent businessmen, and managers, and a corresponding dearth of lower-class representation among group incorporators. Table 11.9 clarifies the extent of unrepresentativeness by comparing proportions of incorporators with the class composition of the population.

1. Aunger, 'Fragmentation and Stability', pp.73-75.

2. See n.3, p.325 for the urban areas involved.

3. See Appendix 6 for a description of these categories.

TABLE 11.8: OCCUPATIONAL DISTRIBUTION OF THE INCORPORATORS OF
VOLUNTARY ORGANISATIONS FORMED BY LETTERS PATENT
IN NEW BRUNSWICK.¹

	Number	Percentage	% with at least one member
1. Professional	1,203	19%	49%
2. Commercial and Managerial	2,614	41	72
(Managers)	(1,149)	(18)	(46)
(Independent businessmen)	(1,465)	(23)	(50)
3. White Collar	1,307	21	53
(Scientific/technical)	(590)	(9)	(30)
(Sales)	(195)	(3)	(11)
(Clerical)	(522)	(8)	(27)
4. Blue Collar	631	10	26
(Craftsmen)	(369)	(6)	(19)
(Transportation)	(184)	(3)	(9)
(Manufacturing)	(78)	(1)	(4)
5. Primary Producers	520	8	11
(Farmers)	(240)	(4)	(3)
(Fishermen)	(290)	(5)	(8)
6. Labourers	92	1	5
Totals	6,377	100%	

Evidently, the professional and commercial/managerial classes are highly over-represented. This has declined, however. In 1931 they were over-represented by a factor of 8, and in 1971 by a factor of 4. Closer analysis reveals a sharp drop in the numbers of independent businessmen among incorporators. In contrast, white-collar workers, especially the scientific and technical component,

1. Acts groups are excluded because occupational data were missing in most cases. Upper-class representation was even stronger, however, than among L-P groups.

TABLE 11.9: CLASS COMPOSITION OF NEW BRUNSWICK POPULATION AND OF INCORPORATORS OF VOLUNTARY ORGANISATIONS FORMED BY LETTERS PATENT, 1931 AND 1971.¹

Class	1931		1971	
	population	incorporators ^a	population	incorporators ^b
Professional	2%	16%	3%	18%
Commercial/managerial	6	46	11	37
White collar	13	10	29	28
Blue collar	18	9	38	12
Primary producers	22	19	3	4
Labourers	38	--	17	1
Totals	99%	100%	101%	100%
N	139,000	715	208,000	2,477

^a130 groups formed between 1921 and 1940.

^b626 groups formed between 1966 and 1975.

have increased both in the population and in propensity to form organisations. The major under-represented classes remain blue-collar workers and labourers, with 55% of the working population and 13% of incorporators in the 1966-75 period. Primary producers became, apparently, somewhat over-represented, but in part this is an artifact of increasingly restrictive definitions of 'farmer'.

1. Class figures for the population refer to members of the labour force 15 years of age and older. They were derived by recoding census figures into the class categories as defined in Appendix 6. The occupational figures used are from Census, 1931, Vol.VIII, T40, and Census, 1971, Vol.III-pt.2, T2. The 1971 class figures are less reliable due to the very large number of occupations, (see Canada, Department of Manpower and Immigration, Canadian Classification and Dictionary of Occupations (Ottawa, O.P.,1971)), and because occupational categories have increasingly approximated the standard industrial classification. Errors are most likely to have been made among the white- and blue-collar occupations, but these should still be accurate within $\pm 3\%$.

The historical trend in class composition can be succinctly examined through a summary measure, the mean class score (MCS), computed for each group by scoring 6 for each professional incorporator, 5 for each manager or businessman, and so on to 1 for each labourer, then dividing by the number of incorporators. This ranges from 1 (a group incorporated by labourers alone) to 6. Table 11.10 presents MCS averages for each type of group.

TABLE 11.10: MEAN CLASS SCORES FOR TYPES OF VOLUNTARY ORGANISATION FORMED BY LETTERS PATENT, SELECTED YEAR INTERVALS, 1941-1975.

	1941-50	1951-60	1961-70	1971-75
Club	5.0	4.7	4.6	4.1
Community	4.0	4.9	4.4	4.0
Fraternal/service	4.8	4.6	4.6	4.4
Social service/health	5.0	5.0	4.9	4.6
Professional/trade	4.5	5.1	4.8	4.9
Producers/labour	3.3	3.8	3.7	3.5
Development	--	4.9	4.8	4.5
Special interest	5.0	4.9	4.4	4.2
All groups	4.7	4.8	4.6	4.3

Two conclusions emerge from these data. First, upper-class predominance among incorporators spans all types of voluntary organisation with the exception of primary producers' groups. Second, this predominance just as uniformly declined after the 1951-60 period. Further analysis shows the latter pattern is largely due to the organisational activity of white-collar workers. They formed new single-class groups, and also tended to replace independent businessmen in associations with professionals, managers, and, more recently

and in smaller numbers, with blue-collar workers.¹ If these trends continue, members of large public and private bureaucracies will soon displace businessmen and also professionals from organisational predominance. Another, statistically smaller, reason for the decline in mean class scores is the increasing participation of primary producers and labourers, particularly in community organisations and special-interest groups. These classes, however, remain much under-represented among incorporators.

Of course there are other associations not in this set of groups - notably labour unions - which represent these classes. However, most workers are not members of unions, and a significant proportion of unionised employees are white-collar workers. Moreover, there also exist other vehicles for the expression of professional and commercial interests, such as chambers of commerce.²

These figures refer only to the incorporators of groups. It could be that they are unimportant, or that they do not reflect the composition of the entire group, or that the composition of groups has changed over time. Incorporators, however, appear to be the central figures in nascent groups, and usually constitute their first executive. Second, some evidence shows that the membership of groups, as well as incorporators, tends to be upper-class: a Fredericton study in the late 1950s found only one-third of the working class belonged to more than one association, while 40% of businessmen and 50% of professionals belonged to 4 or more groups.³

1. These conclusions are based on an analysis of inter-class and intra-class links similar to that done by Bottomore ('Stratification in Voluntary Organisations'): see R. Young, 'Group Formation in New Brunswick', MS, 1977, pp.42-50.

2. Only 3 chambers of commerce are included in this set, although there were at least 35 in the province in 1975.

3. D.R. Pullmann, 'A Study of Social Organization in Relation to Economic Change', unpub. Ph.D. thesis, University of Toronto, 1960, pp.210-212.

Membership composition was tapped through a questionnaire item asking the proportion comprised of professionals and businessmen. Of necessity, this left definitional discretion to respondents, but 37% answered that these two categories made up more than 50% of the membership.¹ Finally, responses to this item correlated highly with groups' original proportion of professional and commercial/managerial incorporators, so the latter serves as a reasonable indicator of group composition, which has been stable.²

Upper-class leaders could be constrained by membership opinion, but executive posts do allow the exercise of discretion. It could also be argued that class position is not relevant to the ends which leaders or groups pursue: early co-operatives were led by priests, and many social service bodies and service clubs organised by merchants and professionals have benefited entire communities. On the other hand, the probability that class has some influence - that, at least, leaders will not direct organisations against their own economic interests - is strong, particularly when this may occur through elites not considering certain alternatives.

Finally, it could be that dominance of many of the associations in this set is irrelevant to public policy. But Table 11.7 documented links between all types of group and the state. Social service, community, and special-interest groups are not only important in their own fields, but also influence other groups' demands and government reaction to them, and shape the public opinion upon which policies ultimately depend. Certainly, upper-class individuals thought it worthwhile to participate in a variety of voluntary

1. Confidence intervals: $\pm 7.5\%$ at 90% certainty.

2. $r = .43$; sig. $< .001$.

associations: they accounted for over 50% of the incorporators of every type of group except producer/labour organisations (and of these they made up 14% of incorporators). Conversely, blue-collar workers, farmers, fishermen, and labourers accounted for fewer than 20% of incorporators of all types of association, excepting community organisations (26%) and producers' groups (75%).

If Acadians, rural dwellers, and the working classes are under-represented in organisations, a further question is whether these disproportions persist with regard to interest in the state. This is not so. Scores on the IL scale of intended links with government were related to both the type of group and the period in which it was founded. However, they were unrelated to ethnicity, rural-urban location, or class.¹ This means that in so far as these demographic cleavages are expressed in group formation, it is through tendencies to form more or fewer associations rather than through the formation of differentially active organisations. This holds as well for current orientations. Interest in the state is indicated by PRG-index scores of groups responding to the questionnaire. These were not related to the proportion of upper-class members in the group.² Nor were they significantly related to the ethnic character of groups, although Acadian organisations tended to be somewhat less interested in government than were English groups.³ Finally, urban groups did tend to score higher than those from small towns and rural areas.⁴ Since this was not the

1. $r=.03$ and $.03$ and $.002$ respectively

2. $r=.04$, sig. $<.36$. (Sample variables dichotomised as in n.1, p.352.)

3. $r=-.13$, sig. $<.11$.

4. $r=.25$, sig. $<.01$.

case regarding the intentions stated at the time of incorporation (by the respondent groups as well as the entire original set), it can be concluded that relatively more urban than rural groups developed an interest in government. But it is important that groups varying in class and ethnicity did not differ in their perceptions of the state's relevance to their concerns. This again highlights the significance of the numbers of organisations formed.

The final question to be taken up here is that of the internal representativeness of associations. Due to data limitations, this can be approached only through indirect measures which involve certain assumptions.

It may be supposed that when more members are active, leaders are more constrained to represent their views. Attendance was reported by respondents as follows:

10% or fewer members	19% ¹
11%-50%	33%
51%-90%	32%
91%-100%	16%

In most organisations, therefore, leaders have scope for initiative. Attendance was not related to ethnicity, but higher-class, urban groups tended to have more active memberships than others.² Attendance, however, was most strongly related to the size of the group.³ This factor predominates over class and location (which are related with it in complementary directions), so executive freedom resulting from lack of attendance is simply most probable among large groups.

It may also be supposed that more homogenous groups are more

1. Confidence intervals: $\pm 8.9\%$ at 90% certainty; slightly less for other proportions.

2. $r = .24$ and $.13$ respectively, sig. $< .007$ and $.08$.

3. $r = -.64$, sig. $< .001$.

unified, and hence that their leaders are more strictly bound to express membership opinion. The homogeneity of groups, as measured by class, is available from the data on incorporators. Just as the MCS measures the average class score, so can a measure analogous to the standard deviation be derived to express class dispersion (CD). A high value shows incorporators are drawn from many classes; a value of 0 indicates that all were from a single class. (See Appendix 6.) The CD score provides many insights into groups. For example, those with the primary goal of representing their members, (rather than sharing goods or educating the public), tend to have low scores (.42 as compared with .61 for all others). Second, average CD scores tended to decline over time, a tendency particularly marked among organisations intending to operate province-wide: their scores fell from .51 in 1941-50 to .27 in 1971-75, and this indicates that the groups with which government has to deal are increasingly unified, at least in class terms, and presumably more certain of their interests.

Among rural groups, which tend to operate locally, CD scores are higher, indicating less homogeneity and more leeway for leaders' initiative.¹ Among francophone groups, CD scores also tend to be slightly higher.² Most striking is the relationship with class: the correlation between MCS and CD scores was .19, and this means that upper-class groups tend to be more homogenous in their class base and consequently - if the assumption about unity and representativeness holds - more expressive of members' opinion. In sum, urban, English, and upper-class groups tend to be more

1. $r = -.12$.

2. $r = .06$.

homogeneous, as measured by class, and so perhaps more representative than their rural, Acadian, and lower-class counterparts.¹

A third possibility is that organisations with a general manager tend to be less representative than others, since staff have professional goals and may also act according to the imperatives of organisational maintenance. Of the sampled groups, 37% had a paid manager.² But this characteristic was not significantly related to location, ethnicity, or class.³

These three indirect approaches to internal representativeness do not provide the conclusive results which only close study of memberships and group operations could provide. The only very significant finding was that upper-class groups tend to be more homogenous and probably, therefore, more representative than those with many lower-class incorporators. This would compound the lack of expressed lower-class opinion due to the relatively few organisations which represent this segment of society.

v. Conclusions

Three hypotheses about New Brunswick voluntary associations were examined.

