The Next Northern Challenge: The Reality of the Provincial North

Ken Coates and Greg Poelzer

Introduction

For the last 40 years, Canada has devoted considerable resources and much effort to improving governance in the territorial North, while leaving the larger, more populous, and more economically productive provincial North as the least politically powerful part of Canada. The territorial developments include the creation of Nunavut in 1999, major land claims settlements across much of the region, a new Yukon Act, devolution of many government powers (including administration – but not ownership – of land and non-renewable natural resources to the Yukon and Northwest Territories), Aboriginal self-government agreements, and large-scale fiscal transfer agreements. While there are promising developments in parts of the provincial North, particularly Labrador and northern Quebec, much of the region continues to experience political marginalization, with the associated social and economic problems.

Canadians hear about the provincial North episodically. The controversies over the Alberta oil sands, the potential of Quebec’s Plan Nord, the Voisey Bay mine in Labrador, the hotly debated Northern Gateway pipeline project, and the recruitment of Chinese workers for mines in Northern British Columbia (BC) provide regular reminders of the region’s economic potential and impact. Controversies surrounding Aboriginal living conditions in Attawapiskat, Kashechewan, Davis Inlet, and many other remote settlements...
highlight the intense socio-economic challenges in the provincial North. There has been some writing on this subject, including the coverage of the region in Morris Zaslow’s excellent histories *The Opening of the Canadian North* (1971) and *The Northward Expansion of Canada* (1988) and the more focused study on the region, *The Forgotten North*, by Ken Coates and Bill Morrison (1992). These works and useful local studies have drawn some attention to the evolution of the internal colonies of the provincial Norths.

**The Provincial North**

**WHAT IS THE PROVINCIAL NORTH?**

A brief definition of the provincial North is required. Scholars have argued about the appropriate boundary of the North, variously using politics (the territorial North), climate (the border of commercial agriculture), or geographic considerations (the line of discontinuous permafrost). Geographer Louis-Edmond Hamelin devoted a complex and compelling index of “nordicity,” which combined such factors as weather/cold, isolation, fauna, and socio-cultural considerations. We have opted for a geographical-political definition, using provincial government designations to delineate those parts of the country that qualify as the provincial North. Provinces generally have at least one administrative area, such as Saskatchewan’s Northern Administration District, that covers almost half of the province but has a population of fewer than 40,000 people, that has become synonymous with the northern part of the province. While there are some variations worthy of note (Prince Rupert has a Maritime climate and is not “northern” in weather terms; Thunder Bay is a substantial city, tied to major transportation networks and with a strong industrial economy and is generally not considered northern despite a sub-Arctic climate) these administrative definitions encompass a vast expanse of Canada that shares northern climates, political marginalization, large Aboriginal populations, a substantial dependence on resource economies, and Arctic and sub-Arctic landscapes.

Inside the provincial North, there are key demographic divisions that are important to note. Along the southern fringe of the provincial North (and just below the line in some instances) are substantial communities, often key administrative centres, with large non-Aboriginal populations. These centres – including Goose Bay/ Happy Valley, Sudbury, Thunder Bay, Prince Albert, Grande Prairie, Prince George, Dawson Creek, Fort St. John, and Prince Albert – are economically and politically important. Other major resource communities – including Thompson, Timmins, Fort McMurray – likewise are primarily non-Aboriginal. In the northern reaches of the Provincial North, most of the people and communities are Aboriginal, with markedly different economic, social, and cultural dynamics from the largest centres. The provincial Norths, therefore, are not homogenous units, but rather diverse, even fractured, regions, facing distinctive challenges, opportunities, and social characteristics.

The provincial North, despite the lack of national attention to the region, is of great importance to Canada’s present and future. The vast sub-Arctic expanse has close to 1.5 million residents, holds enormous resource potential in oil and gas, forestry, mining, and hydro-electric development, is home to dozens of culturally distinct First Nations, Métis, and Inuit groups, and is facing enormous pressures for change. Politically, if this region were a province, it would have more Members of Parliament than any of the Maritime Provinces. While individual provincial Norths, particularly Labrador, Quebec, and Alberta, have become central to provincial aspirations and economic development strategies, the other regions languish with insufficient attention. Ontario, where the Ring of Fire mining development has the potential to bring economic growth to a province that sorely needs it, has recently devoted little political effort to addressing northern concerns. Manitoba, which has a string of Aboriginal communities in considerable distress, has made overtures to the region, particularly on the educational front, but with little to show for the investment to date. Much the same holds for Saskatchewan, where the private sector is a greater driver of regional development than government, and northern British Columbia, which continues to accelerate resource development despite the continued
dislocations in Aboriginal communities. In no other part of the country, including the territorial North, is there as strong a juxtaposition of economic opportunity, regional distress, and political marginalization.

