From Traditional to Third Way Social Democracy: The Emergence and Evolution of Social Democratic Ideas and Policies in Saskatchewan and Quebec in the 20th Century

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Abstract: The topic of this dissertation is the emergence and evolution of social democratic ideas and policies in Saskatchewan and Québec, primarily within the Co-operative Commonwealth Federation (CCF), New Democratic Party (NDP), and Parti Québécois (PQ) governments of the 20th century. The dissertation uses a theoretical framework which combines political economy, political culture, and historical institutionalism to examine how social democratic ideas and policies in Québec and Saskatchewan interacted with the social, political, and economic conditions of these provinces to produce social change. The primary argument of the dissertation is that there has been a transformation from traditional to third way social democracy in these two provinces due to such factors as the advent of free trade and globalization, rising debts and deficits, alterations within the dynamics of Canadian federalism, and the agency of certain political actors. However, the dissertation also contends the political cultures of these two provinces play an important role in creating continuities between traditional and third way social democracy and explaining the subtle differences between social democratic ideas in Québec and Saskatchewan.
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List of Acronyms Used

ALN: Action libérale nationale
BAPE: Bureau d’audiences publiques sur l’environnement
BPC: Bloc Populaire Canadien
CAP: Canadian Assistance Plan
CEQ: Centrale de l’enseignement du Québec
CCF: Co-operative Commonwealth Federation
CCTB: Canadian Child Tax Benefit
CLD: Centres locaux de développement
CLSC: Centre locaux de services communautaires
CNCF: Comité national de la condition féminine
CPE: Centre de la petite enfance
CPR: Canadian Pacific Railway
CSN: Confédération des syndicats nationaux
CTCC: Confédération des travailleurs catholiques du Canada
CWB: Canadian Wheat Board
ESP: École sociale populaire
FADQ: La Financière agricole du Québec
FFQ: Fédération des Femmes du Québec
FLG: Farmer-Labor Group
FLQ: Front de Libération du Québec
FNSJB: Fédération Nationale Saint Jean-Baptiste
FPP: First-Past-the-Post
FSI: Federation of Saskatchewan Indians
FSIN: Federation of Saskatchewan Indian Nations
FTAA: Free Trade Agreement of the Americas
FTQ: Fédération des travailleurs du Québec
FUC: Farmers’ Union of Canada
FUIQ: Fédération des unions industrielles du Québec
GMF: Groupes de médecine familiale
GRIP: Gross Revenue Insurance Program
HRDA: Human Resources Development Agency
IDO: Industrial Development Office
ILPS: Independent Labour Party of Saskatchewan
IMF: International Monetary Fund
JAC: Jeunesse agricole catholique
JEC: Jeunesse étudiant catholique
JIC: Jeunesse Indépendante catholique
JOC: Jeunesse ouvrières catholique
MAI: Multilateral Agreement on Investment
MLA: Member of the Legislative Assembly
MNA: Membre de l’Assemblée Nationale
MS-N: Métis Nation- Saskatchewan
NCB: National Child Benefit
NAFTA: North American Free Trade Agreement
NDP: New Democratic Party
NEP: National Energy Program
NFU: National Farmers Union
NISA: Net Income Stabilization Account
OSE: Opération de solidarité économique
PC: Progressive Conservatives
PEFB: Provincial Equal Franchise Board
PLQ: Parti Libéral du Québec
PME: Petites et moyennes entreprises [Small and medium-sized businesses]
PR: Proportional representation
PQ: Parti Québécois
REXFOR: Société de récupération, d’exploitation et développement forestiers du Québec
RIN: Rassemblement pour l’indépendance du Québec
RN: Ralliement national
RSQ: Raffinerie de sucre du Québec
SAC: Saskatchewan Action Committee for the Status of Women
SAQ: Société des alcools du Québec
SAGMAI: Secrétariat des Activités Gouvernementales en Milieu Amérindien et Inuit
SDI: Société de développement industrielle
SFPC: Saskatchewan Forest Products Corporation
SGF: Société Générale de Financement
SGGA: Saskatchewan Grain Growers’ Association
SGIO: Saskatchewan Government Insurance Office
SIDEQ: Sidérurgie Québécois
SIFC: Saskatchewan Indian Federated College
SMDC: Saskatchewan Mining Development Corporation
SNA: Société nationale de l’amiante
SODEC: Société de développement des industries de la culture et des communications
SOMA: Société de Montage Automobile
SOQUEM: Société Québécois d’Exploration Minère
SOQUIA: Société québécois d’initiatives agro-alimentaire
SOQUIP: Société québécois d’initiatives pétrolières
SQT: Société québécoise des transports
SUF: Social Union Framework Agreement
SWGGA: Saskatchewan Women’s Grain Growers’ Association
TGGA: Territorial Grain Growers’ Association
WTO: World Trade Organization
UCC: Union Catholique des cultivateurs
UFC (SS): United Farmers’ of Canada (Saskatchewan Section)
UFWS: United Farm Women of Saskatchewan
UN: Union Nationale
UPA: Union des producteurs agricoles
Introduction

The 1990s were a time period of considerable ideological uncertainty throughout the western world. The combination of the collapse of the Berlin Wall and the onset of globalization led Francis Fukuyama to famously declare that we were witnessing the “end of history” in which secular free-market democracy would be established as the only enduring organization of society.\(^1\) At the same time, partly as a reaction against the dominance of neo-liberal and neo-conservative parties during the 1980s, social democratic parties returned to power in several of Europe’s largest countries such as Great Britain, France, and Germany. Indeed, while there had been only one New Democratic Party (NDP) provincial government in Canada from 1982 to 1988 and no NDP provincial governments during the last two years of the 1980s, the NDP was simultaneously elected in British Columbia, Saskatchewan, and Ontario during the early 1990s and the Parti Québécois (PQ) was re-elected in Québec in 1994. However, these social democratic parties in both Europe and Canada seemed to take a more moderate ideological direction than their predecessors who had shaped the politics of the post-war era. Therefore, social democracy returned as important ideological force during the 1990s albeit with much different ideological contours and in the drastically altered context of globalization and a post-Cold War geopolitical setting.

Following the work of Anthony Giddens and speeches by Tony Blair, many began to refer to social democracy’s new trajectory in the 1990s as the ‘third way’ in comparison to the ideology of traditional social democracy that was developed in the century from 1890 to 1990.\(^2\) As will be discussed at length in Chapter 2, the third way is a variant of social democracy that nevertheless displays a number of key differences from
the ideology of traditional social democracy. First, the third way has a shallow notion of equality as the allocation of government benefits based on the merit or need as opposed to traditional social democracy's deeper notion of equality which guarantees benefits to all regardless of merit or need as an essential component of citizenship. For instance, traditional social democracy would provide family allowance to all families regardless of income in order to create equality whereas the third way would try to promote greater equality through a skills training allowance for low-income single mothers who showed the 'merit' to want to improve themselves through education in order to receive the benefit. Second, the third way sees the free market as a mechanism which ensures autonomy and freedom through consumer choice and as mechanism which generates wealth for all of society. Thus, the free market needs to be supported by state action such as tax incentives to encourage investment. On the other hand, traditional social democracy believes that the free market needs to be restrained through expanding public ownership to produce a redistribution of society's wealth. Third, the third way is critical of solutions which depend too heavily on the state and recognizes that the state has the potential to be overly-bureaucratic and inefficient. Conversely, traditional social democracy holds that the state should play a preponderant role in all spheres of society and displays no fears concerning an overbearing bureaucracy or the inefficiency of government. Finally, the third way's mode of social transformation involves partnerships between the state and public sector to provide public services and does not include the expansion of public ownership whereas the expansion of nationalization was a critical part of traditional social democracy.
This dissertation illustrates that an evolution from traditional to third way social democracy took place in Saskatchewan NDP and the PQ during the 1990s. However, beyond merely describing this ideological evolution, I also attempt to explain why it took place. As such, my primary research question is as follows: why did the ideas of the PQ and the Saskatchewan Co-operative Commonwealth Federation (CCF) and NDP evolve from 'traditional' social democracy to 'third way' social democracy? This dissertation seeks to find the deep historical roots of the transformation from traditional to third way social democracy in Québec and Saskatchewan which necessitated the examination of social democracy in these two provinces throughout the entire 20th century. The principal argument of my dissertation is that the transformation from traditional to third way social democracy in Québec and Saskatchewan can be primarily explained in reference to the political economy, political agents, and institutional setting of the two provinces whereas the continuities which persist between traditional and third way social democracy are due to the political cultures of the two provinces. It is important to note that the terms of 'traditional social democracy' and the 'third way' were not employed by the Saskatchewan CCF-NDP or PQ during the time period which I am examining. Rather, these terms are analytical categories which I am imposing on these two cases.

It is also important to point out that the third way was not adopted by the federal NDP during the 1990s. In fact, the 1999 federal NDP convention overwhelmingly adopted a resolution that declared that it rejected the "third way" that it associated such European social democratic parties as the British Labour Party and the German Sozialdemokratische Partei Deutschlands (SPD). While there may be several reasons for the federal NDP's lack of enthusiasm concerning the third way during the 1990s, I
believe that two explanatory factors stand out. First, the federal NDP was simply not a contender to form government and therefore had little motivation to adopt third way strategies based on electoral viability and governing in tough fiscal situations. Due to its status as a perpetual third party, the federal NDP was more inclined towards ideological purity than its provincial counterparts who routinely form government. Further, there was a need for the federal NDP to differentiate itself from the federal Liberals who adopted what some considered third way policies in the 1990s. There was a fear in the federal NDP that moving toward the third way would make it indistinguishable from the federal Liberals and voters would cease to see a reason for its existence. Second, unlike the Saskatchewan NDP and the PQ during the 1990s, the labour movement (particularly Ontario-based unions) was very powerful in the federal NDP hierarchy and was a crucial source of donations during election campaigns. The labour movement was against the adoption of the third way and was able to thwart any movement in that direction by the federal NDP's leadership. However, despite the federal NDP's rejection of the third way, provincial wings of the party were free to adopt the third way during the 1990s due to the federalized nature of the NDP which gives considerable policy and fundraising flexibility to provincial NDP parties.

Since the early 1990s, a massive debate has been taking place in European political science concerning how to define third way social democracy, the reasons for its emergence, and its merits and its deficiencies. Compared to Europe, research concerning the third way in Canada is in its infancy. There have been a handful of studies on the Ontario, British Columbia, and Saskatchewan NDP governments of the 1990s and a recent book, edited by William K. Carroll and R.S. Ratner, has been published with the
title *Challenges and Perils: Social Democracy in Neoliberal Times.* This dissertation seeks to correct certain weaknesses that I find in the current literature on the third way at the provincial level in Canada. There has yet to be a clear attempt at a Canadian definition of the third way and several analyses of the third way in Canada have adopted ahistorical approaches which do not compare the third way, or only cursorily compare it, to social democratic thinking and action that came before it. As such, this dissertation contributes to the formulation of a Canadian definition of the third way and traditional social democracy through the examination of social democratic ideas and policies in Québec and Saskatchewan throughout the entire 20th century. Moreover, my historical comparison of traditional and third way social democracy in Québec and Saskatchewan reveals a number of continuities between the two forms of social democracy that have yet to be appreciated in Canadian literature on the third way.

In this dissertation, I also endeavour to go beyond mere description and critique of third way social democratic governments to explore the reasons for the emergence of the third way in Saskatchewan and Québec in the 1990s. Up until now, the literature on the third way in Canada has developed a ‘shotgun’ approach to explaining the emergence of the third way which relies upon varied and multiple explanations. Besides agreement on the fundamental role played by globalization, the emergence of the third way has been explained in reference to the rise of post-materialist values, cynicism associated with decreasing voter turnout rates, capital appeasement, right-wing bias in the media, changes in the class make-up of the leadership of social democratic parties, and the diminishing of the ‘mass party’ characteristics of social democratic parties. However, I argue that there is a need for a more focused explanation of the emergence of the third way in order to
avoid the relativism of the current ‘shotgun’ approach in which ‘anything and everything’ seems to be a contributing factor to the emergence of the third way. Therefore, this dissertation attempts to distil the most important explanatory factors contributing to the emergence of the third way in Saskatchewan and Québec and illustrate the limitations of a number of other alternative explanations that have been advanced.

Perhaps due to the lack of fluency of English Canadian political scientists in the French language, no research exists which compares English Canadian social democracy to social democracy in Québec. An examination of Québec’s experiences with social democracy in the 20th century compared to Saskatchewan will make a valuable contribution to English Canadian literature on the third way and social democracy in general. Finally, in my opinion, most Canadian literature on the third way has been over-critical of it as thinly disguised neo-liberalism due to the neo-Marxist orientation of many researchers. I hope to show that the third way in Saskatchewan and Québec is an ideology that is distinct from neo-liberalism and illustrate that it therefore a mistake to conflate these two ideologies.

I believe that the third way merits study for three primary reasons. First, the third way is the direction that many social democratic parties around the world are taking and third way social democratic parties often form governments in several Canadian provinces. Undoubtedly, the ideology of the third way has had and will continue to have substantial effects on Canada and several other societies around the world. Second, studying the third way adds to a larger debate in political science concerning the limits on the power of the state in an era of neo-liberalism and globalization. Essentially, the debates surrounding the third way can be reduced to arguments over the neo-liberal re-
definition of the state and what a state can and cannot do under the pressure of globalization. Finally, I believe that studying the third way can contribute to more profound debates of political theory such as the nature of equality, the role of markets in society, and what constitutes a good society. As an ideology, the third way outlines a set of policy prescriptions based upon certain philosophical and normative assumptions; illuminating such underlying assumptions could be of importance for future debates in the field of political theory.

Québec and Saskatchewan are particularly interesting cases for the study of the third way in Canada. Saskatchewan has the longest history of social democratic government in Canada and, considering that the Saskatchewan CCF-NDP has been in power for 47 out of the last 63 years, the CCF-NDP has a legitimate claim to being the ‘natural governing party’ of Saskatchewan. No other provincial social democratic party in Canada has consistently been in power over such a long time period.6 This unique situation of electoral dominance provides an excellent opportunity to fully analyze the differences and similarities in traditional and third way social democratic governance during the second half of the 20th century. Québec is also a unique case in Canada in terms of the study of social democracy. Due to the PQ’s nationalist orientation, Québec provides an interesting opportunity to study the relationship between nationalism and forms of both traditional and third way social democratic politics.

Finally, despite obvious differences concerning size, language, economy, and nationalism, this dissertation illustrates that both traditional and third way social democratic ideas in Québec and Saskatchewan and explanations as to why they were adopted are strikingly similar. Since such similarities could be found in two jurisdictions

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which are so seemingly different, it is possible that the analysis contained in this
dissertation could serve as a guide to researchers studying the transformation from
traditional social democracy to the third way in other Canadian provinces and in other
countries, particularly at the sub-national level.

Chapter Outline

The first chapter of this dissertation outlines the theoretical model developed to
explain the effect of ideas on political history which is a combination of political
economy, historical institutionalism, and political culture. The chapter then applies this
theoretical model to the cases of Québec and Saskatchewan in the Canadian context. The
chapter explores how the political economies of Québec and Saskatchewan can be
understood using the regional political economy approach that is associated with the
work of Janine Brodie and Ralph Matthews. The next section applies Nelson Wiseman’s
approach to provincial political cultures in Canada to the cases of Saskatchewan and
Québec. The chapter then illustrates the importance of the institutions of federalism, the
first-past-the-post electoral system and Westminster-style government to the policy-
making environment of social democratic governments in Saskatchewan and Québec.
This chapter also defines Western alienation in relation to Saskatchewan using the work
of Roger Gibbins, as well as and the concept of internal colonialism, and applies Anthony
Smith’s theory of nationalism to the case of Québec, describing how both Québécois
nationalism and English Canadian nationalism (of which Western alienation is a
component) are examples of ‘Whites-only’ nationalism. The chapter ends by describing
my research design.
The second chapter defines my principle concepts of traditional social democracy and third way social democracy. In particular, traditional social democracy as represented by the Fabian Society, Eduard Bernstein, and Anthony Crosland is defined in relation to socialism as represented by the writings of Karl Marx and Ralph Miliband and reform liberalism represented by the writings of T.H. Green and John Dewey. Similarly, I contrast the third way as expounded in the writings Anthony Giddens with the ideology of neo-liberalism contained in the writings of Friedrich Hayek. The ideology of social democracy evolved throughout the 20th century in response to changing historical circumstances (particularly immediately after World War II). However, I argue that revisions to the ideology of social democracy during the immediate postwar period were made within the general ideological framework established by the Fabians and Bernstein at the turn of 20th century. The revised approach strongly advocated the expansion of public ownership and the pursuit of greater equality through universal benefits provided to all citizens regardless of need or merit. As such, the third way, through its insistence on targeting social programs and eschewing the enlargement of public ownership, represented a much more fundamental break with the ideological orientation set by the Fabians and Bernstein than did the social democratic revisionism of the 1950s. The next section of the chapter assesses the value and limitations of applying European literature on the third way, particularly its lack of analysis of federalism, to developments in Canadian provinces. The chapter ends with a review of literature on traditional social democracy and the third way in Canada, Saskatchewan, and Québec.