Considerable evidence showed that the provincial government had stimulated organisations, both directly and indirectly, and that it contributed funds to a considerable number of them. This

1. It should be noted that economic groups were not significantly more homogenous than non-economic associations, (t sig. $<.13$). This is due to class dispersion within development organisations and producers' groups. Professional and trade associations had the lowest CD scores of all types of group.

2. Confidence intervals: $\pm 6.1\%$ at 90% certainty.

3. $r=.10$ and $.03$ and $.06$ respectively, sig. $<.16$ and $.39$ and $.30$.

accords with a view of the state as active, as not only responding to group demands and creating them indirectly in reaction to its initiatives, but also shaping the structure of organised interests directly.

A minority of groups were found to be essentially private. However, it was clear that a wide variety of organisations were interested in public policy and had contact with government. Economic groups were most oriented towards the state and had more contact with it than did others, but given that groups in all sectors are linked with government, the data are consistent with a view of an active organisation incorporating a wide range of interests in order to secure information and generate agreement on initiatives in all policy fields.

It was also found that rural groups tended to be less oriented towards government, but that the class or ethnic character of associations made no difference in intended activity or interest in public policy. However, Acadians, blue-collar workers and labourers, as well as rural dwellers, were under-represented in formal organisations. Associations in which blue-collar workers, labourers, and primary producers take part are not only rare but are also likely to include upper-class members, and so perhaps to be less representative of majority membership opinion than are upper-class groups, which tend to be homogenous.

CHAPTER 12: RELATIONS BETWEEN ORGANISED INTERESTS AND THE STATE

One remaining question about organised groups in New Brunswick concerns their mode of operation in contacting the state. It was hypothesised that they would have most contact with officials, who initiate most policies and make routine decisions. Power, it was argued, has progressively descended to the bureaucracy, leaving politicians to explicate policy and act as ombudsmen. On the other hand, this process is far from complete, and since the cabinet is the formal locus of power while the Assembly serves to air grievances and some issues, it was also anticipated that some organisations would contact ministers and MLAs to promote their ends.

The final question to be taken up is that of the influence of associations, which was left as a matter for investigation. Two inter-related aspects of influence will be considered. The first concerns the relative influence of organisations and the state; that is, the extent to which associations achieve their ends, and the reciprocal power of officials over them. The second concerns differences in influence between groups of various kinds, and between groups representing interests defined by the cleavages of ethnicity, class, and location. These will be explored and also related, where necessary, to organisational features - membership, budget, age, and staff - which may also contribute to influence. This completes a full sketch of group-state relations. It must be emphasised, however, that due to data limitations this sketch remains preliminary.

i. Operation of groups

It was shown (Table 11.7) that most organised groups regard the provincial government as relevant to their concerns, and have some contact with it. In fact, over 36% of them had such contact at least monthly.¹ The LP index is a composite measure of contact. A measure of the institutionalisation of groups' links with the state (I index) was constructed from several items (No.22, No.23 (four parts), and No.32) which asked whether the association's views were generally solicited before government initiatives and on particular legislation and regulations, and whether group members sat on government advisory bodies. (See Appendix 6.) Of the sample, 27% had positive scores on the I index.² The average scores for each type of group were as follows:

club	.13
community	0.0
fraternal/service	.29
social service/health	.53
professional/trade	1.50
producers/labour	1.43
development	.33
special interest	1.50

These scores show broad consultation. However, as expected, economic groups most tended to have institutionalised relations, and their scores were significantly higher than other groups' even when private clubs and fraternal/service groups were excluded.³

Of most interest here are the channels through which the government is contacted. Groups were asked (No.28) which of a listed set

1. Responses to item 25: confidence intervals: $\pm 9.1\%$ at 90% certainty.
2. Confidence intervals: $\pm 7.4\%$ at 90% certainty. This is an underestimate since groups with missing values on any item were excluded.
3. t sig. $< .02$ and $.03$ respectively.

they used, and also (No.29) which mode of contact was employed most often. Table 12.1 lays out the responses.

TABLE 12.1: CHANNELS OF GOVERNMENT CONTACT USED, AND CHANNEL MOST OFTEN USED, BY NEW BRUNSWICK VOLUNTARY ORGANISATIONS.

Channels of Contact	% of groups employing	% of groups employing most often
local MLA	31%	10%
local municipality	13	--
Cabinet ministers	38	15
Opposition members	15	--
government officials	62	49
briefs to Legislative Assembly	17	5
public demonstrations	2	--
media	15	3
parent organisation	25	18
(other)	1	--
Totals		100%
N	73	

One striking result is that most groups exercise considerable flexibility in expressing their views: well over 50% used more than one channel of access. As is obvious, contact with officials was the most-cited channel of contact, and was by far most often used. But the contact with MLAs and the cabinet was not negligible.

That many groups contact MLAs squares with data from interviews with them: about one-half of their constituency business was conducted with associations. None of the MLAs interviewed had been formally supported by any organisation, but they were personally

linked to many; on average, (n=11), they belonged to eight associations, generally including a professional organisation, religious, service, and fraternal groups, one or two social service bodies, and the local development organisation. MLAs also reported being lobbied. Each was asked about contact with 14 major organisations, and on average MLAs had some contact with 8 of them, with Opposition members tending to have been approached more than government backbenchers. Relations between elected representatives and organised groups appear to fall into three patterns. Most MLAs are contacted by large organisations, receiving annual reports and position papers as a matter of course, and meeting group representatives during committee hearings and party briefings. In the constituencies, particularly rural ones, legislators have close personal links with many groups to which they explain policies and for which they facilitate contacts with the bureaucracy. Finally, MLAs are contacted when groups are not satisfied by officials and/or ministers. If a backbencher speaks with ministers, or if the Opposition asks questions and publicises grievances, groups may succeed in having the minister intervene on their behalf. The result of such tactics is likely to be further consultation with officials.

Many associations communicate demands to parent bodies for amalgamation and transmission to the government. It might be expected that peak organisations have a different pattern of contact than others; however, one questionnaire item (No.7) located groups which co-ordinated subsidiary associations, and no significant differences in the most commonly used channel existed between these and other groups.¹ When channels other than the cabinet and officials were

1. χ^2 is not reported due to the number of cells being too large, but the pattern of responses was similar.

excluded, neither did differences appear in the tendency to most often use one or the other of these two major channels.¹

There is no doubt that ministers and officials are the most important channel of contact for groups. Those groups consulted by government (I index >0), and presumably most knowledgeable about the mechanics of power, were significantly more likely than others to favour one of these modes of contact.² Moreover, groups were asked (No.30) to indicate the most effective channel, and responded:

MLA	18%
municipality	6
Cabinet	18
officials	34
briefs to legislature	7
media	3
parent body	14

These responses closely follow those presented in Table 12.1, and re-affirm the centrality of cabinet and bureaucracy. It is noteworthy that groups also tended to believe that the channel they employed most frequently was also the most effective one - only 25% of the responses to the two questions differed. And among groups citing either the cabinet or officials, agreement that the favoured channel was also the most effective one was even greater.³

Whether groups contact ministers or officials is a central question. Most do contact officials most often, which supports the view that it is the state apparatus as such rather than its transient political masters with which groups reach accommodation. However, most groups use multiple channels, and a significant number contact ministers most frequently. Are there differences between

1. χ^2 sig.<.43, ϕ =.02.

2. χ^2 sig.<.02, ϕ =.25.

3. χ^2 sig.<.001, ϕ =.70 (between the favoured channel and the most effective channel of groups favouring either Cabinet or officials. Only 14% of these groups thought the channel used most often was not also the most effective one.)

groups which explain their choice of channel?

Their demographic characteristics - location, ethnicity, and class - are not significantly related to whether groups make contact most often with ministers or officials.¹ Economic groups, however, were different from others in their pattern of contacts with the state. First, they were more likely than other groups to employ multiple modes of access.² None of them most often contacted MLAs. Finally, whereas, 40% of non-economic groups favoured contact with officials, 61% of economic groups did so. Among groups which most often contacted either ministers or officials, the difference between economic and non-economic groups was not significant,³ but the former were more likely to contact officials (85%) than were the latter (71%). It might be that the organisational characteristics of groups tend to dictate their mode of presenting demands. One could expect that long-established groups, and those with general managers, many members, and large budgets, would evolve close relations with the bureaucracy.⁴ In fact, however, only older groups had a greater propensity to contact officials most often; and, in contrast to expectations, large groups, and those with high budgets and general managers, tended to contact the cabinet more than their counterparts did: none of these differences was significant, however.⁵

1. χ^2 sig.<.14 and .29 and .31 respectively. Class was dichotomised: lower-class groups had 0-50% of their memberships made up of businessmen and professionals; upper-class groups had 51-100%.

2. χ^2 sig.<.005, ϕ =.32.

3. χ^2 sig.<.29, ϕ =.14.

4. Pross, 'Pressure Groups'.

5. χ^2 sig.<.13 (age), .22 (general manager), .24 (size of membership), .12 (size of budget). Age, membership, and budget were dichotomised as near the median as possible: groups were formed before 1960 or after 1961 (according to item No.1); had 1-50 members or over 50 members; and budgets of \$20,000 and under, or over \$20,000. These dichotomised variables were used in later correlation analysis, as was class (as in n.1 above).

There are few clues as to why groups contact ministers. It was found, however, that groups receiving funds from the state tend to designate the cabinet more often than officials as the most effective channel.¹ As well, groups contacting the cabinet most often are less likely to agree that they 'co-operate' with government (46%) than are those whose favoured channel is the bureaucracy (81%).² This suggests that two sorts of groups tend to contact ministers. The first have few regular links with government, but have secured financial aid, for which the minister is given credit, (and some fragmentary evidence shows such groups tend to be from ministers' constituencies). Other groups contact ministers on appeal from officials who have tended to exclude them from decision-making.

Most groups with regular links to the state make their views known to officials. Such contact is particularly close in the case of economic groups. The official channel is regarded as effective, and the norms of the process seem to approximate those identified in pluralistic accounts of parliamentary systems.³ Groups aim for close, sympathetic relations with planners. Officials perceive voluntary associations as a useful source of information, and if their views are not always solicited at the planning stage, their opinions on the practicalities of implementation are paid close attention. Mutual confidence and respect are important, and planners and interested groups form united policy communities: some officials

1. χ^2 sig. <.06, ϕ =.28.

2. χ^2 sig. <.01, ϕ =.35.

3. Finer, Empire, pp.30-37; Potter, Organized Groups, pp.228-241; Dawson, 'National Pressure Groups', pp.45-48.

interviewed made no conceptual distinction whatsoever between organised interests and 'official' actors - ministers, central agencies, and other departments - in their environments. All had to be dealt with were plans to proceed.

For groups, therefore, there is a premium on reasoned discussion, and this is shown by the consensus among them on the least effective mode of presenting views (No.31): 'public demonstrations' was chosen by 43% of all groups, and particularly by older groups with more members, higher budgets, and permanent staff.¹ This indicates a subdued, private system of consultation through which, as Finer maintained, groups get what they want, consistent with other groups also achieving their ends.² If groups fail after consulting officials, their efforts may be directed towards ministers, MLAs, and the media, but this then results in some accommodation with officials, and, at first, Newton's conclusion about groups in Birmingham seems to fit New Brunswick too:

Those who wanted changes did not want to alter the system so much as have an opportunity to get inside it.³

ii. Influence of groups

There are certain problems with this image of close and co-operative relationships between officials and organised interests. First, if group formation is itself influenced by planners with policy goals, then even if all organisations are consulted, policy outputs will be distorted (in comparison with the pluralist model

1. Confidence intervals: $\pm 9.4\%$ at 90% certainty.

2. Finer, Empire, pp.109-111.

3. Newton, Second City Politics, p.70.

in which interests bear on policy in accordance with their 'natural' weights). Second, following Finer, two safeguards against bias in policy are that officials consult all affected interests and that they form a strong departmental view upon which particular organisations have only marginal impact.¹ If, however, some social and economic interests are not organised, or are organised but are relatively susceptible to officials' influence, or are not consulted, then can lack of bias in outputs still be anticipated? Finally, if policies are segmented, then perhaps groups can secure policy objectives consistent with others also securing theirs; when objectives conflict, however, and not just within policy-areas but between them, then the question of the relative influence of interests arises. These issues will be approached by re-examining the relationship between groups and officials, and then by considering the relative success of groups in influencing policy, and, therefore, the effectiveness of the political participation of the population segments they represent.

a. Groups and officials

Officials generally have preferences about the policies they devise. Some aims reflect personal needs: the department or branch should be successful, respected, and expanding. Also important are professional views about the correct policy to implement in certain situations and the proper criteria of programme evaluation. These views are reinforced in Canada by frequent meetings with counterparts from other provinces and through federal officials, who encourage standardisation even where Ottawa's influence is not directly ex-

1. Empire, pp.102-3.

exercised through shared-cost programmes. But professionalism is generally relevant: acquaintance with comparable experience is one pillar of experts' claim to influence, and officials are attuned to new pressures from the environment of the state.