**WHO IS RESPONSIBLE FOR THE PROVINCIAL NORTH?**

The provincial North does not belong to any one province. A crisis in Labrador is a task for the Government of Newfoundland and Labrador and, if First Nations people are involved, usually the Government of Canada to work out. The ill-suited highway system leading to Fort McMurray is the responsibility of the Government of Alberta and does not register on Quebec’s list of concerns. Distressingly poor Aboriginal educational outcomes in northern Saskatchewan fall at the feet of the federal Aboriginal Affairs department and, to a lesser extent, the Government of Saskatchewan, but do not so much as raise an eyebrow in southern Ontario. The most fundamental territorial political and administrative problems – land claims, Aboriginal self-government, Arctic sovereignty – are seen as federal responsibilities. Difficulties and opportunities in the provincial Norths, in contrast, are the responsibility of the appropriate provincial authorities. The Constitution, to put it simply, defines political actions and administrative structures in the provincial Norths. This is a simple reality of Canadian political life and has been used for generations to both limit coordinated federal-provincial action and to therefore limit the responsiveness of government to some of the most serious socio-economic challenges and some of the most promising economic opportunities in the nation.

The simple problem is that the forgotten provincial Norths are operated as internal colonies. The regions themselves have little autonomy – Labrador and Quebec being partial exceptions – and political power rests in provincial capitals in the South. Even Alberta, with the northernmost provincial capital in Canada (Edmonton is farther North than the southern reaches of James Bay in Ontario and Quebec), has devoted little effort to empowering its provincial North. There have been various regional schemes and strategies, northern departments, and administrative restructuring, but all of them have left the basic problem untouched: no regions in the country have less direct control over their futures than the provincial Norths. Southern-based governments, historically, have been preoccupied with economic development and resource exploitation, capitalizing on the mineral, forestry, and hydroelectric potential of the region. Quebec would be in severe economic difficulty without the power generated from the northern power stations, as would Manitoba and British Columbia. Saskatchewan’s uranium and other mining activities are key parts of the province’s economic growth, and Alberta’s economy is focused largely on the development of the oil sands. All of these projects and many others send hundreds of millions of dollars a year in tax revenue into provincial coffers, creating a provincial interest in maintaining control over the pace and nature of development. In each provincial North, Aboriginal and municipal politicians struggle to get their issues on provincial agendas and have difficulty gaining the attention or resources needed to address urgent needs.

This does not mean that the provincial North is without governance and political accomplishments. In 1990, the eight Métis Settlements in northern Alberta gained municipal-style self-government and a land base – the only Métis in Canada to do so. The Nisga’a Treaty, which came into effect in 2000, provided a dramatic recasting of Aboriginal governance and cultural authority. Loud protests and claims that the treaty would harm Northwest British Columbia came to naught, as the accord has provided the foundation for an impressive transformation of Nisga’a affairs. The signing of the Nunatsiavut land claims agreement in Labrador in 2005 has fundamentally altered the power balance in the region, giving the Aboriginal population access to jobs, revenue, and self-government, constrained by the economic and social realities of life in the region. By far the most dramatic restructuring occurred in northern Quebec where, more than 35 years after the James Bay and Northern Quebec Agreement empowered Cree and Inuit residents and communities, the region has emerged as the most innovative, locally-controlled, and forward-looking jurisdiction in the provincial North. Manitoba has tried several approaches to improving conditions in the northern reaches of the provinces, focusing in particular on education (including post-secondary education) and compensation packages associated with the major hydroelectric projects in the area. The efforts have not enjoyed much tangible success to date.
In the rest of the northern provinces, policy initiatives focused on these under-developed regions languish. Ontario has made little progress; it is not a surprise that the most high-profile crises in recent years – Kashechewan and Attawapiskat – are from northern Ontario, an area dotted with impoverished and ill-supported Indigenous communities that are now facing intense development pressures. Northern Saskatchewan, the focus for extensive provincial government regional strategies over the years, remains one of the poorest parts of the country, albeit, with a few exceptions, without the full community distress that has been witnessed in recent years in Labrador, Ontario, and Manitoba. Alberta’s massive and unrelenting northern resource boom has masked the comparative ineffectiveness of government policies aimed at the permanent residents of the region, most of whom share in little of the wealth and opportunity being generated in the area. The situation is much the same in the vast expanse of northern British Columbia, where the First Nations populations have yet to benefit from the now two-generations-old resources and development boom. Northern British Columbia, like Manitoba, has made significant investments in post-secondary education and, like Saskatchewan, has had a series of northern development strategies, none of which have had a sustained impact on the region.