The third chapter of the dissertation describes and explains the emergence of social democratic ideas in Saskatchewan and Québec before the CCF-NDP and the PQ
formed government. It begins by examining the social democratic ideas of agrarian protest movements and the early Saskatchewan CCF from 1900 to 1944. It argues that these social democratic ideas emerged in Saskatchewan as a result of the boom and bust grain-based political economy created by the National Policy; the creation of a social democratic strain in Saskatchewan political culture engendered by immigration patterns and the frontier environment of the province; the institutional structures of federalism which encouraged the rise of regional protest parties; and the ability of social democratic political actors to synthesize diverse foreign ideas into a coherent social democratic ideology which responded to the context of Saskatchewan.

In relation to Québec, the second chapter describes the surfacing of social democratic ideas and proto-social democratic ideas in social Catholic thought from 1900 to 1950, 'rattrapage' thinking of the 1950s, the Lesage Liberal government and Rassemblement pour l'indépendance nationale (RIN) during the 1960s and the PQ before it attained power in 1976. I contend that social democratic ideas emerged in Québec due to the industrialization and urbanization of Québec under an industrial capitalist mode of production in the first half of the 20th century followed by its economic peripheralization compared to Ontario during the postwar era; the establishment of a social democratic strain in Québec's political culture due to the interplay between ethno-religious nationalism and territorial nationalism during the middle of the 20th century; alterations in Canadian federalism which at first created asymmetrical administrative arrangements in the 1960s and then moved towards more centralization under the Trudeau government in the 1970s; and the capacity of political agents to merge the collectivism of social Catholic
thought with the secularizing and modernizing discourse of the Quiet Revolution to create a territorial nationalist social democratic ideology.

The fourth chapter of this dissertation explores the ideas of what I refer to as traditional social democratic governments in Saskatchewan and Québec. The traditional social democratic governments that are examined are the CCF government in Saskatchewan from 1944 to 1964 under the leadership of T.C. Douglas and Woodrow Lloyd, the NDP government in Saskatchewan from 1971 to 1982 under the leadership of Allan Blakeney and the PQ government in Québec from 1976 to 1985 under the leadership of René Lévesque. I examine the ideas of these three traditional social democratic governments under the two general themes of state intervention in the economy and equality. These two themes were chosen because they represent the two primary axes of social democratic ideology identified in my definitions of traditional and third way social democracy contained in Chapter 2 of this dissertation. It is argued that rate of economic growth, the political cultures of Saskatchewan and Québec, and changes to Canadian federalism were crucial explanatory factors in the evolution of traditional social democratic ideas within these governments.

The final chapter of this dissertation examines the ideas of the third way social democratic governments of the Saskatchewan NDP under the leadership of Roy Romanow from 1991 to 1999 and the PQ government under the leadership of Jacques Parizeau, Lucien Bouchard, and Bernard Landry from 1994 to 2003. The ideas of these third way governments are analyzed in the same two general themes as the traditional social democratic governments examined in the previous chapter. It is illustrated that, while there are numerous differences in the ideas of third way and traditional social
democratic governments, there are also several continuities between the ideas of the two types of social democratic governments.

The final chapter goes on to outline three principle explanations for the transformation from traditional to third way social democracy in Saskatchewan and Québec. First, in terms of political economy, the advent of globalization led to increased exports and imports in the Saskatchewan and Québec economy and free trade agreements restricted the expansion of public ownership during the 1990s. Once the expansion of public ownership was no longer an option due to free trade agreements, third way social democratic governments in Québec and Saskatchewan had little choice but to emphasize external private investment to stimulate export-led economic growth. As well in terms of political economy, Québec’s deficit was built up in the 1970s and 1980s as successive PQ and Liberal governments continue to overspend despite economic weakness and Saskatchewan’s deficit was build up in the 1980s by the Progressive Conservative government that overspent despite an economic downturn around the middle and latter part of the decade. The existence of a massive deficit from previous governments severely limited these third way governments’ ability to implement traditional social democratic policies of using public investment to stimulate economic growth and expanding the provincial welfare state.

Second, the institutions of Canadian federalism worked to re-enforce the Saskatchewan NDP’s and the PQ’s drift to the third way. Unilateral decisions by Ottawa to cut transfer payments when these third way governments were already facing a fiscal crisis forced them to rationalize their social programs and not to pursue expensive public investment in the economy. Further, it was a series of unilateral decisions taken by
Ottawa with little consultation with the provinces that led to the signing of free trade agreements which restricted the expansion of public enterprise in the 1990s.

Finally, one must take into account agency when discussing the transformation from traditional to third way social democracy in Québec and Saskatchewan. It was the agency of the Right-wing of the Saskatchewan NDP and the Right-wing and Centrist factions of the PQ who formulated the third way ideas that they thought fit with the economic, political, and social circumstances they were facing during the 1990s. The weakness of the Left-wing faction of these parties and the ascendancy of Right-wing and Centrist elements meant that these two governments were particularly susceptible to the adoption of third way ideas.

Alongside the important differences in the ideas of traditional and third way social democratic governments in Québec and Saskatchewan, there were various continuities such as the maintenance of public enterprise, commitment to Medicare, fiscal responsibility, cabinet-dominated governments, technical and financial support to small business, back-to-work legislation, the belief that economic development should not be sacrificed for environmental concerns, and moderate women’s and Aboriginal policies. The final chapter concludes by arguing that the social democratic strain in the political cultures of Saskatchewan and Québec was primarily responsible for the continuities between traditional and third way social democracy in these two provinces. It illustrates that the political culture of Saskatchewan and Québec re-enforced certain social democratic ideas and values which created path dependency in the politics of these two provinces. It is this path dependency produced by political culture which explains the
persistence of certain traditional social democratic ideas in the emerging context of
globalization and economic change of the 1990s in Québec and Saskatchewan.

The conclusion to this dissertation re-iterates the principle arguments made in the
preceding chapters, argues against the equation of the third way with neo-liberalism,
examines avenues for future research, and explores the likely future trajectory of social
democracy in Canada.
Chapter 1: Developing My Theoretical Model

With the exception of perhaps the most orthodox Marxist, most political scientists would agree that ideas matter in the study of politics. However, there is little agreement on the exact role that ideas play in determining political outcomes. The way in which ideas interact with economic, cultural, and institutional forces in a society in order to produce historical outcomes remains a matter of considerable debate. Yet, understanding the role of ideas in politics is a critical component of understanding the politics of a society and the impact that political ideas can have on the lives of all citizens of a polity.

This chapter attempts to contribute to the debate concerning the influence of ideas on political processes. I begin the chapter by outlining a theoretical model to describe how ideas affect political history, a model that combines political economy, historical institutionalism, and political culture. The chapter goes on to apply this theoretical model to the cases of Québec and Saskatchewan in the Canadian context. In this dissertation, I use this theoretical model to describe and explain the development of social democratic ideas in these two provinces which is unique from other provinces in Canada as well as the Canadian federal level. This dissertation also illustrates how ideas can have differential impacts in the same country so that regions (in this case provinces) develop in unique ways.

Evidently, the political economy of a place is an important force which shapes the ideas of social democratic political actors. As such, I explore how the political economies of Québec and Saskatchewan can be understood using the regional political economy approach associated with the work of Janine Brodie and Ralph Matthews. Political culture also exerts a major influence on the form political ideas take. Therefore, I
describe how Nelson Wiseman’s approach to provincial political cultures in Canada can be used to theorize the existence of unique political cultures in the cases of Saskatchewan and Québec which effect the development of social democracy in these two provinces. The chapter then moves on to illustrate the importance of the Canadian institutions of federalism, the first-past-the-post electoral system and Westminster-style government to understanding the policy-making environment of social democratic governments in Saskatchewan and Québec. It is shown how these institutions can both constrained and provide stimulus for innovation for the actions and ideas of social democratic governments.

The final sections of this chapter outline several concepts that are crucial to understanding the history of Saskatchewan and Québec. I define Western alienation in relation to Saskatchewan using the work of Roger Gibbins and the concept of internal colonialism, and I apply Anthony Smith’s theory of nationalism to the case of Québec. I then describe how both Québécois nationalism and English Canadian nationalism, of which Western alienation is a component, are examples of ‘Whites-only’ nationalism which is a concept developed by Anthony Marx and Jill Vickers to describe the ideational process by which white settlers came to believe that the land of North America intrinsically belonged to them. Undoubtedly, Western alienation and Québécois nationalism are important formative influences on the ideas of social democratic governments in Saskatchewan and Québec, especially ideas concerning race and gender. The chapter ends by outlining the research design of this study which is based upon my theoretical model.
Theoretical Model

In this dissertation, I examine political ideas and their effect on political history. Specifically, I explore the emergence and evolution of social democratic ideas in Québec and Saskatchewan to illustrate where these ideas came from, how they have developed, how they are manifested in contemporary politics, and how they shape the possibilities of the future. However, I do not argue that political ideas are unaffected by the organizational, institutional, or structural setting in which they emerged. Rather, I illustrate how these ideas converge with the economic, social, and political conditions in which they were embedded. Such a theoretical model would allow me to go beyond mere description of political ideas to highlight the relationship between ideas and the society they aim to transform. Therefore, to describe and explain the emergence and evolution of social democratic ideas in Saskatchewan and Québec in the 20th century, I have devised a theoretical model which combines the approaches of political economy, political culture, and historical institutionalism.

Political Economy

Political economy should be defined in a broad sense as encompassing “the social, political, and cultural constitution of markets, institutions and actors” but being “materialist in the sense of placing at the forefront the way in which society creates and sustains itself.” In particular, I use Robert Cox’s approach to political economy to study the cases of Québec and Saskatchewan. The essence of Cox’s political economy is that social reality is the response of humans to the material environment with which they interact. However, humans choose how to respond to their material environment using a pre-existing ideational framework which they gain from their interaction with the human
society in which they live. This pre-existing ideational framework is similar to what Jane Jenson refers to as the universe of political discourse which is the "terrain on which actors struggle over representation of collective identities and the 'naming' of actors".\textsuperscript{10} Jenson’s universe of political discourse is the pre-existing ideational framework of society with which people are forced to interact when they engage in politics or think about politics. It places limits on what we can think, especially in relationship to what politics is and how we name and identify ourselves. The importance of Jenson’s concept of the universe of political discourse is that it tempers the pure environmentalism of Cox’s historical materialism. The universe of political discourse shapes interaction with the material environment and places limits on our thought and action. Thus, combining Cox and Jenson, I would postulate that social reality is the response of humans to their material environment and the pre-existing ideational framework of the society with which they interact.

For Cox, the possibility of historical change presents itself when there is a "disjuncture" between a problem presented by the material environment and the "hitherto-accepted" societal response to that problem.\textsuperscript{11} Similarly, Jenson argues social change takes place in times of "crisis" where the societal consensus about the names of actors, interests, and political spaces breaks down and alternative meanings and practices proliferate in the universe of political discourse.\textsuperscript{12} Awareness of such a disjuncture or crisis enables humans to construct knowledge that can be helpful in making a future, i.e., channelling the direction of events towards a desired option from those that appear feasible given the obvious limits of the existing material environment and the universe of political discourse.
Cox argues for the importance of ideas in the processes of a political economy but insists that ideas combine with institutions and material forces to create social change. For Cox, there are three components of a historical framework of action: ideas, material capabilities, and institutions. Ideas are broadly defined as ethics, beliefs, explanations, myths, opinions, and ideologies of individuals and groups. Material capabilities are "productive and destructive potentials" which exist in two forms—dynamic and accumulated. In their dynamic form, material capabilities exist as technological capabilities, such as control over a network of computers. Dynamic material capabilities would also include organizational capabilities, such as control over a workforce or membership in an organization. In their accumulated form, material capabilities exist as "natural resources which technology can transform, stocks of equipment (for example industries and armaments), and wealth which can command these." Institutions, such as political parties or corporations, are somewhat of a hybrid of ideas and material capabilities. Cox states that institutions are "particular amalgams of ideas and material power which in turn influence the development of ideas and material capabilities." For Jenson, institutions solidify pre-existing ideational formations and relations of power expressed in earlier conflicts. Thus, for Jenson, ideas are embedded in institutions and serve to legitimize the existence of the institution. As such, combining Jenson and Cox, institutions are structures and processes embedded with certain legitimizing ideas that wield control over a set of material capabilities.

Political Culture

Cox's approach to political economy is amenable to being combined with political culture and historical institutionalist approaches to the study of politics. Political
culture is a theoretical approach that developed in the postwar era in the United States which soon became divided into two distinct branches. The first branch concentrates on how the individual is "subjectively oriented toward the essential elements in his political system." Specifically, this branch of the political culture approach uses public opinion surveys to gauge citizen trust in their political institutions, their belief in those institutions' efficiency and their feelings towards participation in political processes. A more qualitative approach to political culture was pioneered by the work of Louis Hartz. Hartz's work takes an historical approach to political culture which concentrates on the effects of the ideology of original settlers of colonies on the subsequent history of their polities. In short, Hartz sees settlers as representing ideological fragments of the societies from which they came (French Canada and Latin America were feudal fragments; the United States, English Canada, and Dutch South Africa were bourgeois fragments; and British South Africa and Australia were radical fragments) and argues that the ideologies of these fragments congeal over time to entrench certain patterns in the political cultures of these former colonies. In Hartz's approach, the contours of a society's political culture are measured by examining the intellectual history of that society's political parties, the public policy of its governments and its primary political thinkers. These ideas are then taken as representative of the political culture of the society as a whole.

While it could be argued that using elite discourse to represent the political culture of an entire society is problematic, the qualitative approach to political culture holds that leaders are an accurate reflection of the culture of the society which produces them. Therefore, the ideas of political elites can be taken as representative of the major
ideological strains in a political culture. Indeed, such elites would not rise to prominence if they did not expound ideas that were representative of an important current of thought or ideology in a society. Therefore, while not everyone in a province agrees with what the Premier of a Canadian province says, the ideas of a Premier are definitely representative of an important part of their province’s political culture and can therefore be taken representative of certain ideological strains in their province’s political culture.

The approach to political culture used in this dissertation is inspired by the work of Nelson Wiseman who is part of the qualitative and historical branch of political culture. Wiseman defines political culture as “deeply rooted, popularly held-beliefs, values, and attitudes about politics. Culture is pervasive, patterned, cross-generational, enduring, and relatively stable. It is more like the climate than the like the weather of transitory political events.” Wiseman’s framework for understanding political culture has three principal components. First, he argues that political cultures “reflect the interplay of economic forces which envelop them.” As such, political cultures are fundamentally shaped by the political economy in which they are embedded. Second, borrowing from Lipset’s understanding of the effect of the American Revolution on Canadian and American political cultures, Wiseman contends that certain formative moments in the history of a society can have long-lasting impacts on its political culture. Finally, inspired by Hartz’s fragment theory, Wiseman posits that political cultures of settler societies are moulded by the immigrants who settled them and brought with them their “ideological baggage” from their homelands.
Historical Institutionalism

Cox’s political economy and Wiseman’s political culture approach are combined with historical institutionalism to complete my theoretical model. Historical institutionalism is a branch of the ‘new institutionalism’ which arose in the 1980s in reaction to the behaviouralist approach to political science.\(^{22}\) Historical institutionalism, associated with the work of Paul Pierson, Theda Skocpol, and Peter Hall, has several distinct and interrelated characteristics. At its broadest, historical institutionalism is an attempt to illuminate how “political struggles are mediated by the institutional setting in which they take place.”\(^{23}\) It defines institutions as “formal or informal procedures, routines, norms and conventions embedded in the organizational structure of the polity or political economy.”\(^{24}\) As such, historical institutionalism adds an important element to Cox’s and Jenson’s definition of institutions as hybrids of material capabilities and legitimizing ideas. For historical institutionalists, institutions use their material capabilities and legitimizing ideas to create sets of procedures and formalized processes which in turn have significant effects on the politics of a society.