Often, pressure-group studies assume policy depends only on the interplay of competing interests. Or, it is assumed that external pressures act upon participants and so influence outcomes. But New Brunswick has always been shaped by the demands of its environment. In part, the provincial state has grown to reduce dependence through economic development; but this growth also reflects the focusing of external demands through the state. The NBEPC, for instance, was expanded to provide infrastructure, became the focus of potential investors' demands for cheap electricity, and came to influence domestic consumers to secure maximum efficiency and cheaper industrial rates. Similarly, the Equal Opportunity measures promoted economic growth, and centralised state power to plan it, but also removed internal barriers impeding effective responses to environmental pressures.

In some ways, New Brunswick's political evolution since 1945 can be understood as a shift in power from politicians responding to indigenous demands to experts who foresee and understand external pressures and manipulate the internal environment to allow a better response to them. ('Better' becoming more surely defined as the maximum generation of income within the province; 'response' generally taking the form of structured co-operation between relevant interests and the state.) There is leeway for political argument about appropriate responses to pressures which are not overwhelming, but

officials are most aware of them, particularly when they are channelled through the state. It has been shown that federal-provincial negotiation by officials has reduced the influence of New Brunswick politicians and interest groups.¹ So do other environmental impingements - market opportunities, foreign creditors, new ideas about organising services - all reinforce the power of experts who understand them and, knowing them early, often possess the initiative in policy-formation.

Along with expertise and initiative, officials have other resources. Information, available from their own studies, other governments, and other internal actors, is one. Secrecy protects it. Access to funds constitutes another. Finally, officials have most contact with cabinet: ministers are more likely to veto officials' proposals than to make their own, and officials have the tasks of operationalising policy and evaluating it. As a result of their goals and resources, officials tend to regard organised interests in the province as instruments - means to achieve ends. In this light, close relations with groups are important in four ways.

First, by existing, groups buttress the position of the bureaucratic unit, providing demand for the services officials furnish. The Home Economics branch of Agriculture and the Women's Institute co-existed symbiotically for decades, and CRAN and the CIC became mutually dependent in the mid-1970s. As clienteles,² these groups can be mobilised to resist political interference in rule-application and budgetary allocations, and so they help preserve officials' dis-

1. Savoie, 'General Development Agreement', pp.257-57, 290-94, 325-36.

2. Noel, 'Patrons and Clients', pp.20-24.

cretion.

Second, organisations provide officials with information. They can gather specialised data which aid planning and plan evaluation. They also indicate members' attitudes towards policies, and so suggest how persuasion or minor concessions can placate opposition while allowing the essence of plans to be implemented. Groups integrate opinion usefully: as one deputy minister said, 'We won't deal with ad hoc and unco-ordinated demands.' But this communication function works both ways. For officials, organisations are an indispensable channel for the dissemination to members and the public of information which can alter perceptions of problems and policies. So, Economic Growth's regional industrial development councils displaced attention from rural development to urban industries. Similarly, a policy shift towards old-age homes, justified by officials to associations' representatives on Citizens' Advisory Committees, may eventually alter local fund-raising objectives. The primary outlet for officials' views is the structure of formal organisations.

Finally, groups are important to officials because they facilitate the implementation of plans. They may persuade members and the public of policies' desirability. They counteract apathy. They provide an efficient and convenient point of negotiation: in the words of one planner, 'The provincial government needs a provincial focal point to relate to.' Without such organisations as Hospitality New Brunswick, which amalgamates associations in the tourist industry, co-ordinated planning would be difficult, and, in so far as consent must be secured to save financial and political

costs in implementation, the process would be complex and tedious indeed. Further, when groups provide benefits sufficient to make membership desirable, or when membership is compulsory, organisations can also enforce compliance with plans. If a metalworking industries association were to help allocate investment grants and contracts, members might be brought to diversify or innovate with little direct state pressure. Voluntary organisations are also useful in enforcing easily eluded legislation. So, the boundary between state functions and those of 'private' bodies tends to dissolve when officials gain power through planning.

While officials seek to use organisations instrumentally, organisations are also obstacles to planning. They command resources and loyalties. They crystallise social and economic rigidities and may mobilise resistance to policies. They are subject to organisational imperatives, and may have expert staff with professional opinions at variance with planners'. If incorporated into the state, they acquire access to transmit members' concerns. Since organisations provide officials with support, information, channels of communications, and influence over members, they have resources which planners require, and so they acquire the power to make their participation in planning effective.

The pattern of interaction between officials and organised interests is therefore complex in any instance, but clear in outline. If an initiative is contemplated by planners, organisations representing those whose behaviour is to change and which are coherent enough to resist implementation are consulted. Officials attempt to persuade representatives of the benefits of the new

policy, and negotiations produce some compromise. More peripheral associations which may still ease implementation are then informed of the outlines of the plan and are invited to comment on modalities. (If useful organisations do not already exist in the relevant policy area, officials will attempt to form them or to divert existing groups' interest towards it.) When many interested groups exist, officials attempt to restrict consultation: they aim to negotiate with peak organisations which have considerable leverage over members, and the demands of others for a role in policy formation are resisted or else those groups are merely involved in the process. Politicians are rarely active in this planning, but are kept informed of it: their role is to act as a buffer between negotiators and less central groups, and to explain and justify the final policy to the public. At all times, of course, officials will use available resources to resist groups' efforts to modify plans.

Is there evidence to support this account, apart from the data on state support of groups and the case-study material? The survey results provide some to suggest that officials both shape the structure of interests and tend to consult particular kinds of groups in policy-making.

Officials may differentially facilitate participation through allocating or withholding financial support. With respect to the measures available here, a 'normal' pattern would be for groups which mentioned government when incorporated ($IL > 0$) to currently regard it as relevant ($PRG > 0$). Also 'normal' would be groups which regard the government as relevant to have developed contacts with

it (PRG>0 and LP>1).¹ In contrast to these are 'discouraged' groups which intended when formed to have contact with government but which no longer regard it as relevant (IL>0 and PRG=0) and those which regard it as relevant yet have no contact with it (PRG>0 and LP<1). The discouraged groups were not significantly different from the normal ones in ethnicity, class, or location. They were smaller, however, and less likely to have a general manager.² But a much stronger difference, as Table 12.2 shows, is that the discouraged groups were far less likely to have received government support.

TABLE 12.2: GOVERNMENT FUNDING OF 'NORMAL' AND 'DISCOURAGED' GROUPS

	No support		Support		Totals	
Discouraged groups	12	32%	1	3%	13	19%
Normal groups	25	68	31	97	56	81
Totals	37	100%	32	100%	69	100%

χ^2 sig.<.005, ϕ =.37

An analogous test can be made with 'stimulated' groups, which came to see the state as relevant: not only were they highly likely to receive support,³ but they also tended more than others to favour officials rather than the cabinet as a channel of access to government.⁴

It is not possible to fully disentangle the causal links

1. The LP index threshold is set at 1 in case any of the five items had been misinterpreted.
2. t sig. <.03 and .03 respectively.
3. t sig. <.02.
4. χ^2 sig.< .01; ϕ =.49.

operating in this relationship. Larger and better-staffed groups could have commanded state support, or government funds could have allowed staff to be hired and members attracted by selective incentives. However, the relationships between government support and groups' gain or loss of interest in it, and between support and contact with the state, are strong enough to lend credence to the view that officials will have some power to determine which organisations will expand and will continue to make representations about plans.

It is useful here to introduce a measure of groups' success in achieving their ends. This indicator of state responsiveness is necessarily subjective, derived from a question asking 'In general, how responsive is the provincial government to the views of your association?' The distribution of responses was as follows:

very responsive	11%
fairly responsive	27
not very responsive	24
not at all responsive	19
(missing)	(19)

Subjective measures produce data of questionable reliability, for groups make different sorts of demands, and, as well, similar responses could be seen as inadequate by some groups and not by others. This difficulty was minimised by using a dichotomous score in the analysis.

The perceived responsiveness of government is related to its provision of support to the group.¹ It is also related to the extent of contact with government, and more strongly with the degree to which that contact is institutionalised.² Groups consulted about

1. $r=.19$, $\text{sig} < .05$.

2. $r=.26$ and $.35$ respectively, $\text{sig} < .001$ in each case.

initiatives were more likely than others in contact with the state to find it responsive, but they were not more likely to receive government funding;¹ in fact, although the difference was not great, consulted groups were somewhat less likely to receive support. This suggests that funded groups are not central in negotiations, but are employed instrumentally. On the other hand, officials' power must be limited by the stronger, self-sufficient organisations which are consulted and find the state responsive.

Two of the questions raised at the beginning of the section can now be answered. It is evident that, in pursuit of their goals, officials shape the universe of organised interests by devoting energy to the creation of groups, and probably by providing differential support to them. Compared with the pluralist model, then, there is distortion in the representation of interests, and presumably in policy outputs, which occurs because planners seek to use organisations as instruments. Second, officials do not consult with 'all' interested organisations, but with those commanding sufficient resources to block plans: consulted groups tended to have larger memberships, larger budgets, general managers, and to have been founded earlier than others.² They were not more likely to be English than Acadian, but they did tend to be urban and upper-class.³

The second pluralist safeguard against bias in consultative policy-making is the 'departmental view' - officials' policy preferences which do not correspond to those of particular interests and which are difficult to alter. That goals are firmly held by

1. t sig. <.35.

2. t sig. <.005 and .04 and .001 and .001 respectively.

3. t sig. <.42 and .001 and .01 respectively.

officials is not in dispute. And Table 12.3 does show that many groups with contact with government, and even some which enjoy institutionalised relationships, do not find it very responsive. But the Table also shows that policy outputs tend not to reflect the views of groups which are unconsulted or have little contact with government. Hence, the departmental view does not entirely safeguard non-active and non-consulted organisations. It is evident, therefore, that organisational power is important in securing satisfactory policy outputs, and this raises the final question of the relative influence of groups.

TABLE 12.3: GOVERNMENT RESPONSIVENESS AS PERCEIVED BY GROUPS WITH VARYING DEGREES OF PARTICIPATION IN POLICY-MAKING.

Responsiveness	Group 1 ^a		Group 2 ^b		Group 3 ^c		Totals	
Low	6	75%	18	62%	7	29%	31	51%
High	2	25	11	38	17	71	30	49
Totals	8	100%	29	100%	24	100%	61	100%

χ^2 sig. <.02, V=.36

^a government is relevant but links are undeveloped (PRG>0 and LP< 2).
^b contact is developed but not institutionalised (LP> 1 and I=0).
^c institutionalised relationship (I>0).

b. Relative influence of organised interests

The influence of different organisations, and hence of the sectors of society which they represent, has been approached at several points. It is possible that interests could form organisations which are differentially active or which intend different degrees of contact with government, so their influence would vary

because of these propensities. But it was shown that there were no significant differences between groups differing in ethnicity, class, or location with respect to these inclinations (as measured by IA and IL indices). Instead, demographic features were manifested most in the tendency to form more or fewer associations, and it was found that Acadians, rural dwellers, blue-collar workers and labourers were highly under-represented in organisations. Whether the state is regarded as relevant is another issue, important because it is conducive to forming contacts with government and expressing demands, which are associated in turn with influence. English and upper-class groups tended to score more highly than their opposites, but differences were not significant; urban groups, however, were much more likely than rural ones to be interested in government.