The Role of the Federal Government

What is particularly puzzling is the comparative absence of the Government of Canada in the Provincial Norths. The federal government has a special constitutional relationship with the territories and has pursued its responsibilities there very aggressively in recent decades, to the point where money, devolution of government responsibilities, legal agreements with Aboriginal communities, and constitutional flexibility are no longer major barriers.

Across the vast and resource-rich provincial North, in contrast, the Government of Canada has a minimal presence. Ottawa handles all of its legal and formal responsibilities – for First Nations health care, water management, and regulation of foreign ownership in the resource sector, for example – with greater or lesser degrees of success and attention. But the country has not, since the days of Prime Minister Diefenbaker’s Roads to Resources program, had a sustained interest in the socio-economic development of the region. The oddity of a massive federal presence in the territorial North and minimal on-the-ground activities just a few miles to the south is one of the most surprising and little discussed realities of Canadian political life. Experts on Canadian federalism would quickly respond that this is simply the consequence of the division of power between the federal and provincial governments and that the constitutional responsibility lies with the provinces – end stop. Notwithstanding these constitutional realities, the absence of a national strategy for the provincial North might be reasonable if not for two fundamental problems: the comparative poverty of Aboriginal communities in the region and the centrality of the resource potential of the area for Canada’s medium and long-term prosperity. And, in the latter case, the federal government has an enormous jurisdictional role, not the least of which is over environmental regulation concerning resource development to pipeline construction.

That Canada does not have a federal plan for the provincial Norths is a huge public policy gap in this country. Canada has impressive and significant Arctic strategies and has done much to improve political, constitutional, and socio-economic conditions in the territorial North, although everyone involved with the territories knows that there is a great deal still to be done. The situation to the south of the territories is actually more dire, requiring urgent attention by local governments, provincial authorities, and the Government of Canada. Canada has laid the foundations for meaningful change in the territorial North; it has not yet diagnosed the problems and challenges facing the provincial Norths in Canada. This region is, as a consequence, the next major public policy frontier for Canadian governments, including the Government of Canada, the seven provinces with significant northern regions, and the Aboriginal governments that are assuming increasingly important roles in the governance and future of the provincial Norths in Canada.
Devolution to local authorities in the provincial Norths remains limited to Aboriginal self-government initiatives and band aid-type solutions to what are deeply entrenched problems. Each province has its own administrative and political arrangements for its northern territories, but with the notable exceptions of Quebec and Newfoundland and Labrador, these do not place substantial authority in the hands of regional residents. There is, therefore, no systematic empowerment of northerners and their government representatives, but instead a pattern of political marginalization inside the respective provinces. The various and minor attempts in most provinces to manage northern regions through special government departments or agencies stop well short of providing meaningful autonomy for the provincial Norths.

The differences between the provincial Norths and the territorial North are almost entirely jurisdictional. The geography and economy of northern Saskatchewan is not markedly different from the adjacent part of the Northwest Territories. Northern British Columbia is closely connected—except in political authority—to the Yukon. When Canadians talk of the Arctic Council, their thoughts immediately go to the Yukon, Northwest Territories, and Nunavut and leapfrog over the comparable communities, economies, and geographies of northern Saskatchewan and northern Ontario. The establishment of provincial boundaries, undertaken with no discussion with the small number of northern residents at the time and handled in a manner reminiscent of the establishment of colonial borders in Africa, created artificial barriers that have subsequently defined the political life in the region.

If the experience of territorial devolution is one of the most impressive political achievements of Canada over the past 30 years, the inability to address the aspirations and needs of the provincial Norths remains one of this country’s greatest—and largely ignored—shortcomings. While Prime Ministers and cabinet ministers focus intently on the Arctic—generally and geographically incorrectly defined as being the territorial North—little national attention is given to the internal dynamics of the provincial Norths. The situation is not much different inside the various provinces, with Quebec standing apart as a major exception. Provincial governments are content to capitalize on the formidable resource potential of their northern regions, but they have not yet sought the means to bring about major changes in the way that northern affairs are managed and regional political aspirations are met.

The cynical view of the pattern of political marginalization is also the most compelling argument: that the provinces have come to rely on northern resource wealth to power provincial economies and to sustain provincial government spending. There is no desire to share the considerable wealth of the region, and the power derived from that income, with the numerically small, widely scattered, and transient non-Aboriginal people and substantial Aboriginal population of the North. Marginalization, therefore, serves provincial governments very well and helps sustain the provincial economies and provincial authorities. There is simply no imperative at present, nationally or provincially (again, save Quebec), to restructure political arrangements to better serve northern regions.