Historical institutionalists focus on how institutions shape collective and individual action thereby influencing the outcomes of political processes. Additionally, historical institutionalists “take time seriously” by specifying sequences and tracing transformations over several decades or centuries in order to understand the historical dimensions of causation.\(^{25}\) However, it is important to note that historical institutionalists do not hold that institutions or the history of institutions determine the outcome of politics. Rather, for historical institutionalism, sets of institutions interact with the
overarching context of the social, political, and economic conditions of a society to create societal transformations.

In describing the interaction between institutions and the societies in which they are embedded, an important concept used by historical institutionalism is that of path dependency. The concept of path dependency denotes that the creation of an institutional setting at a certain critical juncture in the history of a society engenders “feedback mechanisms that reinforce the recurrence of a particular pattern into the future.” Political conflict is a key characteristic for understanding the type of institutions created at the time of a critical juncture and the subsequent changes in the goals and priorities of institutions that break with a path or alter a path’s direction. However, the “economics of increasing returns” holds that breaking with a path becomes more costly as time advances. As such, path dependency can create inertia as the costs of breaking with a path increase with time and the rewards associated with following a path grow with time.

Historical institutionalism recognizes that there are asymmetries of power associated with the operation and development of institutions which are manifest in these critical junctures of society. Indeed, the way in which institutions distribute power unevenly across social groups structures both political outcomes and the form new institutions take or the way in which old institutions are reformed. As such, historical institutionalism suggests a certain theory of the state. Historical institutionalists are generally opposed to both pluralist conceptions of the state where policy outcomes are determined by the competition between opposing interests and to neo-Marxist accounts of the state as an instrument for the dominant class. Instead, historical institutionalism argues that the state is a set of autonomous institutions that mediate conflict among
society's diverse social groups and attempt to direct the course of the economy. In a certain institutional framework, state action constantly reacts to the changing social, economic, and political conditions of society and navigates policy in reaction to the conflict of actors in the economy and civil society. The key in this theory of the state is that those in control of the state (bureaucrats and politicians) have the power of autonomous action constrained by the institutional framework in which they find themselves and influenced by the activity of civil society and economic actors of varying and unequal power.

Following historical institutionalism's theory of the state, my theoretical model rejects Cox's argument (borrowed from the work of Antonio Gramsci) that ideas, material capabilities, and institutions combine to create the hegemony of one social class over other subordinated social classes in the economic, political, and social realms. In the economic realm, the power of the dominant classes is offset by the power of trade unions, the regulatory power of the state, and public opinion. Further, the action of owners of wealth is constrained by market conditions, competition, and geo-political circumstances. In civil society, organizations representing the interests and ideas of the dominant class are in conflict with social movements, citizens' groups, and political parties. The state is not an instrument that is in the control of a dominant class but is an autonomous institutional framework that can work for or against the interests of owners of considerable wealth.

Undoubtedly, there is an unequal distribution of power among actors of a society based upon wealth. Moreover, the politicians and bureaucrats in control of the state have an interest in the continuing viability of the capitalist economy because its growth
provides state revenues and public support will be lost if the accumulation process falters. Therefore, governments are, in the last instance, structurally dependent upon on the willingness of holders of private financial assets to invest in their economies in order to create and sustain economic growth. However, this situation of structural dependency of governments on capital does not afford complete control to a dominant class over society and the power of owners of wealth can be effectively constrained by the state, civil society, and structures in the economy. Specifically, the limitation of the power of the dominant class over the state is shaped by the will and ideology of the political party in power and the political culture of the civil society which supports that political party. As such, despite the structural dependency of governments on capital, state actors can stand up to business interests and impose reforms which they believe are in the best interests of society.

Race and Gender Regimes

It should be noted that I understand the political economy, political culture, and institutional framework of a society to embody both gender and race relations. A political economy can enforce patriarchal and racial relationships in the workplace and the labour force while a political culture can entrench views concerning women’s role in the private or public spheres and legitimate ideas about race, ethnic identity, entitlements, and citizenship rights. Similarly, institutions can be structured to subordinate women or to perpetuate the dominance of one racial or ethnic group over another.

In particular, R.W. Connell argues that classical theories of the state "are unhelpful in the sense that they have had little to say directly about gender." He contends that liberal theories of the state represent citizens as unsexed individuals
abstracted from social context while Marxist theories of the state see it as an agency of class power and do not differentiate between the genders of members in competing classes. As such, he argues that the state is the “institutionalization of gendered power” and therefore each state has a definable gender regime which enforces a division of labour, structure of power, and discourse that aggrandizes the power of men in society. Therefore, the state becomes involved in the historical process generating and transforming the basic components of society’s gender order. Similarly, Jill Vickers theorizes the existence of state-based race regimes which are “made up of ideas, structures (institutions), practices, and relationships through which states establish, maintain, and change official systems of racial discrimination.” Due to the establishment of such race and gender regimes, the state is not a neutral entity in relation to women and racialized groups but an active creator and guarantor of certain processes and structures of discrimination, subordination, and marginalization based on gender and race.

Summary of Theoretical Model

In summary, I combine these three theoretical approaches (political economy, political culture, and historical institutionalism) to formulate a theoretical model of how ideas affect political history and contribute to the processes of social change. Ultimately, this model is an attempt to respond to the complex question of why political actors, in this case traditional and third way social democratic governments, adopt the ideas that they do. In this model, political ideas are held to be reactive to the political economy, political culture, and institutional setting with which they must interact. As such, as the political economy of a society changes, political actors must adapt their ideas to new and
emerging contexts. However, the ideas that political actors come up with to meet these new circumstances and the public’s willingness to accept such ideas are heavily influenced by the political culture of a society which has emerged across several generations. Essentially, a society’s political culture provides inspiration for the ideas of political actors and also sets up a framework which limits the realm of political possibility. The new ideas that political actors have as a reaction to the political economy they face are further influenced by the institutional setting in which they must operate. Institutional frameworks can simultaneously constraint the freedom of political actors or encourage them to be innovative in their thinking and actions. Either way, political ideas are necessarily shaped by the set institutions in which they are articulated and the institutions through which these ideas are supposed to be realized.

Among these three factors (political economy, political culture, and institutions), political economy should be considered to be the most important in influencing the adoption of a certain idea or set of ideas by a political actor. The ideas of political actors, particularly those in government, are strongly shaped by economic forces over which they have limited control. Economic realities such as a reduction in world demand for certain products or commodities, high unemployment rates, or decreasing government revenues due to an economic slowdown can both severely constrain the ideas of political actors or encourage them to be innovative in their thinking. While the political culture and institutional setting of a place frequently can influence the form that the ideas of political actors take in reaction to changes in their political economies, the structures and processes of political economy should always be considered of primary importance in
explaining the evolution of political ideas whereas political culture and institutional setting should be assigned secondary importance.

Therefore, in this dissertation, I explore changes in the structure of the provincial economy (strength of various industries, unemployment rates, GDP, exports, labour force restructuring) and resulting social trends (urbanization, proportion of women in the workforce, immigration patterns). Further, I examine the institutional setting (Canadian federalism, first-past-the-post electoral system, Westminster-style government) in which social democratic actors in Saskatchewan and Québec operate for evidence of path dependency or critical junctures engendering a break with previously stable paths. I also examine the alterations and continuities in the political cultures of Saskatchewan and Québec in the period that I am exploring. It is against this background of political economy, political culture, and institutions that the adoption of traditional and third way social democratic ideas is examined. As such, I point out congruencies between these ideas and the political economy, political culture and institutions of Saskatchewan and Québec in order to explain the transformation from traditional to third way social democracy in these two provinces.

This discussion of the importance of political economy, political culture, and institutional setting on shaping political ideas should not be taken to mean that agency had no effect on types of social democratic ideas adopted in Québec and Saskatchewan during the 20th century. Governments and political parties have a choice in what they say and do. However, the political economy, institutional setting, and political culture of a place can limit the choices they can make and restrict the range of options open to them. As I illustrate, the history of social democracy in Québec and Saskatchewan is one of
agents finding ideas which 'fit' with the social, political, and economic context in which they find themselves. In so much as these agents successfully found ideas that were congruent with the political economies, institutional settings, and political cultures of Québec and Saskatchewan, they were able to engender social change. In turn, these social changes altered the political economy and institutional framework of Saskatchewan and Québec and re-enforced, weakened, or transformed elements of these provinces' political cultures.

**Applying My Theoretical Model to the Cases of Québec and Saskatchewan in the Context of Canada**

After having formulated this theoretical model, it is necessary to apply it to Saskatchewan and Québec in the Canadian context. As such, this section seeks to establish a framework for understanding Québec and Saskatchewan using the approaches of regional political economy and provincial political culture as well as examining the impacts of federalism, the first past the post system and Westminster style government on policy-making in Canadian provincial governments. As a result, we will be able to outline the application of my theoretical model to the study of the cases of social democratic governments in Saskatchewan and Québec.

**Regional Political Economy**

The political economies of Saskatchewan and Québec are nested in the context of the larger Canadian, North American, and global political economies into which they are integrated. A fruitful approach to understanding the Saskatchewan and Québec political economies in their broad context is the regional political economy approach which has been developed in the work of Janine Brodie and Ralph Matthews. Brodie argues that the Canadian political economy has been structured by state development strategies which
have profound spatial implications that accumulate across time. For Brodie, a region is "a territorial entity having some natural and organic unity or community of interests that is independent of political and administrative boundaries."\textsuperscript{37} Brodie goes on to illustrate how the regions of Canada were political creations of successive National Policies by the central government from the time of British imperialism until Prime Minister Brian Mulroney's agenda of continental integration in the late 1980s. Therefore, Brodie sees regionalism as an interpretation of politics that structures political conflict around the issue of the distribution of resources across regions.

For his part, Matthews adds that regionalism has a "social-psychological component" which involves individuals identifying themselves with a certain region and making a commitment to it.\textsuperscript{38} Thus, regional disparities have both material and subjective elements such as differing levels of economic wealth, varying provincial state capacities and feelings of alienation or injustice in the population and among political elites. Like Brodie, Matthews illustrates that the disparities between the Atlantic Canadian region and Central Canada are neither natural nor the result of a lack resources or deficiency of local entrepreneurship in Atlantic Canada itself. Rather, these regional disparities are the result of the draining of wealth, capital and resources from Atlantic Canada to Central Canada from 1890 to 1920 under the auspices of certain federal government policies. This economic and political process created the current situation of regional dependency of Atlantic Canada on Central Canada. As we can see, the key point for both Brodie and Matthews is that uneven regional development is created by political, social and economic forces acting upon territories and space. The result is a Canadian political
economy characterized by regionalism and conflict over the spatial distribution of economic activity and wealth.

In contrast to the regional political economy of Brodie and Matthews which sees regions as existing independently of the physical and institutional boundaries, Alan Cairns, Donald Smiley, and David Elkins and Richard Simeon all argue that regional differences must be institutionalized in provinces in order to be mobilized as political forces. They argue that federalism has created an institutional framework around which parties, elections, and other political structures and processes are organized. Provincial governments, they contend, have gained increasing power relative to Ottawa and have became entrenched as regulators, service providers, economic actors, and representatives of provincial identity thereby decreasing the relevance of the concept of region. Consequently, these analysts are skeptical of regional political economists’ use of the concept of region as a major conceptual framework for understanding Canadian politics. Instead, they see Canadian provinces as ten “small worlds” with high degrees of inter-provincial dissimilarity.

Reconciling the proponents of ‘provincialism’ and ‘regionalism’ is rather simple in the case of Québec: Québec is both a region and a province. As a region-province, Québec displays all the characteristics of a region identified by Brodie and the provincial government of Québec is the primary conduit for expressing discontent resulting from integration in the Canadian political economy and federal system. In short, Québec, as a region-province, is a society which acts as a region in relationship to the rest of the Canadian political economy. Such a view is compatible with both the regional political economy and a more province-centered approach.
However, it would be unwise to treat Saskatchewan as a region-province since it has traditionally been seen as part of the region of the prairies or the region of Western Canada. Gerald Friesen has suggested an innovative way to view the Western provinces which reconciles regional political economy and the advocates of provincialism. Friesen argues that between 1867 and 1945 the prairies (Manitoba, Saskatchewan, and Alberta) formed a distinct region because it was treated as a single administrative unit by the federal government, had a homogenous grain economy, Winnipeg acted as a regional metropolis, and its provincial governments were undeveloped and did not have full provincial powers. This prairie region was distinct from British Columbia which had entered Confederation as a province with full constitutional powers in 1871, had a distinct lumber economy and its own metropolis of Vancouver. As such, in this time period, Saskatchewan should be treated as being submerged in the larger region of the prairies as suggested by regional political economists.

After 1945, Friesen argues that individual provinces became the organizing forces of much of Canadian life as they intervened directly in the economy, their legislative power increased due to the decentralization of the Canadian federation and they became providers of important health, education, and social services. The development of provincial communications networks in this time period also increasingly created provincial, not regional, conversations and provincial identity grew. Simultaneously, a single over-arching western economy including both the prairies and British Columbia developed based on primary product exports, growing urban manufacturing, and expanding cultural and service sectors which replaced the old and separated lumber and grain economies. Friesen argues that in this era, Saskatchewan and the other three
Western provinces should be seen as provinces in the region of Western Canada. As such, this dissertation will treat Saskatchewan as a ‘society’ composed of a provincial state, provincial economy and provincial civil society that was submerged in the prairie region until 1945 and is embedded in the Western Canadian region after 1945.

Regional political economy is certainly in line with Cox’s approach to political economy in its recognition that material capabilities are directed by political and institutional forces in response to a perceived problematic. Further, a regional political economy approach does not preclude the examination of gender and racial relations in the political economy of a region. Indeed, following research of the importance of gender and race to the Canadian political economy, this dissertation will illustrate that the political economies of Québec and Saskatchewan have been and are structured in such a way as to subordinate First Nations and other racialized ethnic groups and re-enforce patriarchal gender relations.

_Provincial Political Culture_

As mentioned, the approach to political culture in this dissertation is guided by the work of Nelson Wiseman who combines political economy, Lipset’s understanding of formative events, and Hartzian fragment theory. Using these three elements, Wiseman posits that each Canadian province has a unique political culture. In the case of Québec, he argues that the combination of the fur trade economy, the formative event of the Plains of Abraham, and the “quasi-feudal conservative” orientation of pre-Conquest immigration from France created a very conservative or “pre-liberal” Québec provincial political culture based upon the Catholic Church and suspicion of liberal ideas of rights before 1960. During the 1960s, Wiseman argues that the collectivist impulses of
traditional Québec political culture meshed with the ascending liberalism of the Quiet Revolution to produce a distinctively social democratic outlook. In the case of Saskatchewan, Wiseman contends that the advent of the grain economy, the arrival of the CPR on the prairies and the Labourite tradition of immigrants from Great Britain led to the establishment of a political culture that was favourable to social democracy.

This dissertation seeks to expand on the suggestive framework for the analysis of provincial political culture in Canada outlined by Wiseman. The following chapters more precisely establish the nature of the political cultures of Québec and Saskatchewan and the effect of those political cultures on emergence and evolution of social democracy in these two provinces. However, one aspect of Wiseman’s conception of provincial political culture that needs to be immediately challenged is that it completely leaves out race and gender. As will be shown, the political cultures of Québec and Saskatchewan embody what Daiva Stasiulis and Radha Jhappan call a “white settler society construct” which “refers to the intentions of colonial administrators to build in Canada an ‘overseas extension’ or replica of British society.” This white settler construct was maintained by “racial/ethnic and gender hierarchies expressed through laws, political institutions, immigration and settlement policies.” As an entrenched element of the political culture of Saskatchewan, it will be shown that this white settler construct has had enduring and cross-generational impacts on the politics of the province. In the case of Québec, Francophones did not attempt to create a replica of British society. However, the political culture of Québec did contain a white-settler construct that re-enforce patriarchy and the dominance of the French ethnic group.
My focus on provincial political cultures in no way precludes the analysis of a pan-Canadian national political culture in the work of Seymour Lipset. Rather, these provincial political cultures can be seen as components of a larger Canadian political culture which Lipset describes as more class-aware, elitist, law-abiding, statist and collectivist than American political culture. Indeed, the existence of social democratic tendencies in Québec and Saskatchewan would support Lipset's arguments about the inherent collectivism, class awareness and statism in pan-Canadian political culture.

It should be noted that political culture in Canada has been studied using a quantitative approach which measures political culture through using public opinion surveys with a particular focus on citizen's trust in political institutions and rates of political participation. As noted in above, I will be taking a more historical and qualitative approach to the study of political culture in this dissertation. My approach, following the work of Wiseman and Hartz, measures the political culture of Saskatchewan and Québec through using the ideas of political parties, governments, and political actors as accurate reflections of the broader political culture in which they are embedded.