The issue taken up now is whether differences in ethnicity, location and class are related to government contact, consultation, and responsiveness. Table 12.4 presents the average scores on the relevant indices.

These figures show several patterns. Compared with English groups, Acadian ones have similar contact with the state, and are consulted only slightly less, yet are far less likely to regard outputs as reflecting their views. Urban groups are significantly more likely than rural groups to be in contact with government and to be consulted, but they are no more likely to regard the state as responsive. Class produces mixed results as well. Lower-class groups have slightly more government contact than others, yet are much less likely to be consulted in policy-making: they are also less likely to find their views reflected in policy.

TABLE 12.4: GROUP DIFFERENCES IN GOVERNMENT CONTACT AND PERCEIVED RESPONSIVENESS¹

	Group mean	level of significance of t
1. Links with government (LP index)		
French	3.2	
English	2.9	.32
Rural and small town	2.3	
Urban	3.4	.01
Lower class	3.1	
Upper class	2.9	.33
2. Institutionalisation of contact (I index)		
French	.47	
English	.71	.21
Rural and small town	.35	
Urban	.86	.05
Lower class	.39	
Upper class	1.29	.02
3. Government responsiveness		
French	1.1	
English	1.5	.03
Rural and small town	1.4	
Urban	1.3	.39
Lower class	1.3	
Upper class	1.6	.14

The results are subject to various interpretations. One confounding problem is that the demographic characteristics are themselves inter-related, as is clear when correlation measures are employed.² As well, a potential complication is the set of organisational characteristics - membership, budget, age, and staff - which are related

1. Variables dichotomised as in n.1, n.5, p.352.

2. Correlations are used for succinctness, but they also provide a superior measure of the strength of relationships.

to the demographic variables, and are themselves inter-related. Appendix 7 contains the matrix of correlations between demographic and organisational variables, which will be useful in interpreting the correlations between the variables in each set and the indices of relations with government. These are in Table 12.5.

TABLE 12.5: CORRELATIONS OF GROUP CHARACTERISTICS WITH INDICES OF GOVERNMENT CONTACT AND RESPONSIVENESS

Variables ^a	Contact with government	Institutionalis- ation of contact	Responsive- ness
Demographic			
ethnicity	.04	-.07	-.25***
location	.21***	.31***	.06.
class	-.04	.33***	.19**
Organisational			
membership size	.29 ^{xx}	.30***	-.05
budget size	.24***	.27***	.28***
age	.14*	.47 ^{xx}	.22**
general manager	.35 ^{xx}	.44 ^{xx}	.12

Significance levels: * $<.1$; ** $<.05$; *** $<.01$; xx $<.001$.

^aHigher values indicate Acadian, urban, upper-class, larger, higher budget, older, permanently staffed groups.

Four factors are found to significantly affect responsiveness. They are the age of the group, the size of its budget, and its ethnic and class character.

But an interesting general pattern in Table 12.5 is that, with the exception of ethnicity, each variable tends to have a stronger relationship with consultation than with contact. Consulted groups tend to be urban and upper class, and to have extensive organisational resources. But each factor is then much weaker in determining

responsiveness. The general pattern suggests that some groups have a special relationship with government; it may also imply that officials' influence may mitigate the effects of class, urban, and organisational power.

A surprising result is the absence of a relationship between membership and responsiveness. This does not support the proposition that policy-makers respond to numbers of organised voters. Membership could affect responsiveness through other organisational characteristics to which it is related. But when budget, age and staff are controlled, no significant relationships are found.

The age of a group is little related to its propensity to make contact with government. Established groups would be expected to have more contact, but, as has been noted, an increasing proportion of associations have intended contact with government from the time of incorporation. Age is, however, an important factor in determining whether organisations are consulted about policy, and this supports the contention that officials deal with stable, responsible groups, and resist the demands of potential entrants to the negotiating process. Older groups were found to be more likely than those formed after 1960 to have most contact with officials, and this testifies to settled working relationships. Longer-established groups are also more likely to have higher budgets and general managers, each conducive to consultation and influence. And, through close consultation, the views of established groups do tend to be reflected in policy.

Budget size strongly influences contact, consultation, and responsiveness. One possible cause is the association of budget size with support ($r=.28$, sig. $<.01$). But although support is related with contact, it is not associated with consultation: funded

groups are instrumental, and when they are excluded the correlations between budget size and both consultation and responsiveness hold.¹ Higher budgets are associated with age and staff, and obviously a complex of inter-related factors are involved: the three variables were therefore combined into an index of organisational resources (OR index), which was strongly related with contact, consultation, and responsiveness.² Within this index, the independent weight of budget size is justified, and not only statistically. Larger budgets provide resources to challenge officials' expertise. As well, they demonstrate the capacity to extract funds from members or the public, and therefore indicate strong member commitment (and corresponding group influence over members), or significant public support (and therefore a useful channel of communication to the public). These factors alone would tend to make planners responsive to high-budget groups.

The ethnic character of groups is not significantly related with either contact or consultation. Yet Acadian organisations are significantly less likely than English ones to regard the government as responsive to their views. Age could be a factor, for Acadian groups tend to be more recently formed, and when controls were introduced, the relationship was found to exist only among less-established Acadian groups.³ It seems likely, therefore, that these groups have not reached accommodation with officials. On the whole, Acadian

1. $r = .32$ and $.23$, sig. $< .02$ and $.08$ respectively.

2. $r = .32$ and $.49$ and $.29$, sig. $< .001$ and $.001$ and $.01$ respectively.

3. r (pre-1961 groups) = $.09$, sig. $< .28$; r (post-1960 groups) = $-.40$, sig. $< .01$.

associations are somewhat more likely than English ones to contact MLAs, legislative committees, and the media. They were also more likely to feel that the channel used most often was not the most effective one: such non-correspondence occurred in 20% of the English cases and in 40% of the Acadian ones.¹ It was also true among groups using either the cabinet or officials most often: even when they did not most frequently contact the cabinet, Acadian groups were more likely to regard it as the most effective channel.² It has long been a source of Acadian irritation that the composition of the civil service does not reflect francophone population strength. Associations may therefore regard the cabinet as the most effective channel of access for their demands, and become frustrated when ministers do not receive them or are committed to established policies. Contact with officials could then lead to perceived unresponsiveness either because officials are predominantly English and are based in and concerned with the south, or because, as in the case of other groups, demands made are incompatible with plans. In either case, non-responsiveness cannot be ascribed to lack of contact or of organisational resources. Among groups with low OR-index scores, the correlation between ethnicity and responsiveness was modest:³ it was among the stronger organisations, with more government contact and consultation, that the sense of non-responsiveness was highest for Acadian groups.⁴

The final significant characteristic is class. Although this

1. χ^2 sig. <.06, ϕ =.20.

2. χ^2 sig. <.04, ϕ =.39.

3. r =-.18, sig. <.16.

4. r =-.28, sig. <.06.

is not associated with government contact, it is strongly related to consultation. Upper-class and lower-class associations make demands upon the state and are linked with it to a similar extent, but the former groups play a disproportionate part in negotiations. They are also more satisfied with outcomes.

Age is one possible confounding factor. The correlation between class and responsiveness remains significant only for groups formed since 1960.¹ But the tendency of the relationship is similar among older groups, and it is among them that the positive correlation between upper-class membership and consultation holds most strongly.² Neither is the relationship much shaped by organisational characteristics: when age, budget, and staff are all controlled, through the OR index, the relationship strengthens.³

The other possibility is that ethnicity produces an apparent link between class and the indices of government relations. This is not true of consultation: among English groups, those with upper-class memberships are much more likely than the others to have institutionalised contact with government, and the relationship had a similar form among Acadian groups.⁴ With respect to responsiveness, however, most of the relationship with class was actually due to the confounding influence of ethnicity, because lower-class Acadian groups tend to find the government highly unresponsive.⁵ Although English lower-class groups are unlikely to have a consultative relationship with government, they do not tend to regard it as particularly unresponsive to their views.

1. r (pre-1961 groups) = .13, sig. < .22; r (post-1960 groups) = .38, sig. < .03.

2. r (pre-1961 groups) = .43, sig. < .01; r (post-1960 groups) = .04, sig. < .40.

3. r (high OR) = .26, sig. < .10; r (low OR) = .41, sig. < .02.

4. r (English) = .34, sig. < .01; r (Acadian) = .28, sig. < .15.

5. r (English) = .10, sig. < .41; r (Acadian) = .65, sig. < .01.

iii. Concluding remarks

It has been found that influence (as indicated by the perceived responsiveness of government) depends upon organisations making contact with the government and being consulted about policy. Officials are the most common point of access for contact, since contact is related to the receipt of government funding; officials have some ability to shape the composition of demands which reach them. On the other hand, consultation and influence do not depend upon support, but upon a complex of organisational resources including funds, staff, and long establishment. Consultation also depends upon the class of group members, with upper-class groups most often having representatives on advisory bodies and being invited to present their views to government. Responsiveness, however, was found to depend most upon organisational resources and ethnicity.

Those groups finding the government least responsive represent lower-class Acadians. Their failure to make an impact on policy may result from difficulties in co-operating with a disproportionately anglophone civil service. But it also arises, probably, from the established pattern of negotiation between governments and the peak Acadian organisations, which supports the strong hierarchy of Acadian society while necessarily ignoring the more exigent demands of lower-class groups.

The general pattern of influence found here is that urban, upper-class, and resourceful organisations tend to be consulted by officials prior to initiatives. But responsiveness is not so strongly related to these characteristics: this pattern may be due to the segmentation of policies, or the presentation of relatively modest demands by some groups, (probably rural ones), or the influence of officials in eventually producing policies less satisfactory to par-

ticipants than their role in planning would lead them to expect. Only more objective measures of responsiveness could resolve this question.

It should be emphasised, though, that the correlations between groups' characteristics and both consultation and influence were not very strong. No segment of the organisational universe is excluded from contact and consultation, and all may expect some positive response from the state. On the other hand, these results concern only existing organised groups. It is evident that interests can achieve influence through organisation. Yet associations of rural dwellers, Acadians, and blue-collar workers and labourers, all of which tended to have less contact, consultation, and/or influence with the state, are relatively unlikely to be formed in the first place. Even were no demographic characteristics of groups related with consultation and responsiveness, the influence of the English, the urban dwellers, and the upper classes would still be disproportionate simply because these sectors of society are the most highly organised. The disparities in participation and its effectiveness documented here merely compound inequalities already existing due to differential organisation.

CHAPTER 13: CONCLUSION

i. Recapitulation and a problem

This study began with a simple problem. It was assumed that economic development required expert planning. It was also held that demands would rise in the course of development, and that the conflict between plans and demands might be resolved by extending political participation. This would stimulate modernisation, inform those taking part, and instil commitment to the joint results of the planning process, so plans could descend without costly incentives or the use of force. It was also anticipated that participation, where possible, would be limited to the form of involvement, to secure its beneficial effects on implementation while leaving the essence of plans unaltered.

New Brunswick, in 1940, was shown to be a peripheral province, with a weak, non-interventionist state controlled by regional elites. The bulk of the population was rural, integrated economically into local clientele networks which were based on the hierarchical links of primary production and which overlapped with the decentralised political parties. The Acadian population was also bound to traditional rural life by clerical leadership espousing a defensive, anti-materialist ideology.

Due to efficient state co-ordination of the wartime economy, popular expectations of governments rose, and in New Brunswick the first integrated economic planning was combined with public hearings which explicitly recognised the universal interest in reconstruction. Public demands did not contrast sharply with the final, formal plan.

But in the post-war period, demands which had threatened established elites were not met, and development plans were also laid aside, as the government spent most on public works which supported the structures of clientele and party.