The irony is substantial and surprising. The territorial Norths have long been “favoured colonies,” at least in financial terms, and are now among the most creative and regionally empowered jurisdictions in the country. While devolution continues and while a great deal of work remains to be done in the northern territories, the reality is that these jurisdictions are on a very favourable path. In economic terms, the Yukon, the Northwest Territories, and Nunavut continue to experience difficulties; were it not for very substantial transfers from the Government of Canada, the territories would be in extreme distress. They would be, in fact, like much of the provincial North in Canada, particularly those parts away from major regional centres like Prince George, BC, Prince Rupert, BC, Thompson, Manitoba, and Fort McMurray, Alberta. The economies of the provincial North generate enormous wealth for the country, with expansion currently underway. Economic contributions, however, are not connected to political autonomy and the ability to determine their own future.

Given that the fundamental barrier to comprehensive attention to the challenges of the provincial North lies
in the constitutional realities of Canadian federalism, it is imperative to understand the provincial interest in greater federal engagement in the region and the federal interest in investing time and resources in the uncertain prospects of improving conditions in the region. There are several responses. First, it is a national challenge – one requiring broad government support – to address the problems and capitalize on the opportunities of the region. Second, the costs of completing Confederation, of bringing the socio-economic conditions closer to national standards and providing a reasonable equality of opportunity across the North, cannot be met by the provinces acting alone. Furthermore, the Government of Canada has ongoing responsibilities for Aboriginal peoples and communities and will inevitably have to work in concert with provincial governments to improve conditions. As well, the federal government’s clear desire to promote resource development as a key driver for the Canadian economy and its jurisdictional role in environmental stewardship ensures that Ottawa will retain an active interest in ensuring Aboriginal and northern support for the provincial North.

The Way Forward

Canadian federalism is an effective system of governance, but has its unique challenges and shortcomings. Over the generations, the federal, provincial, and territorial governments have compromised, adapted, and innovated on a wide variety of files, from health care and post-secondary education to the more recent emphasis on Aboriginal self-government and treaty processes. Developing a coordinated federal-provincial response to northern realities is in no way outside the realm of possibilities. The inequities experienced by people in the provincial Norths fit into the same category as earlier national problems: substantial national challenges that cannot be addressed by the federal or provincial governments alone and that, if not addressed, will either fall below the standards of Canadian social justice or limit the development of Canada as a nation.

Drawing attention to the unique challenges of the provincial Norths does not mean that the work in the northern territories is complete. The territorial political transformation has to continue, for a great deal of hard and creative work is still required. At the same time, however, it is imperative that Canadians awaken to the missed opportunities and ignored responsibilities in the provincial North. The Government of Canada, working collaboratively with the seven provincial governments that have substantial northern regions, should devote much more energy and administrative focus to the provincial North, a land that holds Canada’s economic future in its hands but that lacks the political levers and regional control necessary to ensure that northerners benefit appropriately from the development of their lands and resources. The provincial North remains largely “forgotten” in a political and administrative sense, creating a formidable challenge for the country as a whole. To date, there is no national sense of urgency associated with empowering the region, and uneven political development across the country. Given the rapid development of northern resources and the serious needs of Aboriginal and remote communities, it is time that Canadians realize that the country remains substantially unfinished and that the most pressing challenges are to be found in an area that few Canadians give so much as a thought, the provincial Norths.
About the Authors

Raised in the Yukon, Ken Coates is an historian and public policy specialist who has worked extensively on Aboriginal and northern affairs, in Canada and internationally. He is currently the co-Director of the Macdonald-Laurier Institute’s project on Aboriginal People and Natural Resources, Director of the International Centre for Northern Governance and Development and Canada Research Chair in Regional Innovation at the University of Saskatchewan.

Greg Poelzer is the Founder and Executive Chair of the International Centre for Northern Governance and Development and Associate Professor of Political Studies at the University of Saskatchewan. He is highly regarded specialist on northern and Aboriginal governance, with extensive international experience in Russia and Scandinavia. Greg Poelzer and Ken Coates are completing a new book, *Treaty Peoples: Finding Common Ground with Aboriginal People*.

Further Reading

For historical background, see these works:


Recent Scholarship on Governance in the Provincial North


Critically Acclaimed, Award-Winning Institute

The Macdonald-Laurier Institute fills a gap in Canada’s democratic infrastructure by focusing our work on the full range of issues that fall under Ottawa’s jurisdiction.