Any discussion of political culture in Canada must take into account the familiar Hartz-Horowitz explanation for the existence of "organized socialism" (i.e.- social democracy) in English Canada. Inspired by Hartzian fragment theory, Gad Horowitz theorized that the collectivism inherent in the "Tory Touch" of Loyalist settlers is responsible for the rise of social democracy in English Canada and the non-existence of social democracy in the United States where Lockean individualism reigns like a religion. It is important to recognize that the Hartz-Horowitz thesis has been criticized.
on several grounds since it first appeared in 1966. Conrad Winn notes that Horowitz provides no empirical evidence for his claims. Winn goes on to illustrate that there are few differences between Canadian political parties in terms of public policy output which he claims responds much more to social cleavages than to philosophical disagreements. H.D. Forbes argues that Canadian Toryism and Canadian socialism were indigenous creations springing up from Canadian conditions and Canadian intellectual sources instead of immigration patterns. From an institutionalist perspective, Elizabeth Mancke contends that features of the Canadian state entrenched before the American revolution such as a strong executive, weak assembly and crown control of natural resources are responsible for the statism in Canadian political culture instead of the ‘Tory touch’ created by Loyalist immigration.

Nonetheless, the Hartz-Horowitz thesis is useful to my project because it argues that political ideas have salience over long periods of time and that there are connections among different ideological currents in a society. In light of the criticisms outlined above, I will not use the Hartz-Horowitz thesis in an overly deterministic way. For instance, I do not assume that the ideas of social democracy in Québec and Saskatchewan are simply the result of founding immigration patterns. Instead, my approach to political culture takes into account important structural and institutional conditions and the effect of individual and group agency on the development of social democratic ideas.

Therefore, while I do believe that immigration patterns are important in explaining the emergence of social democracy in Saskatchewan, I would argue that the Hartz-Horowitz framework is obviously inadequate when discussing Saskatchewan for a number of reasons. First, there is no tradition of Toryism on the Canadian prairies which
could be seen as being responsible for the creation of social democratic ideas in Saskatchewan. Thus, as Wiseman points out, Hartz-Horowitz theory fails in the case of English Canada because social democracy is weakest in the East where Toryism is strongest and social democracy is strongest in the West where Toryism is weakest.\textsuperscript{52}

Second, the Hartz-Horowitz thesis does not take into account how social democratic ideas were modified and synthesized by agents once these ideas arrived in Saskatchewan or how the institutional framework of federalism encouraged the growth of farmer protest parties on the prairies. Finally, Horowitz sees the emergence of social democracy in Canada solely as the product of a ‘Tory Touched’ political culture derived from Loyalist immigrants and the immigration of British Labour socialists.\textsuperscript{53} Thus, Horowitz completely ignores the contribution of American agrarian protest thought to the emergence of social democracy on the prairies which I discuss in detail below. He also ignores the indigenous ideas created by social democratic activists on the prairies that came from neither Britain or the United States.

While Horowitz did not consider the emergence of social democracy in Québec in his influential article, Hartz identified Québec as the purest case of “fragment traditionalism” in a 1964 text and argued that Québec society remained wedded to traditional Catholicism which created an underlying passivity of the general population that is characteristic of all feudal fragments.\textsuperscript{54} He predicted that the Québec fragment would eventually encounter the radicalism that it escaped when it left “the moving stream of European history” and that radicalism could be in the form of either fascism or socialism in a “delayed rendezvous with Babeuf.”\textsuperscript{55} Wiseman extended Hartz’s analysis on Québec in a brief article that he wrote in 1988 in which he argued that the collectivism

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of Québec society caused by its status as a feudal fragment combined with Quiet Revolution liberalism to produce the social democracy of the PQ. In Wiseman’s words: “a feudal past when combined with a sudden influx of liberal ideas in the mid-twentieth century produced the environment where the seeds of socialism sprouted. Québec socialists since 1960 have drawn on the collectivist and organic principles of French Canada’s feudal past and the egalitarian and rationalist components of its liberal Quiet Revolution.”56 As such, Wiseman sees Québec’s feudal past as the primary explanatory element for the emergence of the ideologies of socialism and social democracy in that province during the second half of the 20th century.

H.D. Forbes critiqued Wiseman’s reading of Québec history for underestimating the liberal currents in Québec political culture before the Quiet Revolution. Forbes was also skeptical of Wiseman’s claim that the PQ is a social democratic party. He claims that “there were socialists in the Parti Québécois, but when we subtract the nationalist elements from it, it shrinks in force.”57 For reasons I discuss later, I view the PQ as a social democratic party. However, as shown below, I do agree with Forbes that the Hartzian framework downplays the importance of liberal nationalism before the Quiet Revolution in Québec. Further, as we will see in Chapter 3, my analysis illustrates that social Catholic thought, which was a forerunner to social democracy in Québec, was a response to the economic, social and political conditions of Québec in the first half of the 20th century much more than it was a product of Québec society’s feudal past.

In summary, the application of the Hartz-Horowitz framework to the cases of Québec and Saskatchewan runs into serious problems. The framework generally fails to take into account the institutional and economic forces that social democratic ideas were
reacting to when they emerged and it does not take into account the effect of individual
and group agency on the development of social democratic ideas. In contrast to the Hartz-
Horowitz approach to political culture and more in line with Wiseman's theory of
provincial political cultures, I hold that political culture alone is not responsible for
historical outcomes or the adoption of certain political ideas by political actors. Rather,
the political culture of a society merges with the political economy and institutions of a
society to engender the political ideas of historical actors.

*Canadian Institutions: Federalism, First-Past-the-Post, and Westminster-Style
Government*

Following the historical institutionalist approach contained in my theoretical
model, the institutions that affect the public policy of social democratic provincial
governments in Québec and Saskatchewan must be examined. Federalism is the
institutional framework that has the greatest effect on provincial governments in Canada.
Ronald Watts defines federalism as “multi-tiered government combining elements of
shared-rule and regional self-rule.” He goes on to outline a number of common
structural characteristics of federations including two orders of government each directly
regulating the lives of their citizens; a constitutional division of powers; the provision for
designated representation of regional views in federal policy-making institutions, usually
through a federal second chamber; a written constitution not unilaterally amendable; an
umpire (in the form of courts or referenda) to rule on disputes between governments; and
processes to facilitate intergovernmental collaboration for those areas where
governmental responsibilities are shared or inevitably overlap. William Riker maintains
that federalism has the advantage of protecting the autonomy of local communities while
allowing the unification of the large population, territory and resource base needed to
secure military protection and economic prosperity. Indeed, for Riker, the choice of a federal system at time of Confederation in Canada was motivated by the need to unite the British Colonies in order to protect against the threat of annexation by a large standing American army after the Civil War and the desire to maintain the autonomy of Québec and the Atlantic provinces.

It is clear that federalism, as an institutional framework, directly structures politics and policy-making processes in Canadian provinces. Canadian federalism has a number of features which accentuate the power of provincial governments such as the division of powers which gives them significant responsibility for social policy (health, social assistance, and education), broad taxing powers and ownership of Crown Lands. The power of the Québec government is aggrandized even more through asymmetrical administrative arrangements in several areas including pensions and immigration. However, whether it is the financing of social programs with attendant national standards, the claiming of tax room in a particular field of taxation, or the regulatory and taxation environment in which provincial public enterprises must operate, the policy-making of provincial governments is affected by the activity of the federal government on a daily basis. Moreover, Canadian federalism features only very undeveloped intrastate institutions (such as the Senate) to represent regional interests, contains a high level of shared jurisdiction, and displays high prevalence of executive federalism, all of which makes provincial governments major players in the structuring of the federal policies which shape their policy-making environment. The fact that there are only ten Premiers and provincial governments (as opposed to fifty in the United States) further enhances their power of veto and their ability to direct federal-provincial negotiations. Therefore,
as we can see, Canadian federalism produces powerful provincial governments as well as the necessity and opportunity for these provincial governments regularly to engage in federal-provincial negotiations to achieve their policy goals.

When it comes to the policy formulation processes, federalism simultaneously allows for greater innovation and greater constraints on government action than does a unitary system. The federal system can encourage innovation by providing the opportunity to pioneer programs at the provincial level that do not yet have national support. If successful, such programs can be emulated by other provincial governments or implemented at the national level by the federal government. Pierre Trudeau advocated this view in his classic attack on the centralism of the federal CCF-NDP when he wrote that "Federalism must be welcomed as a valuable tool which permits dynamic parties to plant socialist governments in certain provinces, from which the seed of radicalism can grow." Similarly, Kenneth McRoberts points out that it is possible that two levels of governments in a federal system, both led by politicians dependent upon electoral support, can be caught up in a competition for public favour that leads to overall greater state capacity and innovation than would be the case in an unitary state. Richard Simeon and David Elkins have referred to this process as "competitive state-building."

On the other hand, Keith Banting argues that inter-provincial competition to keep tax rates low and the poverty of certain regions limit provincial capacity to introduce innovations or emulate innovations put in place in other provinces. Further, he argues that "divided jurisdiction raises the level of consensus required for innovation, and thereby complicates the process of introducing new programs [by the federal government]" and he also notes that the existence of multiple vetoes by federal and provincial governments
can restrict the reform of established programs. Indeed, with reference to the United States, Mark Graber argues that federalism, by increasing the number of veto points and decentralizing American politics, has acted as a constitutional barrier to the development of social democracy. Conversely, it is possible that the existence of multiple vetoes inherent in federalism can slow the erosion of expensive national social programs in times of economic downturn and retrenchment of the welfare state. However, research concerning Canada in the 1990s did not find federalism to be a significant obstacle to the erosion of national programs.

Besides blocking or delaying the adoption of new national programs or the reform of existing ones, federalism can also allow governments to shirk their responsibility by blaming the other order of government for inadequately addressing certain problems or avoid action by ascribing responsibility to the other level of government. Further, private parties can use federalism to thwart provincial government policies by having legislation proclaimed *ultra vires* by the courts. Similarly, Donald Smiley emphasizes that federalism can lead to incoherence in policy as two orders of government put in place contradictory policies in a jurisdiction that they both share or an action of a government in one jurisdiction offsets the impact of the policy of the other government in a related jurisdiction. Such policy incoherence can undermine the impact of innovations at either the federal or provincial level.

Federalism can also have uneven impacts on citizens depending on their race and gender. Suzanne Mettler has shown how the New Deal in the United States provided men, particularly white men, with standardized and relatively generous benefits administered by the federal government while women and racialized men were dependent...
upon state programs of varying and generally poor quality. Mettler's work points to the possibility that federalism can both intentionally and unintentionally institutionalize certain gender and racial inequities.

It should also be noted that federalism places some important limitations on social democracy at the provincial level in Canada. Social democratic policies could be more robust when a government has control of the money supply, a central bank, the ability to use both direct and indirect taxation, control over all tax revenues collected from its jurisdiction and the ability to negotiate international trade agreements. Further, due to the structure of Canadian federalism, provincial government revenues can drop suddenly due to decisions taken in Ottawa to alter the amount or structure of transfer payments. 'Have-not' provinces such as Saskatchewan and Québec that receive equalization payments can be particularly susceptible to the effects of decreased transfer payments because they make up a greater proportion of their total expenditures. Finally, the Canadian federal government has continually invaded provincial jurisdictions such as health care and post-secondary education in order to impose its own policies and has frequently used the federal spending power to by-pass provinces, making it hard for social democratic governments to put a distinctive ideological stamp on their province.

It should be noted that, as Richard Simeon and Ian Robinson argue, Canadian federalism is not a static set of institutions but rather a dynamic set of institutions that has changed and evolved due to transformations in the social, economic, and political conditions of Canadian society. Simeon and Robinson illustrate how Canadian federalism has been shaped by the evolution of important societal cleavages and the constant conflicts and compromises among collective actors (governments, political
parties, interest groups, social movements, unions, and private corporations) as they have vied for control over or influence in the Canadian state. It is important to note that, in this process of conflict and compromise, federalism magnifies the influence of regionally concentrated social forces and thereby undermines the power of non-territorially organized interests. Therefore, as we will see, the transformation of Canadian federalism over time has important effects on the policy-making environment of social democratic governments in Québec and Saskatchewan.

As important as federalism is to structuring the policy and ideas of governments, one must not attribute too much weight to it as an explanatory factor. As we have seen, policy and ideas of governments are reactive to the political economy and the political culture of the society in which they are embedded. Further, the impact of federalism is uneven across the policy areas that I examine in this dissertation. In some areas, such as public enterprise, natural resources, agriculture, health, social assistance, housing and First Nations, federal government action and the institutions of federalism are very important in structuring policy outcomes. However, in other areas such as small business, co-operatives, labour, environmental protection, education, women and democratic reform federalism play a much smaller role in determining policy outcome.

In summary, neither Trudeau who asserts that the dynamics of Canadian federalism promotes social democratic innovation nor Banting who argues that Canadian federalism restricts social democracy on the provincial level is correct. Rather, the dynamics of Canadian federalism can both constraint the legislative ability of provincial governments and encourage them to be innovative in their thinking and actions. In this way, federalism is like a double-edged sword for provincial social democratic
governments in Canada. Unilateral actions by Ottawa can literally destroy social democratic governments' plans to expand social programs, pursue certain avenues of economic development or make progressive tax changes. On the other hand, the federal government can be an important partner in the development of new social or economic policy initiatives through the provision of financial and administrative resources in a framework of a 'national' program in which all provinces participate. Further, constraints put upon provincial social democratic governments can sometimes force them to act in innovative ways to in order to deal with such constraints. Whether the federalism is a hindrance or stimulus to social democracy depends upon the configuration of political forces in the Canadian federation at a certain time period and the interests that those political forces have invested in a certain policy. The fact there has never been an 'official' and 'self-identified' social democratic government in Ottawa means the two-edge sword of federalism usually becomes a constraint instead of stimulus to social democratic innovation in Canadian provinces.

In addition to federalism, the Westminster style of government and the first-past-the-post (FPP) electoral system are also institutions that have significant impacts on the development of social democracy in Saskatchewan and Québec. The FPP system has routinely turned pluralities into majorities in Saskatchewan and Québec which has allowed the PQ and the CCF-NDP to have complete control over the executive with less than 50% of the popular vote. FPP has also routinely punished smaller parties whose vote is geographically dispersed which has generally led to a two-party system in Saskatchewan and Québec with relatively weak and powerless third parties. Moreover, proportional representation in Europe allows social democratic parties to make class
appeals, which can possibly result in a smaller popular vote, and still have power as part of a governing coalition. However, FPP encourages social democratic parties to cast as wide a net as possible and try to be everything to everybody in order to get any seats at all.

The Westminster-style system of cabinet-dominated government has led to the concentration of power in the office of the Premier and the ability of the Premier to neutralize opposition in his/her caucus through not appointing them to cabinet. FPP systems elect fewer women and visible minorities than proportional representation systems, which generally use party lists, and Westminster-style government gives little power of female or visible minority backbenchers and allows the Premier to select which women or visible minority members are given access to power through appointment to cabinet. Finally, cabinet secrecy and solidarity, party discipline and an electoral system that allows a party to form a majority without representation from all of Canada's regions makes for a dearth of strong regional representatives in the federal executive or the caucus of the governing federal party because of the absence of MPs from certain provinces or the fear of retribution from the Prime Minister if the MP stands up for their region. This lack of effective regional representation on the government side of the House of Commons re-enforces the voice and power of premiers and provincial governments as spokespersons for regional, provincial and local interests.

Western Alienation, Internal Colonialism, Québécois Nationalism and Whites-Only Nationalism

A final addition to my theoretical framework is a group of concepts that are specific to the history of Québec and Saskatchewan. The following section traces the emergence of Western alienation in Saskatchewan and the emergence and evolution of Québécois nationalism in Québec before 1900. Sentiments of Western alienation, created
by the internal colony status of Saskatchewan, have been an important force shaping the politics of Saskatchewan throughout its entire history. Therefore, the development of social democratic ideas in Saskatchewan in the 20th century has been undoubtedly influenced by Western alienation which surfaced in the late part of the 19th century. Similarly, emergence and evolution of Québécois nationalism in the 18th and 19th centuries is certainly a crucial foundation for the development of social democratic ideas in Québec in the 20th century. Finally, both Western alienation and Québécois nationalism are examples of whites-only nationalism which ignores that the prosperity of white settlers was dependent upon the subordination of First Nations and other racialized groups.