In the 1950s, a new administration aimed to seize the extraordinary opportunity afforded by mineral discoveries. An explicit strategy of economic growth underlay concentrated spending on electric-power infrastructure to accommodate foreign investors. In power planning, public participation was minimal, although a consensus in favour of state investment to achieve potential growth was built by determined leadership. There was also indirect participation, through the 1956 election, but this was held after initiatives had already been taken, and offered an unclear choice between the major parties. Planning was, however, characterised by the full participation of organised interests, and the New Brunswick Electric Power Commission continued to plan in conjunction with other organisations, with varying success.

In the early 1960s, increasing international competition, partly filtered through the Canadian government, led to plans for rationalising primary production. This accorded with the provincial strategy of industrial development, and qualitative institutional change created a provincial state capable of rapid response to environmental pressures, and of more efficiently providing the services - particularly education - essential to industry. This helped mobilise rural Acadians into industrial society, an end favoured by a rising elite of managers committed to economic growth to safeguard the Acadian collectivity.

The first comprehensive development plan, a federal-provincial partnership, deployed participation to promote modernisation and to

secure acquiescence in change. The plan failed, however, due to maladministration and also to the resistance of participants who had been extended full rights under the Equal Opportunity programme, as well as a role in early planning, then found their participation ineffective.

It was concluded then that the strategy of promoting participation but limiting it to the form of involvement was no longer adequate to ensure the implementation of plans. The legitimacy of participation was too widespread and interests too clearly recognised for ineffective participation to ensure acquiescence. If implementation required consent, then an effective part in planning had to be extended to generate it.

Subsequently, the possibilities of individual political action were examined. Direct participation through the many channels opened between 1965 and 1975 was feasible, but unlikely to be effective, primarily because the information necessary to take a constructive part was lacking. Indirect participation through the electoral process was also found to bear only weakly upon state initiatives, due to party similarities, party solidarity, and the influence of permanent officials on policy.

It was then proposed that organisations might close the participatory gap. Pluralist theory stresses that organised groups convey the demands of various interests to decision-makers, while recent corporatist theories show how formal organisations can serve as the sinews of an active state, assuring policy implementation.

Hence, organised interests in New Brunswick were investigated. This group world, this often neglected 'sunken hinterland between

two dominating mountainous battlements', the individual and the state,¹ is one which is complex and rapidly expanding. A wide variety of organised interests were found to be closely involved with the state, and becoming more tightly linked to it. Government much affected the group structure, indirectly as organisations formed in reaction to policies, and directly as officials selectively consulted and supported groups, and sought to employ them as instruments of policy implementation. Organisations in the relatively free and open New Brunswick system could usually succeed in presenting demands and having them satisfied to some extent. However, it was found that rural dwellers, the working classes, and Acadians were organisationally under-represented, and that the last, especially, tended to find the state unresponsive as well.

So, a further problem arises. If planning is undertaken for development, and if implementation is problematic, and if only effective participation can secure consent, but if much of the population is unable to participate effectively, because as individuals they cannot and as groups they are not organised, then: how are plans implemented?

ii. Disaffection

One possibility is that those who are ineffective are unaware that their participation is limited, or do not perceive the importance of effective participation. Analysts of political activity in New Brunswick have appreciated its ritualistic character, par-

1. Latham, 'Group Basis', p.378.

particularly in elections.¹ Fitzpatrick has likened politics to a colourful spectacle:

When politicians lock horns in the Assembly or during a campaign, they are less likely to try to prevail over each other by reasoned arguments than by ridicule. This is, of course, in keeping with the emphasis within the political environment on partisan loyalty at the expense of issues ...

There is a sense in which the vaudevillian element in political controversy serves a kind of diversionary function, offering the electorate the placebo of ferocious spectatorship in lieu of genuine political involvement.²

But the claim is also made that this is 'completely tolerated' by New Brunswickers who 'prefer their political system the way it is', and seem 'satisfied with the arrangement'.³

Spectatorship is congruent with the deferential attitudes often ascribed to New Brunswickers.⁴ Good reasons for deference - economic dependence (sometimes upon worthy patrons) and ignorance - existed when clientele networks were strong. But some evidence now shows that the passivity thought to indicate deference is actually due to disaffection, and that most citizens, far from being content with spectatorship, are alienated because effective participation eludes them.

Simeon and Elkins compiled survey data on political attitudes

1. Thorburn, N.B. Politics, pp.115-42; S. Pobihushchy and J.G. Allen, 'Action, Behaviour and Politics: the Routinization of Political Involvement and the Participatory Process', paper presented to the Atlantic Provinces Political Science Association, Oct. 1976.

2. 'Politics of Pragmatism', p.123.

3. Ibid., p.123, p.135, p.120.

4. Pullman, 'Social Organization', p.212, p.234; Aunger, Fragmentation and Stability, pp.369-73.

in the Canadian provinces. They noted the relatively high level of formal political participation in New Brunswick, yet found it co-existed with perceived powerlessness, particularly among the working classes. In 1965, the statement, 'people like me don't have any say about what the government does', met with the agreement of 73% of New Brunswick respondents.¹ Similar items, with 1968 data, were combined into an index of political efficacy: 64% of New Brunswickers scored low, as compared with 44% in Canada as a whole.² On an index of trust in government, New Brunswick scores were lower than in any other province: 36% of New Brunswick middle-class respondents scored low, and so did 74% of the working class (compared with 45% of all working-class Canadians).³ When the indices of trust and efficacy were cross-tabulated to form the attitudinal types 'supporter' (high trust, high efficacy), 'deferential' (high trust, low efficacy), 'critic' (low trust, high efficacy), and 'disaffected' (low trust, low efficacy), New Brunswick had few 'supporters' and high proportions of 'disaffected'.⁴ Of working-class respondents, 63% fell into the 'disaffected' category (compared with 40% across Canada).⁵

In 1971, after a wide series of public hearings, the Task Force on Social Development reported to the Premier:

The element that has perhaps most characterized public discussions that we have held to date is a widespread feeling among the population that citizens cannot participate effectively in government programming,

1. R. Simeon and D.J. Elkins, 'Regional Political Cultures in Canada', CJPS, 7 (1974), 397-437, TII.

2. Ibid., TI.

3. Ibid., TXI, TIV.

4. Ibid., TVI: Canada had 26% supporters and 34% disaffected; New Brunswick respondents were 10% supporters and 54% disaffected.

5. Ibid., TXIII.

as they feel any attempt to do so is bound to fail, and that their views are considered irrelevant in any case.¹

This feeling does not indicate that spectators are satisfied. And this 'feeling', as Simeon and Elkins pointed out, must have a factual basis: differences in political culture, in attitudes, reflect governments' performance.² In New Brunswick, it was recognised, among some groups in particular, that participation was unlikely to be effective.

iii. Planning without participation

Economic growth has been accepted as the major goal of New Brunswick governments, and has come to be publicly defined, in the 1970s, as job-creation.³ With this clear goal priority, planning in non-economic fields is provided a definite parameter to which adaptation must be made, and participants in these fields, particularly those demanding expanded services, have had their effectiveness inherently limited. The Hatfield government had considerable success, notably after 1973, in explaining the trade-off between economic growth and social services, and further insulated itself by devolving control over allocations for education and health while still setting the totals centrally.

With respect to economic growth itself, planning was increasingly restricted to industry. Overt plans involving the harmonious

1. PANB, MTF, 2A/5/3, Task Force on Social Development, 'Progress Report', to R.B. Hatfield, January 1971, pp.2-3.

2. 'Regional Political Cultures', pp.432-437. The general argument was cogently put by C. Pateman, 'Political Culture, Political Structures, and Political Change', British Journal of Political Science, 1 (1971), 291-305.

3. SR, 1972, pp.819-830.

actions of many individuals were not undertaken; instead, the visibility of the state as a direct determinant of life-chances was reduced. With the inception of DREE, concentration on rural adjustment eased.¹ The manufacturing strategy was intensified, with the province stimulating small enterprises and aiding provincial firms, while DREE provided incentives for new investment. The New Brunswick government increased its direct investments, loans, and loan and bond guarantees to business from \$119million in 1970 to \$195million in 1975.² By then, over \$56million in DREE capital assistance had been committed in the province.³ Infrastructural spending, concentrated in the Saint John and Moncton growth areas, was also very high. The strategy was to maintain existing industry, build small, local firms, and attract foreign entrants. The labour unions consented to this policy, through restraining wage demands to preserve firms,⁴ and by supporting infrastructural spending.⁵ Then, to secure adjustment on the part of the unorganised, the market was relied upon, and the effects on those unreactive to the structure of opportunities was cushioned by federal transfer payments to individuals. This approximates the 'technocratic' model of low participation and increased inequality identified by Huntington and Nelson.⁶ In the early 1970s, in New Brunswick,

1. Francis and Pillai, 'Regional Development and Regional Policy', T6.

2. Accounts, 1970 and 1975.

3. APEC, Industrial Incentives Programs in the Atlantic Region (n.p., APEC, 1976), p.43.

4. N.B., Report of the Industrial Inquiry Commission on the Pulp and Paper Industry in New Brunswick (Fredericton, Q.P., 1972), pp.I-20 - I-25.

5. Doern, Atomic Energy Control Board, p.62; NBFL, 'Annual Submission', 1975, pp.18-24.

6. No Easy Choice, p.23.

there were acquiescent participants in social planning, partial participants in economic planning, and those organisationally unrepresented and excluded from social and economic planning - the plannees.

iv. Implications

If considerable numbers of the population - rural non-farmers and the non-unionised working classes - do not effectively participate in planning, particularly when they are also Acadians, does this matter? According to the initial framework, one result should be that development plans are impeded. This is difficult to demonstrate, but some indications can be sketched.

One problem of non-participation is that economic development is not widely understood. The constraints upon the economy are not communicated to those who feel most individually constrained. Economic growth is bestowed by the powerful, and the individual comes to view himself 'more as a beneficiary of a social process of development, to which his personal effort can contribute little, than as one who benefits primarily from his own productive work.'¹ The norm then becomes to extract maximum return with minimum effort. Within productive enterprises as well as in politics, the deep distrust of the elite documented by Simeon and Elkins is surely manifested by a stubborn resignation (or, worse, by out-migration). And non-participants cannot be reached to be informed and stimulated.

This lack of understanding was perpetuated by political parties, which distributed benefits, particularly to the rural poor. If

1. H.C. Wallich, 'Some Notes Towards a Theory of Derived Development', in Agarwala and Singh, Underdevelopment, pp.189-204; p.200.

organised interests had some effective part in planning in conjunction with officials, there is some evidence that the non-unionised working class was organised by the parties as late as the 1960s.¹ This led to both misunderstanding of economic development and inefficiency. But as parties have evolved to be based upon the middle classes, there are fewer such direct links to the poor as patrons provided, and the lower classes are left unincorporated and anomic.

There have been sporadic outbreaks of violence in the province. The expropriation of the residents of a new national park at Kouchibouguac was resisted, to widespread sympathy. Spontaneous movements against the introduction of timber-harvesting machinery, both in the northwest and on the Miramichi, resulted in considerable destruction. When individuals are powerless, such movements, or sullen resistance, or emigration are their only apparent alternatives: there is no security within change which is seen to destroy existing interests without offering commensurate opportunities.

Powerlessness among lower-class Acadian groups also fuels the parti Acadien, an independentist party which seeks, above all, autonomy. Since its founding in 1970, it has grown steadily, and attracted enough support in 1974 to split the opposition vote and elect government members in two constituencies. In 1978, this was repeated, and the Conservatives were returned again, with a one-seat majority. The appeal of this party can be traced directly to the encroachment of industrialism, promoted by a managerial elite and mediated by the state, which furnished, on the one hand, a challenging new elite of public-service professionals, and, on

1. Leslie, 'Constituency Party Organizations', pp.244-46, 425-35.

the other, an insecure and frustrated mass. The appeal of the parti Acadien is autonomous growth; its themes are decentralisation and ruralism.¹

Lack of participation may have reduced economic efficiency. It has shaken the province's integrity. But a larger question is also involved. Two strands have been followed through New Brunswick's recent history. The first is that of securing assent for necessary change; the second is that of acquiring control over the changes proposed. The first strand has predominated through a shift in power from politicians to expert planners, but there are reasons to believe that the second might be stronger in the future.