- The Macdonald-Laurier Institute fills a gap in Canada’s democratic infrastructure by focusing our work on the full range of issues that fall under Ottawa’s jurisdiction.
- One of the top three new think tanks in the world according to the University of Pennsylvania.
- Cited by five present and former Canadian Prime Ministers, as well as by David Cameron, the British Prime Minister.
- Hill Times says Brian Lee Crowley is one of the 100 most influential people in Ottawa.
- The Wall Street Journal, the Economist, the Globe and Mail, the National Post and many other leading national and international publications have quoted the Institute’s work.

“Ideas Change the World”

Independent and non-partisan, the Macdonald-Laurier Institute is increasingly recognized as the thought leader on national issues in Canada, prodding governments, opinion leaders and the general public to accept nothing but the very best public policy solutions for the challenges Canada faces.

“The study by Brian Lee Crowley and Ken Coates is a ‘home run’. The analysis by Douglas Bland will make many uncomfortable but it is a wake up call that must be read.”
FORMER CANADIAN PRIME MINISTER PAUL MARTIN ON MLI’S PROJECT ON ABORIGINAL PEOPLE AND THE NATURAL RESOURCE ECONOMY.

For more information visit: www.MacdonaldLaurier.ca
About the Macdonald-Laurier Institute

What Do We Do?

When you change how people think, you change what they want and how they act. That is why thought leadership is essential in every field. At MLI, we strip away the complexity that makes policy issues unintelligible and present them in a way that leads to action, to better quality policy decisions, to more effective government, and to a more focused pursuit of the national interest of all Canadians. MLI is the only non-partisan, independent national public policy think tank based in Ottawa that focuses on the full range of issues that fall under the jurisdiction of the federal government.

What Is in a Name?

The Macdonald-Laurier Institute exists not merely to burnish the splendid legacy of two towering figures in Canadian history – Sir John A. Macdonald and Sir Wilfrid Laurier – but to renew that legacy. A Tory and a Grit, an English speaker and a French speaker – these two men represent the very best of Canada’s fine political tradition. As prime minister, each championed the values that led to Canada assuming her place as one of the world’s leading democracies. We will continue to vigorously uphold these values, the cornerstones of our nation.

Working for a Better Canada

Good policy doesn’t just happen; it requires good ideas, hard work, and being in the right place at the right time. In other words, it requires MLI. We pride ourselves on independence, and accept no funding from the government for our research. If you value our work and if you believe in the possibility of a better Canada, consider making a tax-deductible donation. The Macdonald-Laurier Institute is a registered charity.

Our Issues

The Institute undertakes an impressive programme of thought leadership on public policy. Some of the issues we have tackled recently include:

- Getting the most out of our petroleum resources;
- Ensuring students have the skills employers need;
- Aboriginal people and the management of our natural resources;
- Controlling government debt at all levels;
- The vulnerability of Canada’s critical infrastructure;
- Ottawa’s regulation of foreign investment; and
- How to fix Canadian health care.

For more information visit: www.MacdonaldLaurier.ca
What people are saying about the Macdonald-Laurier Institute

I commend Brian Crowley and the team at MLI for your laudable work as one of the leading policy think tanks in our nation’s capital. The Institute has distinguished itself as a thoughtful, empirically-based and non-partisan contributor to our national public discourse.

PRIME MINISTER STEPHEN HARPER

As the author Brian Lee Crowley has set out, there is a strong argument that the 21st Century could well be the Canadian Century.

BRITISH PRIME MINISTER DAVID CAMERON

In the global think tank world, MLI has emerged quite suddenly as the “disruptive” innovator, achieving a well-deserved profile in mere months that most of the established players in the field can only envy. In a medium where timely, relevant, and provocative commentary defines value, MLI has already set the bar for think tanks in Canada.

PETER NICHOLSON, FORMER SENIOR POLICY ADVISOR TO PRIME MINISTER PAUL MARTIN

I saw your paper on Senate reform [Beyond Scandal and Patronage] and liked it very much. It was a remarkable and coherent insight – so lacking in this partisan and anger-driven, data-free, abistorical debate – and very welcome.

SENATOR HUGH SEGAL, NOVEMBER 25, 2013

Very much enjoyed your presentation this morning. It was first-rate and an excellent way of presenting the options which Canada faces during this period of “choice”... Best regards and keep up the good work.

PRESTON MANNING, PRESIDENT AND CEO, MANNING CENTRE FOR BUILDING DEMOCRACY