Western Alienation and Saskatchewan

Undoubtedly, the study of Western alienation over the last 25 years has been most associated with the work of Roger Gibbins. In one of his most recent works, Gibbins defines Western alienation as a “political ideology based on discontent with the West’s subordinate position in the nation’s cultural, economic, and political fabric.” For Gibbins, this ideology of Western alienation has several inter-related characteristics. First, the West has always had the sentiment that it is in an economically exploitative and even colonial relationship to central Canada. Second, Western Canadians feel that the Canadian political system operates in favour of Central Canadian provinces because institutional arrangements such as the Senate diminish the West’s voice in Ottawa and because the traditional political parties of the Conservatives and Liberals are beholden to Central Canadian voters who control a majority of the seats in the House of Commons. Third, Western alienation contains a populist impulse which leans towards giving power
directly to average citizens through the mechanisms of referendums, recall and plebiscites in order to counteract the entrenched bias towards Eastern Canada in the political system. Fourth, since the three prairie provinces received jurisdiction over natural resources in 1930, the Canadian West has generally wanted to ensure that provincial jurisdiction is respected and has not aimed at the modification of division of powers to give either the federal or provincial governments more power. Fifth, Western alienation involves the broad belief that federal program spending is consistently skewed in Québec's favour and the West has given little support for official bilingualism or French language rights. Finally, Gibbins notes that Westerners are frustrated Canadian nationalists who, with the exception of a small fringe group of Western separatists, want to re-position the West in Canadian political life in order to reflect its demographic and economic weight and allow it to fully contribute to the Canadian nation.

Gibbins conceptualization of Western alienation is useful for my study of social democratic ideas and policies in Saskatchewan with three important qualifications. First, unlike Gibbins, I am not attempting to find congruence between public opinion in Saskatchewan and attitudes of Western alienation. Rather, I am applying Gibbins' definition of Western alienation to the discourse of social democratic political activists and leaders. Second, Gibbins' conceptualization of Western alienation is generally insensitive to the ideological and spatial diversity in Western alienation. Gibbins presents Western alienation as a cohesive "political ideology of regional discontent" that embodies a certain set of beliefs and attitudes in the whole of Western Canadian citizens and their political elites. I think that it is inappropriate to define Western alienation, or the populism that frequently accompanies it, as an ideology. Rather, I would argue that
both Western alienation and its related populism are dispositions that are compatible with more than one ideological position. Therefore, there can be both left-wing and right-wing versions of Western alienation and populism can also take on both left-wing and right-wing inclinations. The differentiation of left-wing and right-wing Western Canadian alienation and Western Canadian populism is a possibility that does not seem to be allowed by Gibbins’ conceptual framework. Further, Gibbins presents Western alienation as an ideology that is fairly uniform in its composition throughout the four Western Canadian provinces. By examining Western alienation in relation to Saskatchewan social democrats only, I illustrate that it is a concept which can be both ideologically and spatially confined to a single province. As such, instead of a common and homogenous ideology of Western Canada, I see Western alienation as a disposition that can vary by both place and ideological orientation. Finally, Western alienation is not an ideology engrained into the mindset of every Western Canadian as Gibbins depicts it. Indeed, not every Western Canadian is ‘alienated’. Rather, Western alienation is a discourse that is deliberately created and sustained by political actors with certain political agendas. As such, sentiments of Western alienation are ‘created’ by political actors in response to certain historical circumstances and are used to further their interests and ideological goals.

*Internal Colonialism in Saskatchewan*

The root of Western alienation in Saskatchewan can be best explained through application of the concept of ‘internal colonialism’ to the history of the province before 1900. Internal colonialism is a conceptual framework that emerged in the late 1960s and early 1970s which understands feelings of nationalism or alienation as the reaction of a
peripheral region to political and economic domination by a core region. In the process of internal colonization, the political and economic elites of the core region come to control the development of the peripheral region. A number of analysts have argued that the Canadian prairies were an internal colony of Central Canada during the early part of their history. As we will see below, more recent research has pointed out that the colonization of First Nations people and the entrenchment of patriarchy and racial discrimination were also bound up in the process of internal colonization of the prairies.

The region of the ‘prairies’ was created by the interlocking ideas and processes of Confederation and the National Policy. Confederation was undoubtedly motivated by several factors, among them was the desire of central Canadian economic and political elites to secure financial gains for themselves, to prevent the annexation of Western Canada by the United States, and to build a Canadian nation which stretched from ‘sea to sea’. The prairies were seen as a key part of the project of Confederation. Immigration to the prairies for the purposes of wheat farming would create a captive market for central Canadian manufacturers; connect Central Canada to resources in British Columbia, and provide wheat exports to emerging markets in Great Britain and Europe. Douglas Owram illustrates how an “expansionist movement” of journalists and politicians from 1857 to 1869 convinced central Canadians that Canada’s route to greatness was through the opening and settlement of the prairies. He also illustrates how the expansionist movement advocated that the prairies were to be “the Britain of the West”: an English-speaking, white and Protestant society upholding the strictest of Victorian morals. For expansionists, the prairies were to become a jewel in the Crown of the British Empire.
which would represent mankind's highest achievement in the development of government, social institutions, and moral conduct.

The set of federal government policies that were to achieve the objectives inherent in Confederation later became known as the 'National Policy'. The National Policy contained a five-part “process of internal colonization” of the prairies. First, the federal government established state power over the prairies through its purchase of Rupert’s Land from the Hudson’s Bay Company in 1870, the establishment of the Northwest Mounted Police in 1873, and the enactment of the Northwest Territories Act in 1875. The purchase or the annexation of the prairies was carried out with no consultation of the First Nations, Métis, or white settlers who made up the local population. Indeed, the residents of the prairies only found out about the purchase when federal government surveyors arrived. Contrary to the other provinces of Canada, the Northwest Territories Act vested control of public lands and resources with the federal government and denied representative and responsible government to the local population. The original government of the Northwest Territories consisted of a Lieutenant Governor and Territorial Council appointed by the federal government who exercised all executive, legislative, and judicial powers. It was clearly the intention of the federal government to take sole control over the nature and pace of development in the prairies.

The second component of the internal colonization of the prairies under the National Policy was the building of a transcontinental railway to facilitate the transportation of immigrants for settlement, the export of wheat to foreign markets, and the importation of consumer goods from Eastern manufacturers to the prairies. The transcontinental railway was built by the Canadian Pacific Railway (CPR) which was a
consortium of Central Canadian, American, and British interests with very close political ties to the MacDonald government. The contract the federal government signed with the CPR to build the railway was very generous. Under the terms of the contract, the federal government gave the CPR a $25 million grant, 25 million acres of prairie land, 713 miles of railway already built by the federal government at a cost of $37.8 million, several tax and import duty exemptions, and a monopoly clause that guaranteed that no other railway would be built for the next 20 years. Further, the contract specified that until the CPR was making a 10% profit on their business there would be no regulation of freight rates.

The third component of the internal colonization of the prairies under the National Policy was the imposition of high tariffs by the federal government on incoming finished goods starting in 1878 which ensured the prairies market would buy goods from central Canadian manufacturers instead of American manufacturers. The result was that Western settlers were forced to buy their consumer goods and farm machinery at inflated prices from Central Canadian manufacturers because of higher transportation costs and lack of competition. The creation of a captive market for Central Canadian goods was a clear example of how the National Policy, which purported to be in the 'national interest', benefited Central Canadian business at the expense of prairie farmers.

The fourth element of the internal colonization of the prairies in the National Policy was the encouragement of white immigration through the creation of colonization companies to survey and sell land, and the Dominion Lands Act of 1872 which provided free homesteads and very low priced lands to new male immigrants. The first immigrants to Saskatchewan from 1870 to 1886 were almost exclusively from Ontario, Manitoba, and Britain in line with the expansionist idea that the prairies was to be a white, British,
and Protestant society. However, immigration to the prairies was slow in coming. The lack of adequate transportation, combined with the availability of cheap land in the United States, severely hampered the federal government’s efforts to attract settlers to the prairies during the 1870s and 1880s.

Due to his desire to settle the prairies, the Minister of the Interior in the newly elected Liberal government in 1896, Clifford Sifton, decided to accept immigrants with farming experience even if they were not British. However, Sifton’s immigration policies contained a strict, if informal, “ethnic pecking order” in which British and American immigrants were preferred but Germans, French, Scandinavian, Russians, Ukrainians, Hungarians, and Romanians were grudgingly accepted. By 1911, 46.5% of Saskatchewan’s population was of non-British origins compared to 51% who were British. South Asians, Africans, Chinese, and Southern Europeans such as Italians or Greeks were simply not accepted as immigrants to Saskatchewan. In fact, around 1000 African Americans emigrated to Saskatchewan and Alberta from Oklahoma in 1905 to 1912 in an attempt to escape lynching and discrimination, but they were met with virulent hostility and racism by the population of the two new provinces, prompting Canadian authorities to stop issuing settlers’ certificates to African Americans.

The final element of the internal colonization of the prairies under the National Policy was the removal of Aboriginals off developable land through a series of numbered treaties signed between 1870 and 1899. In the 1850s and 1860s, the buffalo herds in Saskatchewan, upon which Aboriginals depended for a source of food, had been disseminated by the American Army in their war against American Aboriginals and diseases from cattle brought to the plains by American homesteaders. Due to the
destruction of their main food source, Saskatchewan Aboriginals were ready to negotiate treaties with the federal government. The policy set out in the numbered treaties was to extinguish Aboriginal right to the prime farmlands in Saskatchewan and place Aboriginals on reserves where they would farm to secure their livelihood. However, as Sarah Carter illustrates, the federal government sabotaged Aboriginal attempts at farming by providing inadequate resources and allotting them poor farmland.\(^9\)

With the disappearance of the buffalo and inadequate resources to farm, Aboriginals were dependent on the mercy of the Indian Agents who provided meagre food rations for Aboriginals only if they performed “demonstrated work” resulting in widespread starvation of Aboriginal groups in Saskatchewan in the 1880s.\(^4\) Effectively excluded from farming, Aboriginals became increasingly dependent on the federal government for sustaining their existence on Saskatchewan reserves. Malnutrition, overcrowding, exposure, disease, and poor sanitation on Saskatchewan reserves resulted in significant population loss in Aboriginal communities from the mid-1880s onward.\(^5\)

In any case, the heavy wave of white immigration to Saskatchewan dwarfed the Aboriginal population. In 1881, there were 15,000 Aboriginals in Saskatchewan making up 78% of its population whereas in 1911 there only 11,700 Aboriginals making up 2.4% of Saskatchewan’s population.\(^6\)

Between 1870 and 1885, the Métis people were also removed from developable land and subdued as a political force on the prairies. The allotment of land to the Métis after the 1870 Red River Rebellion through the issuing of ‘scrip’ was deliberately delayed and unaccompanied by an adequate census, leading to most of the scrip being converted to cash and leaving the Métis landless.\(^7\) Thus, during the 1870s, the Métis left
Manitoba and created farming settlements in Saskatchewan using a river lot system and
town councils and parish systems of governance to suit their needs.

Led by the Métis, the period from 1883 to 1885 saw the first agitation in
Saskatchewan against the colonization of prairies by the federal government. In the run­
up to the Northwest Rebellion, the Métis, and an organization called the Settlers’ Union
made up of English mixed-bloods and white settlers was complied in a petition sent to the
federal government on December 16th, 1884. This petition can be identified as the first
expression of Western alienation in Saskatchewan. It recognized that high tariffs operated
to the detriment of western economic interests and there was asymmetry in the treatment
of the prairies compared to British Columbia and the eastern provinces. It demanded
responsible government, a railway to Hudson’s Bay to facilitate access to European
markets and the entry of Saskatchewan into Confederation as a “free province” with
control over its own resources and representation in Ottawa.98 However, the coalition of
white settlers, English mixed bloods, and Métis broke down and the Métis fought the
Canadian Army alone in the Northwest Rebellion of 1885.99 The Métis were a spent force
after the Rebellion. With their leadership in prison, exiled or dead, the Métis were forced
to give up any hope of having the French language and their unique culture, economy,
and way of life protected. Many Métis moved to Montana or North Dakota or settled in
northern Alberta as the Métis ceased to be a political force in Saskatchewan.100 The
Northwest Rebellion made it clear to the entire local population of Saskatchewan that
significant opposition to the internal colonization of the prairies would not be tolerated by
the federal government.
After having abandoned their alliance with the Métis, the white population of Saskatchewan demanded representative and responsible government. The arguments of those favouring responsible government were ones of Western alienation. The advocates for responsible government argued that they, as subjects of the British Empire, should have the same constitutional rights and privileges as the Eastern provinces and that the problems of Western settlement could not be adequately dealt with by an Eastern Canadian-controlled government in Ottawa. The federal government granted the Northwest Territories representative government by giving it Members of Parliament in 1886 and Senators in 1887. However, it was not until in 1897 that the newly elected Liberal federal government granted responsible government to the territorial assembly.

Traditional accounts of Saskatchewan history often ignored the fact that the success of settlers' homesteads was heavily dependent upon the labour of women. As the wives of farmers, women's duties included handling all domestic work, hauling water, gathering firewood, making clothes, preparing meals, tending to family food sources such as gardens, poultry and livestock, assisting their husbands with the production of market crops as was necessary, and generating additional income through the sale of handicrafts and produce. Further, women were responsible for both the bearing and raising of children who would provide labour for the farm and eventually inherit its operation. Women's control over family consumption levels and subsistence production protected the farm family in times of shortage or financial downturn which were frequent due to wheat price fluctuations and the exploitative relationships between farmers and railway and grain companies. In fact, statistics and anecdotal accounts from the early 20th century
illustrate that it was nearly impossible for a single male farmer to succeed at homesteading.\textsuperscript{104}

Governments recognized the necessity of keeping women captive on prairie farms in order for the wheat economy to profit from their labour and their reproductive capacities. Therefore, provincial and federal governments enacted legislation to restrict women's employment and educational opportunities, discourage divorce, outlaw abortion and contraception, and disallow women's participation in politics.\textsuperscript{105} Under the Dominion Lands Act of 1872, women were prohibited from applying for a homestead or taking part in pre-emption programs for low-cost land which greatly reduced any possibility of women becoming independent farmers. Under marriage laws, men had exclusive control over all of the couple's property, even the money that women made through selling the goods which they had produced. Upon the death of a husband, ownership of the family farm would pass to the oldest son or other immediate male relatives if there was no son instead of to the farmer's wife unless there was some sort of pre-nuptial agreement which was very uncommon during this time period. Thus, a farmer's wife could work all of her life to build up a successful farm and then be left to the mercy of her son or relatives when her husband died. The main thrust behind all of this legislation was to reinforce patriarchal social standards which subordinated women thereby forcing them to enter into inequitable partnerships with males on prairie farms.

\textit{Québécois Nationalism}

Kenneth McRoberts argues that the concept of internal colonialism runs into a number of obstacles when applied to the case of Québécois nationalism. First, from 1608 to 1848 when responsible government was given to the assembly of the United Province
of Canada, Québec was an overseas colony of first of France and than of Great Britain and not an internal colony. Under French and British colonial rule, Québec’s external economic relations closely followed a colony-metropole model based upon the fur trade. However, by the mid-19th century when responsible government was established, Montreal and Québec City had emerged as financial and commercial centers of the lucrative shipping trade of lumber and foodstuffs to Europe. As such, McRoberts argues that Québec in this time period was “both a core and periphery: a core to an Ontario periphery but a periphery to a British core.”106 Even after Ontario emerged as Canada’s dominant industrial center in the early 20th century, Montreal remained the financial center of Canada and Québec continued to be very much the core in relation to the Western and Atlantic peripheries even it took on certain periphery characteristics in comparison with Ontario. McRoberts also points out that the elite which dominated Francophone citizens of Québec was not external to the province as the internal colonial framework would hold but internal to the province in the form of the Anglophone Québec business class. While I agree with McRoberts critique of using the concept of internal colonialism to understand Québécois nationalism, it should be noted that the concept of internal colonialism certainly does apply to displacement of First Nations peoples by Francophone and Anglophone settlers in Québec during its early history.

Since internal colonialism is an inadequate explanation for the emergence of Québécois nationalism, I will apply Anthony Smith’s theory of nationalism to the Québec case to argue that the formation of the French Canadian nation* was the product of

* I will use the terms ‘French Canadian nation’ and ‘French Canadian nationalism’ for my description of ideas in Québec from 1759 to 1960 because the term ‘Québécois’ did not exist in this time period. However, when discussing the period from 1960 to present I will use the more modern terms of ‘Québécois nation’ and ‘Québécois nationalism.’
competing territorial and ethno-religious nationalisms in the period from the Conquest to the end of the 19th century. Smith’s focus is on what he refers to as ‘ethnies’ which are “named human population with shared ancestry myths, histories, and cultures, having associations with a specific territory, and a sense of solidarity”.