First, lower-class groups are forming at a relatively increasing rate. They will enter the policy-making system, or resistance will grow more costly to overcome. This was the case with both the Maritime Fishermen's Union and the National Farmers' Union in 1975-78. As well, a political initiative on their behalf is probable, for in the 1978 election the parti Acadien was not alone in its growing support: the New Democratic Party (successor to the C.C.F.) increased its proportion of the vote from 3% to 7%, and probably deprived the opposition Liberals of 5 seats. This suggests that this party will broaden its appeal to lower-class groups, on policy rather than patronage lines. It is noteworthy that the financial dependence which reduced the likelihood of such an eventuality was removed by provisions for public financing of political parties.² In addition, party platforms are becoming

1. J.P. Langteigne, 'Commentaires - Reunion de la SANB', 27 May 1978; C. LeBouthillier, L'Acadien Reprend Son Pays (Moncton, éditions d'acadie, 1977).

2. Acts, 1978, c82, Political Process Financing Act.

more openly formulated and more definite, and this will render political control of the state more likely.

Hence, a 'participation explosion' of the kind forecast by Huntington and Nelson as the likely reaction to the technocratic development model appears probable. The impact of increased demands upon the province is unlikely to be mitigated, to the extent it was in the 1960s, by federal payments for social services.

The alternative is to reduce demands by integrating them within broader party frameworks, and educate current non-participants by incorporating them within planning structures. Their participation must, however, be effective. This need not impair development, although its course may be changed. But who can say, certainly, that this would be wrong? It was argued at length in Chapter 2 that planning is fallible, and mistakes have been made in New Brunswick - in the original FRED plan, in running down the coal industry between 1968 and 1973, and, probably, in building a nuclear power plant. More often, alternatives have been overlooked: tourism was ignored in the FRED plan despite the recommendations of the ARDA Task Force; agricultural development has never been seriously pursued; the drive for industrialisation left the Crown forests neglected.

What may be possible and fruitful and necessary, in short, is a larger relationship between planners and the public, in which mutual information would be more equally balanced. This must be achieved, to eliminate the economic drag of disaffection, and to avert destructive and ill-informed demands. The choice is between a technocracy based on correctness, large systems, and force (concealed or otherwise), which is fragile, and a more experimental system in which initiatives - arising in all parts of society - are

harnessed within flexible systems, with guidance provided. Only through the latter course can that oft-cited aim of development, increasing choice, have any significant meaning for most people in New Brunswick.

v. Further Work

It is necessary, finally, to point out some of this study's many weaknesses which require further research. The analysis of class changes needs more rigorous work, from the regional elites at the time of the McNair government to the formation of the new Acadian middle class. Despite the hindrances of official data gathered for other purposes, such a framework could be constructed, and would add much to the understanding of the period.

A second priority for study is the civil service. Its composition needs investigation, and more research is required into the sources of technocratic thinking in Canada, its evolution, and the developmental possibilities which have been neglected.

Worthwhile research, which could affect the conclusions reached here, could be undertaken into the economic costs of disaffection, particularly in the primary sector; and into the decay of clientelism, and the economic impact of non-economic groups.

Finally, further investigation of major groups - organised industry, agriculture, and labour - is now essential. This should emphasise the relationship between local and extra-provincial firms, and the composition of their demands upon government, and should also fill the most serious gap in the current study, its cursory treatment of labour unions.

APPENDIX 1: EVOLUTION OF NEW BRUNSWICK GOVERNMENT PORTFOLIOS:
1936-1975


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graph TD
    subgraph 1945
        AG[ATTORNEY-GENERAL]
        LM[LANDS AND MINES]
        AGRI[AGRICULTURE]
        EM[MUNICIPAL AFFAIRS]
        ED[EDUCATION]
        PW[PUBLIC WORKS]
        HL[HEALTH AND LABOUR]
        IR[INDUSTRY AND RECONSTRUCTION]
        PS[PROVINCIAL SECRETARY-TREASURER]
    end

    subgraph 1955
        AG --> J[Justice(1967)]
        LM --> NR[Natural Resources(1966)]
        AGRI --> AR[Agriculture and Rural Development(1967)]
        EM --> EM1954[Municipal Affairs(1954)]
        ED --> ED1954[Education(1954)]
        PW --> HW[Highways(1968)]
        PW --> SS[Supply and Services(1972)]
        HL --> HS[Health and Social Services(1944)]
        HL --> L[Labour(1944)]
        IR --> ID[Industry and Development(1952)]
    end

    subgraph 1965
        J --> JUST[JUSTICE]
        NR --> NATR[NATURAL RESOURCES]
        AR --> ARD[AGRICULTURE AND RURAL DEVELOPMENT]
        EM1954 --> EMU[MUNICIPAL AFFAIRS]
        ED1954 --> EDU[EDUCATION]
        HW --> TR[TRANSPORTATION (1975)]
        SS --> SUP[SUPPLY AND SERVICES]
        HS --> HW1968[Health and Welfare(1968)]
        HS --> YW1961[Youth and Welfare(1961)]
        HS --> Y1968[Youth(1968)]
        ID --> F1963[Fisheries(1963)]
        ID --> FI1962[Finance(1962)]
        ID --> PI1963[Provincial Secretary(1963)]
    end

    subgraph 1975
        JUST --> FIS[FISHERIES(1975)]
        NATR --> ENV[ENVIRONMENT(1975)]
        NATR --> CD[COMMERCE AND DEVELOPMENT(1975)]
        ARD --> FIN[FINANCE]
        FIN --> TB[Treasury Board(1972)]
        TB --> TRE[TREASURY BOARD]
        EMU --> MAN[MANPOWER(1975)]
        SUP --> LAB[LABOUR AND MANPOWER(1975)]
        HW1968 --> HE[HEALTH]
        HW1968 --> WF1971[Welfare(1971)]
        WF1971 --> SS1972[SOCIAL SERVICES(1972)]
        Y1968 --> YTH[YOUTH]
        F1963 --> EGR[Economic Growth(1968)]
        F1963 --> FIN1968[Finance(1968)]
        EGR --> CD
        FIN1968 --> FIN
        PI1963 --> PS1963[PROVINCIAL SECRETARY]
    end
  
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The organizational chart illustrates the structure of the Government of Saskatchewan from 1945 to 1975. It is organized into four columns representing the years 1945, 1955, 1965, and 1975. The chart shows the hierarchy of various departments and their sub-units over time.

- 1945:**
 - ATTORNEY-GENERAL
 - LANDS AND MINES
 - AGRICULTURE
 - EDUCATION, FEDERAL AND MUNICIPAL RELATIONS
 - PUBLIC WORKS
 - HEALTH AND LABOUR
 - INDUSTRY AND RECONSTRUCTION
 - PROVINCIAL SECRETARY-TREASURER
- 1955:**
 - Justice(1967)
 - Natural Resources(1966)
 - Agriculture and Rural Development(1967)
 - Municipal Affairs(1954)
 - Education(1954)
 - Highways(1968)
 - Supply and Services(1972)
 - Health and Social Services(1944)
 - Labour(1944)
 - Industry and Development(1952)
- 1965:**
 - JUSTICE
 - NATURAL RESOURCES
 - AGRICULTURE AND RURAL DEVELOPMENT
 - MUNICIPAL AFFAIRS
 - EDUCATION
 - TRANSPORTATION (1975)
 - SUPPLY AND SERVICES
 - Health and Welfare(1968)
 - Youth and Welfare(1961)
 - Youth(1968)
 - Fisheries(1963)
 - Finance(1962)
 - Provincial Secretary(1963)
- 1975:**
 - FISHERIES(1975)
 - ENVIRONMENT(1975)
 - COMMERCE AND DEVELOPMENT(1975)
 - FINANCE
 - Treasury Board(1972)
 - TREASURY BOARD
 - MANPOWER(1975)
 - LABOUR AND MANPOWER(1975)
 - HEALTH
 - Welfare(1971)
 - SOCIAL SERVICES(1972)
 - YOUTH
 - Economic Growth(1968)
 - Finance(1968)
 - PROVINCIAL SECRETARY

APPENDIX 2: NEWSPAPER CONTENT ANALYSIS

The news content of two New Brunswick daily newspapers was sampled to evaluate (1) the amount of information available to the public, and (2) whether monopolisation of English-language newspaper ownership affected the amount and/or the composition of news.

1. Sample Design

Newspapers were chosen from the years 1945, 1955, 1965, and 1975. Sampling had to eliminate variation in news content due to the spring sittings of the Legislative Assembly, and also to differences in content over the days of the week. One week in each of September and March (in each year) was chosen randomly, as was one day in the September week: every fifth day was then included in the sample.¹ The result was that 6 issues of each paper were chosen for each year, 3 in September and 3 in March, and together they covered all the days of the week.

The Saturday, March 1st Daily Gleaner could not be located in print, so the final sample consisted of 24 copies of the Saint John Telegraph-Journal and 23 copies of the Gleaner.

2. Definition of News

'News' was defined as information about recent events of public interest. Excluded, in practice, were sports stories (unless in the news sections), weather reports, routine social items, television listings, routine obituaries, features such as comics, advice-columns, fashion reports, and gardening columns, photographs, and some wire-service features.² The last are 'fillers', but were included if they conveyed recent information. Examples, from the

1. F. Davis and L. Turner found cyclical sampling efficient and reliable: see their 'Sampling Efficiency in Quantitative Newspaper Content Analysis', Public Opinion Quarterly, 15 (1951-52), 763-64, and the work of Mintz cited therein.

2. This definition approximates that of 'live news' of B.H. Bagdikian, 'Fat Newspapers and Slim Coverage', Columbia Journalism Review, 12 (1973), 15-20.

Gleaner of 19 March 1975, include:

- x Vancouver Mall Gets Mixed Reaction
- High Ski Resorts May Hurt Skiers
- Tax Evasion - Odds Against Taxpayer
- Woman Test Driver Has Chilly Work
- x Political Problems Plague Asis-Pacific Region Oil Search
- x Doctors Hope Operation Will Stop Boy Growing
- Retired Captain Involved With Sea-Faring for 60 Years

Those stories marked (x) were counted as news.

3. Measurement

Content analyses generally utilize column-inches as the basic unit of measurement. With type-sizes and layouts varying widely over the years, this is unreliable. Here, column-inches of news were measured, but samples of the words/column-inch were also taken, so that the results could be expressed in words of news. At least three samples were taken, and when formats varied within the same issue, further sampling was done. Hence, word totals are reliable. (Where column-inch totals are reported, deviant column formats, generally found on the editorial pages, were converted to standard ones.) Headlines were also counted, resulting in consistent over-estimation of word content.

4. Results

Table A2.1 summarises the content analysis of each newspaper.

5. Ownership

Mean values of news quantity, New Brunswick news, and percentage of total news dealing with New Brunswick were computed for each newspaper for the years before and after it was acquired by the Irving conglomerate. (In the case of the Telegraph-Journal, this was considered to be after 1945.) Comparing all issues under Irving ownership with those previous, values of Student's *t* for the three variables were .77 and 1.25 and 1.09 respectively, significant at less than .23 and .11 and .14 certainty. Analysis of variance was used to separate the influence of ownership from that of the newspaper itself (for the Gleaner was consistently smaller). Ownership approached significance only with respect to total news quantity (*F* sig. < .28).

TABLE A2.1: NEWS CONTENT OF TWO NEW BRUNSWICK DAILY NEWSPAPERS
(WEEKLY AVERAGES): 1945-1975.