Fernand Dumont in *Genèse de la société québécois* argues that a “sentiment nationale [national sentiment]” in New France developed in local cultures comprised of families, parishes, and villages which led to the creation of a French Canadian language and French Canadian customs different from those of France. The national sentiment of New France that Dumont identifies is akin to Smith’s concept of an ethnie. Clusters of myths, symbols, memories, values, and traditions emerged from the shared experiences of several generations of cohabiting population in New France creating a sentiment of being different from France.

Smith argues that ethnies have historically taken two primary routes to transform themselves into nations. The first route was that of “territorial nations”, such England and France, who defined the nation as a legal and territorially bound entity in which citizens are bound by a common code and have uniform rights and obligations. An offspring of territorial nationalism were frontier nationalisms like the United States, English Canada, or Australia. These ‘frontier nations’ consisted of immigrant fragments from other ethnies and emphasized “a ‘plural’ conception of the nation, which accepts, and even celebrates, ethnic and cultural diversity in an overarching, political, legal, and linguistic national identity”.

In theory, no one was excluded from the territorial or frontier nations on the grounds of race, age, gender, or religion. However, in practice, Smith argues that “the solidarity of citizenship required a common ‘civil religion’ formed out of shared myths and memories and symbols, and communicated in a standard language through
educational institutions. So the territorial nation becomes a mass educational enterprise. Its aim is cultural homogeneity”. The second route from ethnie to nation that Smith identifies is that of “ethnic nations” such as Germany or Greece who were “gradually or discontinuously formed on the basis of pre-existing ethnie and ethnic ties, so that it became a question of ‘transforming’ ethnic into national ties and sentiments through processes of mobilization, territorialization, and politicization”.

It is my argument that French Canada, of Québec which was the primary part, illustrated competing nationalisms in its transformation from an ethnie to a nation. First, there was the ethno-religious nationalism of the Catholic clergy from the Conquest onwards. Smith argues that ethno-religious nationalism is characterized by an assumption of common origins and descent, popular mobilization around the national idea, and the substitution of customs and dialects for the legal codes and institutions that provide the cement of territorial nations. Smith also argues that “traditional ethnic religion” is drawn into the service of ethnic nationalism often coupled with “a kind of missionary nativism, a belief in the redemptive quality and unique inwardness of the ethnic nation”.

After the Conquest, the French colonial elite returned to France and therefore the leaders of the Catholic Church became dominant in Québec society. The Québec clergy saw “notre langue, nos droits et notre religion [our language, our rights and our religion]” by which they meant the French language, the civil code and the Catholic faith as the basis of the “nationalité canadienne-française [French Canadian nationality].” As early as 1789, Mgr. Hubert, the Bishop of Québec City, spoke of “notre nation [our nation]” which he defines simply as a “population différente [different population].” Thus, to
resist British colonization and to secure their privileged place in Québec society, the clergy created a popular mobilization around the concept of French Canadian ethnic origins and the French language. Ironically, to protect the foundations of the French Canadian nation, the Catholic clergy between 1759 and 1840 preached collaboration with and submission under the English colonial regime. The seigneurs who did stay in Québec followed the lead of the Catholic Church and also pledged to collaborate with the British conquerors. In exchange for the support of the clergy and the seigneurs, the British colonial administration re-established the seigneurial system and re-empowered the Catholic Church to collect tithes in the Québec Act of 1774.

The Québec clergy came to see the British Crown as a benevolent protector of the Catholic Church, the French language, and the French Canadian nation. The clergy argued that this dual allegiance to both the French Canadian race and the British Empire was necessary for national survival. In 1799, Mgr. Plessis preached that it was the will of God that Québec had been saved from the sacrilegious French Revolution by the Conquest. He even goes so far as to state “Does it not seem a hard thing, my brothers, to have to call those people enemy from whom this Colony originated?” In the clerical ideology of the late 18th century, the French are considered the enemy of the French Canadian nation that had been given the benevolent British Crown by God in order to develop a blessed and perfect Catholic nation in the new world. In the Québec bishops’ formulation, the French Canadian nation and the Catholic religion were considered inseparable, an association which would persist in French Canadian clerical nationalism until the middle of the 20th century.
A territorial nationalism competed against this ethno-religious nationalism in Québec society in the late 18th and early 19th centuries. By the end of the 18th century, liberal ideas were held by a small group of Francophone professionals living mostly in Montreal and Québec City. This group put forth liberal ideas such as religious tolerance, freedom of thought, speech and the press, and sympathy for the French and American Revolutions in their newspapers such as the *Le Canadien*, *Le Gazette de Québec*, and *Le Minerve*. As early as 1784, these liberal professionals spoke of the “nation canadienne-française [French Canadian Nation]” which was defined by its language and culture and distinct from the French, American, and British nations. The establishment of an elected assembly for Lower Canada in 1791 gave a boost to these emerging liberal ideas. A systematic and coherent French Canadian liberalism developed in the Francophone liberal professional class in the period from 1800 to 1840, especially among those liberal professionals elected to the Assembly of Lower Canada.

Early French Canadian liberalism was mainly put forth by the Parti canadien, Papineau, and the Parti patriote and eventually culminated in the rebellions of 1837 and 1839. The Patriotes’ liberalism embraced a territorial concept of nationalism and the nation. They identified the survival and prosperity of the French Canadian nation with the institution of parliamentary democracy for Lower Canada. These early French Canadian liberals wanted the creation of a legal and territorially bound nation with uniform rights for all citizens much like the British and American model and espoused an economic liberalism which ignored the socially disruptive consequences of a free market economy. Some liberal nationalists, such as Papineau, even approved of the right of certain women with property to vote in Québec between 1791 and 1849. While these
liberal nationalists were mildly more supportive of women’s rights than ethno-religious nationalists who believed that women were ordained by God to serve their husbands, they still did little to stop the erosion of women’s property rights during the 19th century or to ensure that Québec women could vote. After 1839, French Canadian liberalism continued with ‘Les rouges’ represented by l’Institut canadien, various newspapers, and A.A. Dorion’s rouge political party. The goal of Les rouges was the creation of a liberal society with universal male suffrage, abolition of the seigniorial system, separation of church and state, elimination of legally enforced tithes, judicial reforms, and possibly even annexation to the United States. Clearly, like Papineau and the Patriotes before them, Les rouges were aspiring to the territorial concept of nation represented by the United States and Britain.

The Catholic Church was firmly opposed to Papineau and the Patriotes and strongly condemned the Rebellions of 1837 and 1839. While the seigneurs and the clergy fully supported the British authorities, many in the Francophone population, both liberal professionals and habitants, had started to disengage from the Church and lend their support to the Patriotes from 1820 to 1839. The defeat of the Patriotes and the exile of Papineau allowed the gradual re-ascendance of clerical nationalism to ideological dominance in French Canadian society. In the period after 1839, the Church maintained its objection to the principles of sovereignty of the people, democracy, and freedom of opinion. The clergy argued against the separation of church and state and preached that Catholics must have blind obedience to the Catholic Church, the established government and the British Crown.
Led by Mgr. Bourget and Mgr. Laflèche, the clergy amplified their nationalist arguments during the second half of the 19th century. As did their predecessors, Bourget and Laflèche identified the French Canadian nation with the Catholic religion. Mgr. Laflèche stated that “la foi sera le ciment de la nation [the faith will be the cement of the nation]”\(^\text{129}\). Laflèche also took the messianic mission of the French Canadian nation to greater heights comparing Jacques Cartier to Abraham and claiming that Québec was the Promised Land where the chosen people of God would live and prosper.\(^\text{130}\) Clerical nationalists or ultramontanists, in the period after the rebellions, argued that the survival of the nation depended upon the institution of a rural, non-materialist, and Catholic society where the Church, not the state, would lead society.\(^\text{131}\) This explicitly anti-statist and anti-modern position was summed up in a pastoral letter written by the Bishops of Québec in 1875 which stated that the Church was the “société parfaite [perfect society]” and that “l'État est donc dans l'Eglise et non pas l'Eglise dans l'État [the state is in the Church, not the Church in the state]”\(^\text{132}\).

In this very conservative nationalist stance we can nonetheless see the seeds of a social aspect in French Canadian Catholic thought. While the Catholic Church should allow politicians to take care of economic affairs and political patronage, the leaders of the French Canadian clergy argued that the Church must have exclusive jurisdiction over education, hospitals, and social assistance. In relation to the plight of the working class in Montreal, Mgr. Bourget preached against profiting from the misery of others and argued that the Church must combat poverty and unemployment.\(^\text{133}\) The social concerns of these conservative bishops illustrate the underlying collectivism of French Canadian Catholicism—Catholics must be concerned about the weaker in their society and work...
cooperatively to alleviate their suffering. Thus, the ethno-religious nationalism of the Québec clergy led to a strong collectivist tendency in their thought which was opposed to the individualism embodied in the territorial nationalism of French Canadian liberals.

After 1867, the French Canadian nation was transferred from being part of the colony of the United Province of Canada in the British Empire to a province in a federal Canada with some control over the Québec provincial government. As such, both French Canadian liberal nationalists (who were opposed to Confederation) and French Canadian clerical nationalists (who were in favour of Confederation) had to work in the newly formed country of Canada. It should be noted that, before and immediately after Confederation, both liberal and clerical nationalists in Québec saw the French Canadian nation as being inclusive of all Francophones in Canada. After Confederation, both types of French Canadian nationalists insisted on a large amount of autonomy for Canada from Great Britain in order to create a better institutional framework in which to defend the French Canadian nation from assimilation. Further, these French Canadian nationalists advocated the expansion of Francophone scholastic rights in Ontario, the Maritimes and the new province of Manitoba.

In many ways, Confederation created a double allegiance in both types of French Canadian national projects between the French Canadian nation and the political entity of a federal Canada in which the French Canadian nation was bound. It is notable that Jules-Paul Tardivel, an ultra-conservative Catholic nationalist who established the newspaper *Le Vértié*, did envision an independent French-Canadian state separate from Confederation as early as 1885. His novel entitled *Pour la patrie* describes a Catholic ‘Republic of Québec’ in the year 1945. However, Tardivel’s idea of separation from

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Confederation never received widespread acceptance among either liberal or clerical nationalists who saw all Francophones in Canada as part of the French Canadian nation and held that Canada as a whole was the appropriate political entity for the protection of their nation.

As we can see, the creation of the French Canadian nation and French Canadian nationalism took place during the period between 1759 and 1900 when two competing nationalisms arose in response to the Conquest. The Conquest simultaneously performed two important tasks. First, it definitively detached the developing French Canadian ethnie from its ‘mother ethnie’ of France. After the Conquest, ethno-religious nationalism saw France as an enemy instead of the mother country and liberal nationalism looked to the United States or Great Britain as its model for a territorial nation. Second, the Conquest posed the threat of assimilation, which would be the destruction of the French Canadian ethnie. It is the need to respond to this threat of assimilation and being flung off from the mother ethnie that forced the French Canadian ethnie to define and defend itself. The two groups that arose to define and defend the French Canadian ethnie against assimilation into the British Empire and later English Canadian nation were the Patriotes/Les rouges and the Catholic clergy. These two competing visions of the French Canadian nation were in long-lasting conflict with one another throughout the 19th century. Each nationalism had its own political party (rouge and bleu), its own educational institutions (l’Institut canadien and Université Laval) and their own newspapers. It is in the competition between these two nationalisms that the French Canadian ethnie was transformed into a nation containing both territorial and ethno-religious nationalisms.
Such a competition between nationalisms is consistent with Smith’s model. Smith states that “all nations bear the impress of both territorial and ethnic principles and components, and represent an uneasy confluence of a more recent ‘civic’ and a more ancient ‘genealogical’ model of social and cultural organization...given nations will exhibit ethnic and territorial components in varying proportions at particular moments of their history.”¹³⁷ We can confirm Smith’s point in relation to the history of Québec. Ethno-religious nationalism of the clergy was dominant in the time period immediately after the Conquest as a defensive strategy against assimilation. From 1791 to 1837, there is a rise in the popularity of the territorial nationalism of the Patriotes culminating in the rebellions of 1837 and 1839. The period from 1837 to 1900 saw the re-assertion of the dominance of the cautious and defensive ethno-religious nationalism of the clergy but this re-assertion was constantly being challenged by the territorial nationalism of the Rouges.

It should also be noted that Québec’s two nationalisms are presented here as pure and ideal types. However, in practice, these nationalisms often took on aspects of each other. The ethno-religious nationalism of the early church was tinged with territorial nationalism in its call to preserve the civil code from France. Likewise, Étienne Parent, a representative of Rouge territorial nationalism sounds like an ethno-religious nationalist when he stated that the “la mission providentielle [providential mission]” of the French Canadian race was to preserve their unique culture and language.¹³⁸

It is important to realize that it was the political activity of ethno-religious and territorial nationalists that transformed the national sentiment of the pre-Conquest French Canadian ethnie into the French Canadian nation. This statement should not be construed

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to mean that 19th century French Canadian nationalism had no material basis. Indeed, it was the social, political and economic circumstances of the era such as economic marginalization of Francophones, British colonialism and strong sense of Catholicism among the Francophone population that permitted the nationalist appeals of the clergy and Patriotes/Les Rouges to be successful. Yet, the creation of the French Canadian nation required the agency of both ethno-religious and territorial nationalists to politicized the New France ethnie. As Smith states: “Any ethnie, then, that aspires to nationhood, must become politicized and stake out claims in the competition for power and influence in the state arena”. The culture, myths, and symbols of the New France ethnie were politicized by the activity of agents of these two competing nationalisms in order to create the French Canadian nation.

It is important to note that the case of the prairies illustrates that simple domination by external economic and political forces is not enough to create a nation. Smith’s theory is clear that the creation of a nation requires a pre-existing ethnie which was not present on the prairies in the 19th century with its multiple ethnicities and very short history (the exception to this is, of course, the prairies’ First Nations). Smith’s theory of nationalism also includes a number of examples of nations (France, United States) that are not internal colonies. Therefore, the prairies should be conceived of as a part of the larger English Canadian nation that is alienated due its internal colonial status. Indeed, as mentioned, Gibbins holds Western alienation to be a form of “frustrated” English Canadian nationalism.

An important commonality between Québécois nationalism and English Canadian nationalism, which contains Western alienation in it, is what Jill Vickers refers to
"Whites-only nationalism." Inspired by the work of Anthony Marx, Vickers qualifies both English Canadian and Québécois nationalism as Whites-only nationalisms in that they were based on the idea that Canada and Québec were "for the White Man." This racist idea led to a nationalism based upon white solidarity, segregation, oppression, and attempted assimilation. As such, nation-building involved asserting dominance over the prior owners of the territories and, in the case of English Canadian nationalism, creating a sense of solidarity among a diverse set of immigrants. The process of internal colonization of the prairies which was intended to create a Britain of the West is clearly an example of this Whites-only nationalism. Similarly, 19th century liberal and ethno-religious French Canadian nationalists' ignorance of the fact that the territory of Québec had originally belonged to First Nations peoples is also an example of a Whites-only nationalist outlook.

Finally, as we can see, federalism does not create Western alienation in Saskatchewan or Québécois nationalism as these have deep roots in the history of these two provinces. However, federalism, as a set of institutions, interacts to the forces of Western alienation and Québécois nationalism to exacerbate their grievances or accommodate their demands. Further, federalism provides an institutional framework in which Québécois nationalism and Western alienation are expressed and perpetuated. As such, Western alienation and Québécois nationalism form a critical part of what Simeon and Robinson call the "causal relationship between the federal state and the federal society."
Research Design

Based on my theoretical model, I devised a research design to describe and explain the evolution of social democratic ideas and policies in Saskatchewan and Québec during the 20th century. To describe the social democratic ideas in Saskatchewan and Québec I use the method of intellectual history. One intellectual historian argues that “Intellectual history is that subdiscipline of history which gives a central place to the role of the mind in the historical process.” Similarly, Brian McKillop contends that the aim of intellectual history is to affirm the inherent value of ideas, discern patterns of structure, and search for coherence. These three aims are intended to give a sense of direction rather than a specific method. McKillop contends that intellectual history must concentrate relentlessly on the origin, character, and manifestations of ideas as its center of study. Yet, intellectual history must relate those ideas to experience. There is a need to demonstrate that forms of consciousness are central to understanding the nature and origins of societal transformation. Intellectual history should focus firmly on the search for coherence and structure in ideas but it should do so by “examining ideas against the nature and imperatives of past and present social and economic structures.” This intellectual history approach gives me a method for speaking about a social democratic tradition in Québec and Saskatchewan in the 20th century that has a certain unity and has important impacts on the history of those provinces.

Using this intellectual history method, I begin the dissertation by constructing a ‘genealogy’ of social democratic ideas that existed in these two provinces before the founding of the CCF in 1944 and the PQ in 1976. My use of the word genealogy should not be taken to denote that I am using a Foucauldian approach to the analysis of political
ideas, political culture or government policy. Rather, in the formative period, I trace the activities and ideas of groups in Québec and Saskatchewan who, while they may not have been social democratic, definitely held and spread certain social democratic ideas. These genealogies illustrate the original nature of the social democratic strain in the political cultures of Québec and Saskatchewan and their ideas can be compared to those of the PQ and CCF-NDP once they assumed power.

After discussing the ideas and activities of these proto-social democratic organizations that preceded the creation of the CCF and PQ, I treat social democratic ideas in Québec and Saskatchewan primarily as those which were expressed by the Saskatchewan CCF-NDP and the PQ governments. While my analysis focuses heavily on actions and the ideas of the Saskatchewan CCF-NDP and PQ governments, I occasionally use texts from labour unions, academics, interest groups, and social movements which contrasted with, supplemented, or influenced the ideas of PQ and Saskatchewan CCF-NDP. In order to maintain a focus on the provincial political level, I do not consider the federal CCF-NDP in Québec or Saskatchewan. In any event, the Saskatchewan CCF-NDP has always been very independent from the federal CCF-NDP and the federal party did not constitute a large influence on the Saskatchewan CCF-NDP governments that I am examining. Further, the activities and ideas of the provincial CCF-NDP in Québec are not examined because my primary interest is social democratic parties that have formed governments and the small provincial CCF-NDP in Québec had little influence on the ideas of PQ governments.

There is a need to narrow down which social democratic ideas I examine to a manageable level while at the same time ensuring that my examination is broad enough
to provide an adequate synopsis of the overall ideology of social democracy in Saskatchewan and Québec during the 20th century. As such, I decided to examine the policy and ideas of Saskatchewan CCF-NDP and PQ governments under two general themes: state intervention in the economy and equality. The choice of these two themes reflects the primary axes of social democratic ideology that I outline in the next chapter. State intervention in the economy by social democratic governments is a means to achieve greater economic equality within society and boost economic growth. Under the theme of state intervention in the economy, I am concerned with incentives to private companies; support for small business and co-operatives; strategies of expanding and managing public enterprise; economic nationalism; regulation of natural resource exploitation; the creation of corporatist advisory bodies; and state activity in the agricultural economy. I also examine the changes to the labour code and other labour legislation made by these social democratic governments during their time in power in order to determine how the interests of capital and labour were addressed. Similarly, I explore the attempt to achieve equilibrium between economic development and environmental protection in these governments' environmental regulation. The purpose of examining these policy areas is to illuminate the different roles that the provincial state played in the economy according to the ideologies of the third way and traditional social democracy. These policy areas are also the jurisdictions in which Canadian provincial governments have the most power and control as opposed to banking, international trade, or monetary policy where the federal government is the dominant policy-maker.

The creation of greater equality in society is the overriding goal for social democracy. In terms of the theme of equality, I explore how these governments
restructured the provincial welfare state comprised of the areas of health, education, social assistance, and housing in order to promote equality in society. Similarly, I examine the taxation policies of these governments to explore how they favoured or worked against wealth redistribution and I also study the democratic reforms made by these governments to see if they expand the participation of citizens in decision-making. However, I do not presume that these traditional and third way social democratic governments had a stable and uniform conception of equality. Rather, I look for differing conceptions of equality among governments based upon the distinction between equality of opportunity versus equality of condition that is discussed in the next chapter. Further, I problematize the concept of equality with a discussion of substantive versus legal equality. Legal equality is when the state strives to treat all citizens the same whereas substantive equality denotes that citizens must be treated as equal citizens but may be treated differently when appropriate to ensure that all citizens enjoy equal results from their citizenship.\textsuperscript{148} It is true that traditional social democracy has trouble accommodating difference (especially gender) as illustrated by many critiques which argue that welfare states implemented by traditional social democratic governments in the post-war era re-enforced the male breadwinner model of the economy.\textsuperscript{149} Therefore, in order to explore how social democracy deals with difference, I examine traditional social democratic governments and third way governments’ policy concerning women and Aboriginal peoples.

In addition to secondary sources, I examined a variety of primary sources to produce a description of the policies and ideas of the governments and political organizations that I explored. These primary sources included manifestos, documents
produced by social movements and interest groups, party platforms, party documents, campaign literature, budget speeches, Speeches from the Throne, open letters and speeches by premiers and cabinet ministers, interviews of premiers, news releases, debates in the legislative assemblies of Saskatchewan and Québec, newspaper articles, annual reports of government departments, and key government policy statements. These primary sources were found in libraries, provincial archives, the National Library of Canada in Ottawa and on the internet. Further, I also made extensive use of annual summaries of news stories such as Canadian Annual Review of Politics and Public Affairs, L’année politique au Québec and L’annuaire du Québec which gave me an overall picture of the political events of a certain year from which I could chose events or government policies that I wanted to study further. Finally, using public accounts, I compiled statistics concerning the budgeting of the PQ and Saskatchewan NDP governments and the governments which immediately preceded them. These statistical tables, contained in the appendices, show the major revenues and expenditures categories of these provincial governments after adjustment for inflation and population growth. It should be noted that adjustment for population was not done for Saskatchewan because its population remained stagnate the throughout the period examined. The examination of the budgeting of traditional and third way social democratic governments depicts how the ideas of these governments were actualized in the spending and taxation policies contained in annual budgets. Moreover, exploring the public accounts of these governments allowed me to illuminate the financial constraints under which they operated.
After describing the policies and ideas of social democratic governments and political organizations in Saskatchewan and Québec in the 20th century, it was necessary to relate those policies and ideas to the political economy of these provinces. When discussing the political economies of Saskatchewan and Québec, I searched out and compiled a number of statistics using Statistics Canada’s CANSIM II database. These statistics measured a variety of economic indicators such as the production of certain agricultural commodities, number of farms, size of farms, mineral production, exports, imports, unemployment rates, average personal income, the structure of the provincial labour force and growth or contraction of provincial GDP. Statistics were also compiled to track several social trends such as immigration patterns, entry of women into the workforce, growth of Aboriginal population and urbanization.

Conclusion

The purpose of this chapter is to establish a theoretical model with which to study the evolution of social democratic ideas in Québec and Saskatchewan in the 20th century. It contends that we must examine social democratic ideas in these two provinces in the context of a regionalized Canadian political economy, unique provincial political cultures, and the institutional framework of Canadian federalism, a first-past-the-post electoral system, and Westminster-style government. Through arguing that political ideas are essentially reactive to the social, economic, and political circumstances in which they are embedded, this chapter seeks to contribute to the theoretical debate concerning the role of ideas in political processes.
Chapter 2: Distinguishing Between Traditional and Third Way Social Democracy

On June 8th, 1999, British Prime Minister Tony Blair and German Chancellor Gerhard Schröder published a manifesto entitled *Europe: The Third Way* in which they declared that "We support a market economy, not a market society." Among other ideas, the manifesto stressed fiscal responsibility and an active government that invests in human and social capital through encouraging life-long learning and supporting small and medium sized businesses. Since the publication of Blair and Schröder’s manifesto several books and articles have been written attempting to define exactly what is meant by the third way social democracy as compared to the traditional or classic social democracy of the post-war era. Despite this considerable volume of research, there has been little agreement concerning exact definitions of the concepts of the third way and traditional social democracy.

This chapter is primarily an attempt to create suitable definitions for the concepts of traditional social democracy and the third way using political theory. Traditional social democracy as represented by the Fabian Society, Eduard Bernstein, and Anthony Crosland is contrasted with socialism represented by the writings of Karl Marx and Ralph Miliband and reform liberalism represented by the writings of T.H. Green and John Dewey. Similarly, I contrast the third way as expounded in the writings of Anthony Giddens with the ideology of neo-liberalism contained in the writings of Friedrich Hayek. The next section of the chapter assesses the value and limitations of applying European literature on the third way, particularly its lack of analysis of federalism, to developments in Canadian provinces. The chapter ends with a review of literature on traditional social democracy and the third way in Canada, Saskatchewan, and Québec.
Traditional Social Democracy Versus the Third Way

It is important to supplement my theoretical model with clear definitions of the primary concepts that I will be using throughout the dissertation such as ideology, political ideas, traditional social democracy, and the third way. First, I view social democracy as an ideology. It is exceedingly difficult to define not only ideology as a general concept, but social democracy as a particular ideology. Indeed, the concepts of ideology and social democracy cannot be definitively delineated because they are intrinsically complex, flexible, and fluid. While there is considerable disagreement concerning the meaning of ideology among scholars, I follow Lyman Tower Sargent's definition of ideology as an organized and patterned value or belief system composed of political ideas about human nature and the various institutions and processes of society. Larry Johnston further argues that such a value or belief system has three interconnected and essential elements: a diagnosis (what it believes the problems of society to be), an idealization (what it thinks society should be like) and a prescription (how to transform society from how it believes it is to what it envisions it should be). Similar to my theoretical model, Johnston also states that ideologies should be approached as existing at the intersection of political history and political philosophy in that political ideas are shaped by the contexts in which they are articulated, debated, and transmitted. In this sense, ideologies change over time as new and previously unforeseen circumstances arise.

In addition to this definition of ideology, it is important to draw a distinction between 'political ideas' and 'political theory' or 'political philosophy'. Political ideas are the disparate, fragmented, and shifting sets of ideas which make up the coherent, if
not completely consistent, ideologies of political actors and citizens. They are put forth by politicians, activists, and bureaucrats in the world of everyday politics where they are trying to influence both other political actors and the general public. Political theory or political philosophy connotes a comprehensive and systematic set of arguments put forth by a single thinker or school of thinkers. Political theory or political philosophy is mostly created by academics such as Charles Taylor, Iris Marion Young and George Grant and by canonical thinkers such as Karl Marx, Plato, John Locke and Mary Wollenscraft. However, by setting up this distinction, I do not want imply that there is no connection between political ideas and political theory or philosophy. In analysis of political ideas, one can point out how these ideas are underpinned by certain theoretical and philosophical traditions.

Admittedly, the concept of political ideas contained in this dissertation is somewhat unique in the sense that I see the political ideas of social democratic political parties as primarily expressed through the policies they enact when in government. This dissertation argues that ideology, as a values or belief system, is made up of both ideas and actions. Indeed, ideology involves a component of “action-orientation” where a political actor must choose to pursue a goal from a selection of many possible goals in a pre-action deliberative stage. Once a goal has been chosen, the implementation stage involves carrying out the actions that are ultimately necessary to reach the chosen goal. Therefore, it is not enough to analyze what social democratic parties say in their platforms and what social democratic politicians say in their speeches in an attempt to understand their ideology. Rather, what social democratic governments do once in power is the best measure of the ideas that make up their ideology. Even though the actions...
taken by social democratic governments once in power are often born of economic and political constraints in which they find themselves, these actions remain a good indicator of ideology because they depict the true priorities of these political actors. How a social democratic government realizes its ideology in concrete action is the ultimate reflection of its values and beliefs. As such, in this dissertation, I identify the primary ideas of social democratic governments in a variety of policy areas and then go on to describe how these primary ideas were manifested in concrete policies and actions. In this way, I examine both the policies and the ideas behind the policies of social democratic governments.

Using these definitions of ideology and political ideas, I will now illustrate how traditional social democracy and the third way can be defined compared to reform liberalism, socialism, and neo-liberalism. At the simplest level, social democracy is an ideology held by a significant number of political actors. As with any ideology, the ideas of social democracy shift over time and place and across political actors and thinkers. Thus, the term ‘social democracy’ can mean different things to different people at different times. Therefore, any discussion of social democracy must accept that the term itself has multiple meanings that are constantly changing. Indeed, part of the activity of a social democratic party is conflict and negotiation over what it means to be a ‘social democrat’. However, while the concept of social democracy is fractured and often contested, one can perceive a number of underlying commonalities which form the parameters that situate traditional social democracy and the third way as a value or belief system compared to other competing ideologies. The overall goal of social democracy, whether it is traditional or third way social democracy, is the pursuit of greater equality within society even if the definition of equality and the means to reach that goal can vary.
As we will see, in contrast to traditional social democracy, the third way proposes an altered definition of equality which stresses the provision of benefits based on need and merit and advocates targeted social programs and limiting public enterprise to achieve that type of equality.

Traditional Social Democracy

The era of traditional social democracy lasted roughly a century from 1890 to 1990. A discussion of the contours of traditional social democracy must begin with the ideology depicted in two foundational texts of social democracy written at the end of the 19th century: the Fabian Society's *Fabian Essays in Socialism* (1889) and Eduard Bernstein's *The Preconditions of Socialism* (1899). The British Fabians' diagnosis of society's problems started from the premise that the operation of monopolies and the concentration of wealth, property, and surplus production created a class of idle rich who, unlike the first capitalists, performed no meaningful task for society. According to the Fabians, this system of unrestrained private property was responsible for the poverty and economic inequality for the labouring and middle classes, forced individuals into greedy anti-social behaviour, and denied individuals the material base with which develop their own unique capacities and seek moral goodness. The Fabians envisioned a society where the end of abject poverty, a more equal distribution of wealth, and the opportunity for sufficient food and shelter "in return for a moderate day's work" would lead to emergence of humans' true nature as social beings who realize that the common good of society is in their own interest and who voluntarily fulfill their responsibility to contribute to the well-being of their community through their participation in economic, political, cultural, and religious activities.\(^{156}\) As such, the achievement of social democracy would
bring forth both a rational and pleasant existence for individuals and the happiness and freedom of the whole community. However, it is important to note that end result of social democracy would not be a utopia free of war and misery but rather a "new birth of happiness in the households of the five men out of six in England who live by the weekly wage" and a "new and nobler life" for men who had previously lived off the misery of others. While Sidney Webb did deplore the low wages provided to women which he attributed to "their past subjections" instead of their inherent inferiority, he also preferred to see a "condition of society in which the mother of a family did not have to work at all."

In order to obtain such an idealized society, the Fabians prescribed state intervention such as the regulation of monopolies, adequate labour standards, the encouragement of co-operatives and trade unions, taxation of the income of the rich, investment in public works to employ those without jobs, a rudimentary welfare state, and the nationalization of industries that were monopolistic, key to the country's industrial structure or that provided essential services to the public. Moreover, the Fabians held that women should be encouraged to unionize and gain an education in order to raise their wages and mothers should be granted a wage paid by the state for their housework to allow them to raise a family and maintain a decent standard of living. Private property would continue to exist but it would be regulated in the interests of the common good through progressive taxation and the creation of a mixed economy comprising of public, co-operative, and private ownership. However, because graduated taxation would provide revenue for these new government programs, government debt loads would be "easily and sternly restricted." Such reforms would be gradually
implemented as the working class grew in power due to the extension of the franchise and a labour party formed majorities in the national parliament and on municipal councils. It is interesting to note that the Fabians saw municipal government as a key arena for the advancement of social democracy and advocated greater powers of self-determination and expropriation for local governments.161

The Fabians saw very little need to reform the structures and process of British democracy beyond the extension of the franchise to all female and male citizens and the payment of MPs. The Fabians felt that reforms to the economy would be best carried out by a technocratic elite in the state bureaucracy who were accountable to a democratically elected parliament. The Fabians rejected calls for populist means of decision-making such as referendums and were adamant that newly nationalized industry be managed by skilled, professional administrators and not the workers themselves. While the Fabians undoubtedly recognized the existence of classes, it should be noted that class struggle was not a part of the Fabian's mode of societal transformation. Rather, the Fabians saw the state as a neutral site where classes can co-operate together and argued that the labour party should compromise with other political parties in order to advance social democratic reforms. Indeed, the Fabians believed that there were social democrats in all classes and that working classes should welcome the middle classes and small business owners into their labour party.