Fredericton Daily Gleaner				
	1945	1955	1965	1975 ^a
% news (column-inches)	26%	14	14	12
% editorials and columns	2%	2	3	3
% market reports	2%	1	--	--
composition of news:				
% international	39%	22	18	23
% national	28%	23	22	34
% Maritimes	3%	2	3	7
% New Brunswick	12%	18	23	16
% other localities	6%	11	10	7
% local	12%	24	25	13
total words of news	22,800	15,000	16,700	16,200
words of N.B. news	2,800	2,660	3,770	2,630
N.B.+other local+local	6,750	7,920	9,650	5,870

Saint John Telegraph-Journal				
	1945	1955	1965	1975
% news	23%	18%	18%	17%
% editorials and columns	4%	3	2	3
% market reports	2%	2	3	2
composition of news:				
% international	28%	18	16	20
% national	23%	18	16	26
% Maritimes	2%	4	5	6
% New Brunswick	17%	21	22	22
% other localities	9%	17	23	14
% local	22%	22	18	12
total words of news	23,600	21,600	18,200	26,100
words of N.B. news	4,020	4,500	3,960	5,830
N.B.+other local+local	11,190	12,780	11,480	12,470

^a average of 5 issues only

APPENDIX 3: VOLUNTARY ASSOCIATIONSTABLE A3.1: COARSE AND FINE CATEGORISATIONS OF ASSOCIATIONS,
WITH NUMBERS AND EXAMPLES OF GROUPS IN EACH

	Number	% of Total
1. CLUBS	(484)	(24.3%)
General and summer sporting	255	17.8
Fundy Sports Club		
Winter sporting	77	3.9
Republic Snowmobile Association		
Leisure/hobby	23	1.2
Central N.B. G.R.S. Radio Club		
Social	129	6.5
Bathurst City Club		
2. COMMUNITY ORGANISATIONS	(329)	(16.5)
Recreation management	77	3.9
Corporation d'Administration du Centre Communautaire de Verret		
Recreation centre/facilities	108	5.4
Minto Recreational Society		
Community sports	78	3.9
Doaktown Athletic Association		
Cultural	43	2.2
Les Chanteurs du Mascaret		
Community improvement	23	1.2
Nasonworth Community Association		

3. FRATERNAL/SERVICE ORGANISATIONS	(159)	(8.0)
Military	21	1.1
Saint John Naval Veterans' Club		
Fraternal	68	3.4
Woodstock Council, Knights of Columbus		
Service	98	4.9
Kinsmen Club of Florenceville		
4. SOCIAL SERVICE/HEALTH ORGANISATIONS	(578)	(29.0)
Hospital/public health	74	3.7
Friends of Saint John Ambulance		
Specific health concern	93	4.7
Eastern Canada Association of the Deaf		
Specific social service	78	3.9
Elizabeth Fry Society, Moncton Branch		
Home for the aged	61	3.1
Central New Brunswick Nursing Home		
Charity	38	1.9
United Way of Fredericton		
Church organisation	157	8.0
The Christian Science Society of Fredericton		
Poverty group	19	1.0
United Capital Clients		
Educational/historical	56	2.8
The Chignecto Historical Society		
5. PROFESSIONAL/TRADE ASSOCIATIONS	(139)	(7.0)
Chamber of commerce	12	.6
Nashwaak Jaycees		

Merchants	29	1.5
N.B. Society of Hearing Aid Dispensers		
Industrial	32	1.6
N.B. Potato Processors' Association		
Employers	13	.7
Plumbing and Mechanical Contractors' Association		
Professional	49	2.5
The Association of Registered Professional Foresters		
Benevolent	13	.7
Board of Management of Saint John Teachers' Retirement Fund		
6. PRIMARY PRODUCERS/LABOUR ORGANISATION	(115)	(5.8)
Farmers	24	1.2
The Farmers' Co-operative Dairy Company		
Co-operative Store	10	.5
La Coopérative de Saint Antoine		
Fishermen	21	1.1
L'Association des Pecheurs Nord-est, Région Miscou		
Other primary producers	10	.5
Charlotte County Wood Producers' Association		
Other co-operative	17	.9
La Compagnie Mutuelle d'Assurance du Feu des Fermiers		
Union-related	9	.5
The NBIP Employees' Association		
Benevolent	25	1.3
Nelson-Miramichi Firemen's Benevolent Fund		
7. DEVELOPMENT ORGANISATIONS	(86)	(4.3)
Industrial development	38	1.9
The Edmundston Industrial Development Commission		
Other development initiative	48	2.4
Centre de Formation au Developpement		

8. SPECIAL INTEREST GROUPS	(101)	(5.1)
Environmental	17	.9
Restigouche and Matepedia Salmon Association		
Economic	9	.5
Union des Consommateurs		
Social	25	1.3
Grand Temple of Honour and Temperance of the Province of N.B.		
Cultural	41	2.1
New Brunswick Association of Non-Status Indians		
Political	9	.5
Association des Droits de l'Homme du Sud Est du N.-B.		
9. MISSING	(4)	(.2)

TOTALS	1995	100.2%

APPENDIX 4: THE SAMPLE OF ASSOCIATIONS AND STATISTICS USED IN
THE ANALYSIS

A small but efficient sample was drawn from the universe of incorporated groups in New Brunswick. It was to validate and supplement information derived from incorporation papers, and to allow analysis of variables associated with government contact.

1. Sampling

The universe of 1995 voluntary associations was restricted to those formed after 1925, to minimise non-response. Groups active after 1925, as shown by applications for supplementary letters patent or by amendments to original Acts of incorporation, were also included. This produced a universe of $(1995-421+80) = 1654$ groups, and one with an unknown purpose was also eliminated, leaving 1653.

To ensure sufficient active associations, likely to be in contact with the government, the universe was stratified according to an index of 'intended activity' (IA index). This is described in Appendix 6. The universe was split into U1 (724 groups with IA-index scores less than 8) and U2 (929 groups with IA scores equal to or greater than 8). U1 was sampled at a ratio of .12 by simple random sampling, and produced S1 with 82 cases. U2 was sampled at .24, producing S2 with 207 cases.

2. Returns

The questionnaire (reproduced in Appendix 5 in its English version) was sent to the secretary of each Acts group for which an address could be found, and to those of L-P groups if an address was located for 1974 or later. It was accompanied by a letter from the researcher requesting co-operation, another from his supervisor explaining the aims of the larger study, and a stamped reply envelope. Translations of all documents (except the second letter) were sent to groups with French names. The overall response rate was 48%, as shown in Table A4.1.

TABLE A4.1: SAMPLES, MAILING, AND RESPONSE; GROUP QUESTIONNAIRE

	Sample1	Sample2	Total
Number of cases	82	207	289
Excluded:			
inactive ^a	13	32	45
taken over	2	2	4
charter cancelled	7	7	14
address not found ^b	5	26	31
mailed: returned a.u.	--	3	3
totals	27	70	97
Mailed to correct address ^c	55	137	192
not returned	30	61	91
returned unusable	4	5	9
Returned usable	21	71	92
Response as % sample	26%	34%	32%
Response as % mailing	38%	52%	48%

^aL-P groups filing most recent return in 1973 or earlier.

^bActs groups (which are not required to file returns), or L-P groups incorporated after 1973 with no address given.

^cOf these, 9 forfeited charters after 1973, and 27 had submitted no return since 1974.

Data available on non-respondents allowed evaluation of the representativeness of the respondents. Table A4.2 shows that, despite the incomplete response, groups responding fairly reflect the samples and the universes, according to available measures.

3. Statistical treatment

When stratified universes are sampled disproportionately, both estimating population parameters and examining the significance and strength of relations between variables are made complicated.

Sometimes, both procedures are done by weighting the responses from the under-sampled stratum, according to the sampling fraction.¹

1. N. Nie et al., SPSS: Statistical Package for the Social Sciences (New York, McGraw-Hill, 1975), pp129-31.

TABLE A4.2: COMPARISON OF RESPONDENTS WITH ORIGINAL SAMPLES AND UNIVERSES

Variables	Respondents, Samples, Universes					
	R1	S1	U1	R2	S2	U2
<u>Incorporation</u>						
pre-1941	13%	11%	12%	10%	12%	13%
1941-1960	27	22	22	19	26	22
1961-1970	31	30	32	29	24	28
1971-1975	30	37	34	43	38	37
<u>Ethnicity</u>						
English	80%	77%	77%	76%	78%	80%
French	20	23	24	24	22	20
<u>Type</u>						
Club	38%	52%	46%	6%	8%	7%
Community	10	7	10	10	14	18
Fraternal/service	14	10	10	7	6	7
Social service/health	29	21	26	42	39	34
Professional/trade	--	1	4	13	11	12
Producers	5	6	4	9	8	6
Development	--	--	--	6	9	8
Special interest	5	2	1	9	6	8
<u>Intended links with government (IL scale)</u>						
mean	.81	.67	.67	1.84	1.97	1.98
standard deviation	1.33	1.25	1.25	2.25	2.31	2.27
<u>Intended activity (IA index)</u>						
mean	5.43	5.37	5.51	9.79	9.83	9.86
standard deviation	1.43	1.59	1.46	1.64	1.59	1.60

Weight should be applied, in estimating population parameters, but should vary with the population strata ratios. In estimating proportions, the formula used was:¹

1. M.G. Kendall and A. Stuart, The Advanced Theory of Statistics, vol. 3, 2nd ed., (London, Charles Griffin, 1965), 179.

$$P_{\text{pop}} = w_1 p_1 + w_2 p_2$$

$$\text{where: } w_1 = 724/1653 = .438$$

$$w_2 = 929/1653 = .562$$

p_1 and p_2 are the sample proportions

The population variance was given by:

$$\sigma^2 = w_1^2 (1-f_1) \frac{p_1(1-p_1)}{n_1-1} + w_2^2 (1-f_2) \frac{p_2(1-p_2)}{n_2-1}$$

$$\text{where: } n_1 = 21$$

$$n_2 = 71$$

$$f_1 = 21/724 = .029$$

$$f_2 = 71/929 = .076$$

Confidence limits were therefore (at 90% certainty):

$$P_{\text{pop}} \pm 1.64 \sqrt{\sigma^2}$$

Statistical modifications to common measures of significance and strength are not available for complex sample designs. Cases may be weighted by sampling fractions, and the samples combined. Or, the two samples, unweighted, may be treated as a simple random sample if the criterion of stratification is unrelated to the relationships to be examined; that is, if the strength and shape of the relationships of interest are similar in each sample.¹ In this case, there was no reason to believe that the IA-index scores would affect the shape of relationships: more active groups in each sample would, for example, tend to perceive the government as relevant (PRG index), and this was the case; in S1 the correlation was .15 and in S2 it was .19. Similar checks were run on the major relationships, and justified integrating the samples. As well, weighted sample correlations were very close to those in the integrated sample: since the first had more cases and higher probabilities of significance, the second was retained.

4. Statistics

In analysis of the universe of 1995 groups, the strength of most relationships is indicated by Pearson's r . When nominal scales were related to ordinal or interval data, analysis of variance was

1. A.J. Crowle and A. Skrimshire provided helpful advice on this point.

used, with F-ratios providing tests of significance, and η^2 measuring the proportion of variance explained.

In analysis of the sample results, χ^2 tested significance and Cramer's V (which varies from 0 to 1) measured strength of relationships. (In 2x2 tables, V reduces to ϕ .) When ordinality could be assumed, Kendall's tau beta measured strength, and its significance was also calculated. The difference-of-means test (using Student's t) was used to economically test differences between sub-groups in the sample. Unless otherwise indicated, significance tests are one-tailed.

APPENDIX 5: QUESTIONNAIRE SENT TO ASSOCIATIONS

QUESTIONNAIRE

(please note: all questions concern only the association of which you are, or have recently been, the Secretary, and not any larger organization of which it may be part.)

1. In what year was your association founded? _____
2. When it was founded, was any aid available for it from:
- | | | |
|------------------------------------|-----------|----------|
| the federal government | yes _____ | no _____ |
| the provincial government | yes _____ | no _____ |
| local (town or county) governments | yes _____ | no _____ |
3. Is your association still active - that is, has a meeting been held during the past year? yes _____ no _____

(Even if the association is no longer active, still answer as many questions as possible about the last year in which it was active, as well as questions 33 to 34.)

4. Does your association mainly: (choose one)
- | | |
|-------|---|
| _____ | provide services and facilities for its members |
| _____ | act on behalf of its members |
| _____ | aim to educate or stimulate the public |
| _____ | provide services and facilities for the public |
5. How much contact does your association have with other associations:
- | | | | | | | | |
|-------|------|-------|------|-------|--------|-------|------|
| _____ | much | _____ | some | _____ | little | _____ | none |
|-------|------|-------|------|-------|--------|-------|------|
6. Is your association affiliated with a larger organization? yes _____ no _____
7. Does your association co-ordinate other organizations? yes _____ no _____
8. How much contact does your association have with each level of government?
- | | | | | | | |
|-----------------------|-------|------|-------|------|-------|------|
| local government | _____ | much | _____ | some | _____ | none |
| provincial government | _____ | much | _____ | some | _____ | none |
| federal government | _____ | much | _____ | some | _____ | none |
9. How many members are there in your association? _____
10. How many of them attend most meetings? _____
11. How many of them are either professionals (dentists, lawyers, and so on) or businessmen (managers and merchants)? _____
12. How many of them are civil servants (including teachers)? _____
13. Does your association have a paid General Manager or Executive Secretary? yes _____ no _____
14. Does your association have other paid employees? yes _____ (how many? _____) no _____
15. What is the size of your association's annual budget? _____ dollars
16. Does your association receive any financial support from governments or government agencies?
- | | | |
|------------|-------|---------|
| federal | _____ | dollars |
| provincial | _____ | dollars |
| local | _____ | dollars |
17. Do provincial government policies affect your association? yes _____ no _____
18. Is your association interested in the policies of any particular department of the provincial government? yes _____ (which one? _____) no _____
19. Has your association ever tried to have the provincial government start some new policy or program? yes _____ no _____
20. Has your association ever tried to have the provincial government make a change in an existing policy? yes _____ no _____
21. Has your association tried to have the provincial government introduce a new policy or make some change in existing policy within the past year? yes _____ no _____
22. Does the provincial government generally ask for the views of your association when a new policy is begun or a change is made which concerns you? yes _____ no _____

PLEASE TURN OVER

23. Within the past year, has your association been asked by the provincial government for your views on:
- | | | | | |
|-----------------------------------|-----|-------|----|-------|
| existing legislation (laws) | yes | _____ | no | _____ |
| proposed legislation | yes | _____ | no | _____ |
| existing regulations (procedures) | yes | _____ | no | _____ |
| proposed regulations | yes | _____ | no | _____ |
24. Do you co-operate with any department or agency of the provincial government in achieving your association's objectives? yes _____ no _____
25. How frequent is your contact with departments or agencies of the provincial government? _____
- | | |
|-------|----------------------------|
| _____ | about once a day |
| _____ | about once a week |
| _____ | about once a month |
| _____ | about once or twice a year |
| _____ | never |
26. Is contact between your association and the provincial government _____
- | | |
|-------|----------------------------------|
| _____ | increasing |
| _____ | decreasing |
| _____ | about as frequent as in the past |
27. In general, how responsive is the provincial government to the views of your association? _____
- | | |
|-------|-----------------------|
| _____ | very responsive |
| _____ | fairly responsive |
| _____ | not very responsive |
| _____ | not at all responsive |
28. How does your association make its views known to the provincial government? (check as many as are applicable)
- | | |
|----------|---|
| 1. _____ | through the local elected representative |
| 2. _____ | through municipal authorities |
| 3. _____ | contact with Cabinet ministers |
| 4. _____ | contact with the Opposition members |
| 5. _____ | contact with government officials |
| 6. _____ | through briefs presented to committees of the Legislature |
| 7. _____ | public demonstrations |
| 8. _____ | through the media |
| 9. _____ | through the parent organization |
- other: _____
29. Which of the above ways of presenting its views has your association used most often in the past? (choose one number) _____
30. In general, which of the above ways of presenting its views is most effective for associations like your own? _____
31. In general, which of the above ways is least effective? _____
32. Does your association have members who sit on government advisory bodies? yes _____ (which ones? _____) no _____

(note: the following questions are only for those associations which are no longer active)

33. What was the last year in which your association was active? _____
34. Why did your association become inactive? (choose one)
- | | |
|-------|---|
| _____ | the association had achieved its objectives |
| _____ | there was no longer any need for the association |
| _____ | there was no community support for the association |
| _____ | there was no government support for the association |
| _____ | the members lost interest |
| _____ | the association's activities were taken over by another association |
- other: _____

THANK YOU for taking time to complete this questionnaire.
Please mail it to R.A. Young, 66 Smith Street, Fredericton. E3A 2P5.

APPENDIX 6: CONSTRUCTION OF INDICES

Several measures were constructed for analysing the universe of incorporated groups and questionnaire replies. In the first case they consist of positions on variables isolated for the coding of incorporation papers; in the second, they are responses or combinations of responses to questionnaire items.

1. IL SCALE (intended links with government)

This measure is derived from clauses in incorporation papers or Acts which confer powers upon associations and document their intentions.

- 0 no mention of government
- 1 members might be aided in dealing with authorities
- 2 rights or privileges were to be secured
- 3 'arrangements' were to be made with authorities
- 4 the association would 'co-operate' with government
- 5 presentations were to be made to government
- 6 legislation would be secured
- 7 quasi-official powers would be exercised

0 - 7 IL scale

2. IA INDEX (intended activity)

This measure, summarising the extent to which groups are likely to be publicly active, is derived from five variables used in coding incorporation documents. When information was missing, 0 was added for that variable.

Exclusiveness	1 private
	2 open by achievement or ascription
	3 quite open
Public orientation	1 member-oriented
	2 to represent members
	3 to act upon the public
Group orientation	1 to affiliate with another group
	2 to co-operate with other groups
	3 to stimulate or co-ordinate others

Government orientation	0	IL scale = 0
	2	IL scale = 1,2, or 3
	3	IL scale = 4
	4	IL scale > 4
Scope of operations	1	local
	2	county or region
	3	province or beyond
0 - 16 IA index		

3. PRG INDEX (perceived relevance of provincial government)

This measure is constructed from answers to questionnaire items No.17 and No.18.

No.17	0	provincial government policies do not affect the group
	1	policies do affect the group
No.18	0	the group is not interested in any department of the government
	1	it is interested in some department
0 - 2 PRG index		

4. LP INDEX (links with the provincial government)

This measure is derived from answers to 5 questionnaire items, and indicates the frequency and intensity of contact with government. Item 8b is subjective, and should balance the precision of No.25. Items 19, 20, and 21 would suffice alone as measures of demands, but some respondents would hesitate to admit exerting pressure upon government.

No.8b	0	the group has no contact with the government
	1	the group has some contact
	2	it has much contact
No.20	1	the group has tried to have a new policy or program introduced
No.21	1	it has tried to have an existing policy changed
No.22	1	it has tried for a new policy or a change in policy within the previous year
No.25	1	contact with government is once or twice yearly or once per month
	2	contact is once per week or daily
0 - 7 LP index		

5. Class composition of incorporators

This classification groups professions listed in incorporation papers. It is designed to allow historical comparison. It is also designed to isolate class as such, rather than industrial occupation; hence, electricians are in the same category here whether they work in mines, factories, or construction.

1. Professionals

This category refers to the traditional professions. It includes barristers, doctors and medical specialists, dentists, pharmacists (but not the old-time 'druggists'), priests, nuns, clergymen, ministers, school principals, professors, accountants, and 'gentlemen'.

2. Businessmen and managers

a. Managers

Here are included administrators employed in bureaucracies. Business executives are by far the most numerous, and also included are 'administrators', managers, comptrollers, and military officers above the rank of sergeant. Two occupations posed problems. 'Civil servants' were included here if other managers were among the incorporators; when clerks, railwaymen, and postal officials predominated, civil servants were taken as clerical workers. In mixed groups, civil servants were split among the categories according to the relative weights of the others. 'Businessmen' may be corporate managers or independents: they were divided among the two categories, with odd numbers classed as independent businessmen.

b. Independent businessmen

This category includes those organising production or engaging in trade on their own account: manufacturers, 'capitalists', sea-captains, merchants, and small businessmen. Merchants are most numerous. The category also includes insurance agents and real estate agents (who typically have offices and operate on their own account).

3. White-collar workers

a. Scientific and technical personnel

Included are nurses, journalists, teachers, engineers, surveyors, wood scalers, guidance counsellors, social workers, and scientists.

b. Salesmen

This category includes all sales representatives, except those working in stores as 'clerks'.

c. Clerical workers

Here are secretaries, stenographers, clerks, and students, as well as customs officials and 'inspectors' of various kinds.

4. Blue-collar workers

a. Craftsmen

This category comprises skilled workers such as

carpenters, plumbers, electricians and machinists. Also included are miners, guides, police constables, RCMP officers and armed forces personnel, and firemen.

b. Transportation workers

Included are truck drivers, railwaymen, and postmen.

c. Manufacturing workers

Included are specialised workers in food-processing plants and pulp mills. As with the preceding two categories, foremen are also included.

5. Primary producers

a. Fishermen

b. Farmers

6. Labourers

As well as these categories, count was also kept of women and civil servants. Wives, widows, spinsters, and housewives were counted in the class of husbands, where they were also incorporators; otherwise, no class was recorded. Women listing other professions were counted normally.

All civil servants were listed under the appropriate category above, but were also counted separately. Included were 'civil servants', army and RCMP personnel (but not municipal employees like policemen and firemen), teachers and principals (but not professors), and social service employees. The numbers understate the reality, since professions like 'log scaler' and 'biologist' are ambiguous: only when such incorporators were almost certainly government employees (e.g., 'cartographer' but not 'log scaler') were they counted. Employees of Crown corporations were not included.

6. MCS (Mean class score)

This is a summary measure of the class composition of incorporators, derived by assigning points to each member of each major class as follows:

- 6 Professional
- 5 Business and managerial
- 4 White collar
- 3 Blue collar
- 2 Primary producer
- 1 Labourer

The total was then divided by the number of incorporators. An association formed by 2 lawyers, a potato shipper, 3 salesmen and a labourer would have an MCS = $(2 \times 6) + (5) + (3 \times 4) + (1) / 7 = 4.29$

7. CD SCORE (class dispersion)

As the MCS corresponds to the mean, so does the CD score to the standard deviation. It measures the internal spread of classes. The computing formula was based on:¹

$$s = \sqrt{\frac{\sum(x_i)^2}{N} - \bar{x}^2} \quad \text{where: } x_i \text{ are individual scores}$$

$\bar{x}$ is the mean

The example from the MCS (above) would have a CD score of:

$$\sqrt{((2 \times 36) + (1 \times 25) + (3 \times 16) + (1 \times 1)) \div 7 - (4.29)^2} = 1.57$$

8. I INDEX (institutionalised consultation with government)

This measure indicates the extent to which the group is consulted by government and has a formal mechanism for expressing its views. It is constructed from responses to 3 questionnaire items.

No.22	1	the provincial government generally asks for the association's views on proposed policy
No.23	1	the group has been asked, within the past year, for its views on:
	1	existing legislation
	1	proposed legislation
	1	existing regulations
	1	proposed regulations
No.32	1	members of the association sit on government advisory bodies

0 - 6 I index

9. OR INDEX (organisational resources)

This is derived from dichotomised responses to 3 questionnaire items.

No.15	1	budget is greater than or equal to \$20,000 per year
No.1	1	the group was founded before 1961
No.17	1	the group has a paid general manager

0 - 3: if the score = 0 or 1, OR=1
 if the score = 2 or 3, OR=2

1. H. Blalock, Social Statistics, 2nd ed., (New York, McGraw-Hill, 1972), p83, formula (6.4).

APPENDIX 7: CORRELATION MATRIX, DEMOGRAPHIC AND ORGANISATIONAL
VARIABLES

CORRELATION MATRIX, DEMOGRAPHIC AND ORGANISATIONAL VARIABLES (tau beta)

	Demographic Variables		Organisational Variables			
	ethnicity	location	class	membership	budget	age
Demographic Variables						
location	-.09					
class	***	**				
	-.26	.16				
Organisational Variables						
membership	.08	.18	**	-.13		
budget	-.02	-.04		.02	.17*	
age	***	.33 ^{xx}	.13		.18**	.22**
general manager	-.03	.10	.06		.29***	.47 ^{xx} ***
					.28	

Higher values indicate French, urban, upper-class, larger memberships and budgets, older, and a general manager. All variables are dichotomous.

Significance levels: *<.1; **<.05; ***<.01; xx<.001

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 DREE Department of Regional Economic Expansion Library,
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 Fredericton.
 LL Legislative Library, Fredericton.
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