Eduard Bernstein, who spent time with the Fabians while in exile in England from his native Germany, put forth a diagnosis, idealization, and mode of social transformation nearly identical to that of the Fabians. There were two important differences between the Fabians and Bernstein which would become important for the subsequent development of
social democracy. First, the Fabians were convinced of the historical inevitably of social democracy. The Fabians held that in proposing social democratic reforms they were working with the gradual and irreversible evolution of history which was leading toward the achievement of social democracy and that the actions of reformers could only speed up this inevitable evolution and ensure that it took place in a rational manner. In contrast, Bernstein argued that “what is usually termed the final goal of socialism is nothing to me, the movement is everything.” What he means by this statement is that social democracy is not inevitable and it has no fixed final goal or end-point. Rather, social democracy is the implementation of a certain set of principles by the agency of a group of determined reformers organized in trade unions, co-operatives, and political parties depending upon circumstances which vary with time and place. Thus, for Bernstein and most social democrats that came after him, there was no eventual transcendence of capitalism into a new and different economic system. Instead, the practice of social democracy entailed the slow and gradual reform of capitalism to improve the lives of all citizens. This process of reforming capitalism was not the irreversible outcome of historical inevitability but the result of hard work and struggle by motivated social democratic reformers that could be both eroded and reversed by circumstances or opposing political forces.

The second important difference between Bernstein and the Fabians was that the Fabians saw democracy merely as a mechanism for the achievement of social democratic reforms. Thus, for the Fabians, democracy was a means to an end. Bernstein had a deeper conception of democracy as both a “means and end. It is the weapon in the struggle for socialism, and it is the form in which socialism will be realized.” For Bernstein,
democracy includes “an idea of justice, that is, equality of rights for all members of the community, and this sets limits to the rule of the majority.” As such, Bernstein includes the concept of liberal rights, including minority rights, in social democracy and argues that social democracy is the “legitimate heir” to liberalism both chronologically and intellectually. For Bernstein, social democracy embodies a higher ideal for society compared to liberalism in that social democracy guarantees both civil and economic rights. In this guarantee of positive rights, social democracy provides even more freedom for the individual than does liberalism because under social democracy the individual is “free from economic compulsion in his actions and choice of vocation.” As opposed to liberalism, social democracy goes beyond mere political democracy (equal right to vote) to include social and economic democracy (i.e., equal right to an education, medical care, pensions, employment, and safe working conditions). The infusion of social democracy with the desire for the expansion of liberal human and civil rights, including positive economic rights, would become a hallmark of social democracy in the 20th century.

The ideology of the Fabians and Bernstein became the foundation of traditional social democracy in the 20th century. However, the general prosperity of the post-war era, the paranoia about the spread of communism created by the onset of the Cold War, and the establishment of a functioning welfare state in most western countries did produce some subtle revisions to the model of social democracy outlined by the Fabians and Bernstein. This revisionism was best exemplified by Anthony Crosland’s *Future of Socialism* (1956). For Crosland, the primary problem of society was to ensure that the economic growth and high employment of the post-war period continued unabated in order to bring about the full realization of the economic equality, fraternity, and freedom.
that had been envisioned by the Fabians and Bernstein. For Crosland, a basic level of equality of condition had been established in British society due to the creation of a welfare state which guaranteed all Britons a certain level of income and government services as a basic component of their citizenship. In addition to continuing to improve the welfare state that was already in place, Crosland advised social democrats to encourage economic growth through implementing economic planning mechanisms, providing private industry with risk capital and following Keynesian policies of demand stimulation and deficit-financing. In contrast to the Fabian advocacy of municipal social democracy, Crosland held that these policies should be carried out by a strong central government.

Crosland argued that the capitalists' profit associated with economic growth should not be considered evil as long as a reasonable portion of it was re-invested in production or taxed by the government to support social programs. He also called for a more flexible approach to nationalization which would focus less on the creation of state monopolies and more on competitive public companies, joint-ventures and the creating of new public enterprise as opposed to the expropriation of existing private companies. He further advised the Labour Party to continue to be officially affiliated to the trade union movement but to broaden its appeal to managers of private companies and focus on non-economic social issues which increase citizens' freedom such as abortion, divorce, censorship, gay rights, civil rights, and protection from discrimination for minorities. Finally, while Crosland does not specifically address it, tripartite corporatism, which consists of formalized consultative or decision-making mechanisms composed of representatives from government, trade unions and business, is also generally considered...
an element of post-war traditional social democracy. However, this tripartite
corporatism was always more popular in continental Europe than in Great Britain.

Crosland’s revisionism did not go unchallenged in the British Labour Party. The
Left of the British Labour Party represented by Aneurin Bevan in the 1950s emphasized
class conflict and argued for a mixed economy where the public sector was dominant in
order to limit the power of the capitalists and private property. Similarly, the New Left
represented by Tony Benn in the 1970s called for a greater focus on class, an aggressive
policy of nationalization, democratic reforms and workers’ co-operatives. What is
important to realize concerning the previous discussion is that the left-right ideological
conflict in the British Labour Party, as in other European social democratic parties during
the post-war era, took place in the general ideological framework established by the
Fabians and Bernstein at the turn of 20th century which strongly advocated the expansion
of public ownership and the construction of universal social programs providing benefit
to all citizens regardless of need or merit.

Traditional Social Democracy and Socialism

In my view, it is appropriate to differentiate traditional social democracy from the
alternative ideology of ‘socialism’. However, an attempt to define the ideology of social
democracy in relation to the term ‘socialism’ is made exceedingly difficult because
‘socialism’ has been used to describe such diverse ideological standpoints that it is no
longer a useful analytical category by itself. Following Michael Harrington, I hold that
there are a variety of ‘socialisms’ the most important of which are utopian socialism,
Communism and Marxism. Social democracy is quite easily distinguished from
Communism, as embodied by the writings of Lenin, Stalin, and Mao, in that social
democracy does not seek the overthrow of capitalism and emphasizes parliamentary action over revolution. Similarly, utopian socialism represented in the writings of Robert Owen and guild socialism associated with the writings of G.D.H Cole is also readily distinguished from social democracy due to its distrust of the state, advocacy of voluntary communes, and unwillingness to engage in electoral and parliamentary activity.

The differentiation between social democracy and Marxism, based on the writings of Karl Marx himself, is more elaborate but nonetheless straightforward and clear. More than the Fabians, the work of Bernstein clearly differentiated the diagnosis, idealization, and mode of societal transformation of social democracy from Marx’s conception of socialism. In terms of diagnosis, Bernstein and the Fabians agreed with Marx that the unrestricted operation of capitalism created dramatic economic inequalities and an unacceptable concentration of wealth and property. However, Bernstein argued most of Marx’s predictions such as the inevitable collapse of capitalism, a crisis of overproduction, the falling rate of profit and the increasing concentration of wealth leading to a deepening of a single and overarching class division between proletariat and bourgeoisie would not happen. Instead, partially due to reforms by governments, Bernstein argued that capitalism had increased the numbers of the middle class by making the working class richer and that the extension of democracy to all citizens made possible the coming to power of a labour party which could find a compromise among classes in order to advance social democratic reforms. For Marx, the primary problem of society was capitalism itself which impoverished workers and alienated them from their true human nature while at the same time lurching towards an economic crisis. In
contrast, for social democrats such as the Fabians and Bernstein, the primary problem of society was *unfettered capitalism* which created an unequal distribution of wealth.

Since Marx’s diagnosis of the problems of society was different than that of social democracy so was his vision of an ideal society. Despite Marx’s vague vision of what a socialist society would look like, it is reasonable to assume that it would entail the elimination of classes or at the very least the elimination of the political and economic power of the bourgeoisie, the common ownership of entire means of production, replacement of the capitalist economic system with collective economic processes and the substitution of the bourgeois state with more popular mechanisms of authority (possibly along the lines of the failed Paris Commune of 1871). Since, for Marx, human nature is determined by the society in which people live, the replacement of capitalism and abolition of private property would bring about a new type of human who would be free from alienation and be able to realize their complete freedom and fully develop their abilities in harmony with their community. Despite of such vague vision, it is clear that Marx’s view of the good society was radically different than social democrats’ vision of the good society which involved the reform of capitalism, the cooperation of classes, and a mixed economy. As such, it is clear that social democracy lowered Marx’s totalistic demands for emancipation of the working class from their alienated existence and a complete control of production by the collectivity.

As well as the differences between their diagnosis and conception of an ideal society, there were also clear differences between Marx’s mode of societal transformation and that of social democracy. Marx predicted that the growing misery and alienation of the proletariat would combine with capitalism’s inevitable crisis of overproduction to
lead to the displacing of the rule of the bourgeoisie by a “dictatorship of the proletariat” where the working class would assume control of the state apparatus.\textsuperscript{174} Marx thought that this process would take place through either peaceful and democratic means or through violent revolution depending on the circumstances of the country.\textsuperscript{175} In contrast, for both the Fabians and Bernstein, the state was not the “a committee for managing the common affairs of the whole bourgeoisie” as Marx put it, but a neutral apparatus that could be used by social democrats elected to public office to achieve practical reforms which would improve the lives of all citizens.\textsuperscript{176} Whereas Marx insisted that politics were exclusively governed by class conflict emerging from the process of production, Bernstein held that all classes had a common interest in maintaining and furthering civilization and, through democracy, compromises could be found among all classes to create a more equitable type of capitalism. As such, both the goal of Marxism (the abolition of private property and the collectivization of a large portion of the means of production) and its means to achieve that goal (the overthrow of capitalism through class conflict) differ fundamentally from social democracy. Further, as opposed to Marx’s internationalism, Bernstein held that social democrats can be nationalist since “the worker who has equal voting rights in the state and municipality etc., and thus shares in the common good of the nation, whose children the community educates, whose health it protects, and who it insures against injury, will have a fatherland without therefore ceasing to be a citizen of the world.”\textsuperscript{177}

Despite the considerable revisions the ideology of Marxism has undergone since Marx’s death and the variety of types of “Marxisms”\textsuperscript{178} that have emerged throughout the 20\textsuperscript{th} century, the fundamental differences between social democracy and Marxism have
persisted. For instance, a cursory look at Ralph Miliband’s neo-Marxist text entitled *The State in Capitalist Society* makes it clear that neo-Marxism has a very different diagnosis of society’s problems, vision of the ideal society and mode of social transformation than has social democracy. Beyond economic inequality, Miliband believes that the primary problem facing society is that a capitalist ruling class which owns the means of production is able, through both direct and indirect means, to ensure that the state protects its dominance even when social democratic parties are in power. As opposed to the reform of capitalism which involves the construction of generous social programs and the nationalization of certain key industries, he states that the only basis for the creation of a rational and humane social order is “the transcendence of capitalism- in other words, the appropriation into the public domain of the largest part of society’s resources.” He contends that, in advanced capitalist societies, the economic system’s inability to match its massive productive advances to a generalized reduction in economic inequality and freer existence for all citizens will produce considerable angst among the general population. The governments of advanced western countries, sometimes led by social democrats, will attempt reforms to alleviate the worst dysfunctionalities of the capitalist system but such reforms will not be able to go far enough due to the limits imposed by property rights and unequal economic power. Faced with such an intractable problem, governments may turn to repression and coercion to quell popular unrest. In a dialectical fashion, such repression will only bring out strengthened protest. In contrast to exclusive reliance on parliamentary action, a broad left coalition of labour unions, social movements, and radical socialist or communist parties must come together to insure that
this combination of unjust repression and inadequate reform will translate into the eventual transcendence of capitalism through peaceful means.\textsuperscript{180}

Finally, in terms of distinguishing between socialism and social democracy, there is the thorny question of whether social democracy is a type of socialism: i.e. should social democrats refer to themselves as ‘democratic socialists’ and identify themselves as a branch of socialism? While I do not want to enter too far into this semantic debate, I would like to point out that my use of the term ‘social democracy’ as opposed to ‘democratic socialism’ is a conscious decision. Based on the analysis above, I would argue that the minimum criterion for being designated as a socialist is the desire eventually to replace or transcend capitalism with an economic system vaguely defined as ‘socialism’. To be socialist is to be anti-capitalist, in the sense that one believes that capitalism should be replaced some other type of system, and to designate oneself as a ‘democratic socialist’ may imply that one is anti-capitalist in some manner. Social democracy, as outlined in the \textit{Fabian Essays} and \textit{Preconditions of Socialism}, is not anti-capitalist nor does it envision the replacement of capitalism with another economic system. Rather, social democracy desires the gradual reform of capitalism to create a more just, free and more equal \textit{capitalist} society. Therefore, social democracy is not a type of socialism and the term ‘democratic socialism’ can lead to misunderstandings surrounding the nature of social democracy as an ideology.

\textit{Traditional Social Democracy and Reform Liberalism}

Ultimately, the ideology of traditional social democracy is much closer to the ideology of reform liberalism, represented by the writings of T.H. Green, than it is to Marxism or any other type of socialism. In the late 19\textsuperscript{th} century, Green laid down the
foundations for reform liberalism which represented a definitive break from the classical liberalism of Locke or the utilitarianism of Bentham and Mill. The major problem that Green identified with society was that the lack of property of among workers and property qualifications on the right to vote constituted a denial of the opportunity for these citizens to realize themselves through the development of their own unique human powers and capacities. The emphasis of classical and utilitarian liberalism on the sanctity of contracts, 'negative freedom' from government interference and the postulation of atomistic individuals had undermined the aspirations of many individuals and their communities. For Green, the ideal society is one in which all citizens have the democratic right to participate in the political process and the opportunity to acquire the property necessary to achieve self-realization and attain the 'positive freedom' to structure their lives around moral principles.

However, Green went on to argue that since the right to acquire property is connected to the attainment of humans' "highest good" it cannot be controlled in any way even if this situation results in inequality and the effective denial of property rights to the working class who possess the right to property but are unable to attain it. For Green, such inequality and the effective denial of property rights is justifiable because humans are both infinitely acquisitive by nature and naturally seek fulfillment in things that they share with others. Capitalism unites these two parts of human nature because the unlimited acquisition of property in a free market increases production thereby creating new sources of income for the working class, owners of businesses, and society as a whole. As one can see, Green is making a sophisticated formulation of the argument
later made by American President John F. Kennedy, a reform liberal himself, that a 'rising tide lifts all boats'.

Due to capitalism's constant generation of new wealth, Green argues that the working class may accumulate the savings if they have "education and self-discipline" and even can become capitalist themselves "to the extent of owning their houses and a good deal of furniture, of having an interest in stores, and of belonging to benefit-societies through which they make provision for the future." Thus, for Green, the good society is one in which everyone has the opportunity to attain at least some of the trappings of a capitalist (even if they did not own part of the means of production) and thereby are able to pursue their own self-development if they have the merit and ability to do so. He believed that such a society could be reached through legislation aimed at encouraging the self-improvement of the working class such as the expansion of the franchise, public education, and temperance. Further, minimal interference by the state in the economy should be tolerated in the form of basic labour standards, building codes, and rules to ensure non-exploitative contracts in order to protect the health of the working class and allow it to build up property.

The ideas of Green were expanded upon by the reform liberals in several countries, notably through the addition of the idea of the welfare state. In early 20th century, reform liberals such as L.T. Hobhouse advocated the creation of old-age pensions, unemployment insurance, progressive income tax, and an inheritance tax. Marian Sawer has also illustrated how the ideas of Green influenced a generation of reform liberals in Australia at the turn of 20th century who put in place the uniquely Australian institution of wage arbitration and other aspects of the welfare state such as
public education, national parks, and pensions. In Canada, Mackenzie King recast the ideology of the Liberal Party following his victory at the 1919 Liberal leadership convention. He committed the Liberals to a reform liberal agenda which included the eventual achievement of a welfare state (Medicare, pensions and unemployment insurance) and accepting unions as workers' legitimate representatives.

In the United States, the pinnacle of reform liberalism was undoubtedly Roosevelt's New Deal. John Dewey's *Liberalism and Social Action*, published in 1935, exemplifies the ideology of American reform liberalism during the depression. Ultimately, Dewey propels the logic of Green's re-casting of liberalism towards more drastic conclusions than Green himself was comfortable with. Dewey held that the primary problem of society was that the doctrine of laissez-faire liberalism was responsible for the misery wrought by the depression and the state's reluctance to intervene in the economy to attack serious economic problems. While Dewey held that humans remain essentially self-interested and infinitely acquisitive, he also stated that it was in humans' nature to live in association and to realize that their community needs to use its collective resources to promote the good of each of its members through "organized social action." As such, in an ideal society, the government should use its powers to intervene in society to ensure that all individuals have equal opportunity to both act freely and to realize their purposes or desires. To reach this idealized society, the state needed to create a basic welfare state to ensure the material security and intervene in the economy to reduce the power of monopolies, protect citizens from unlawful foreclosures, and regulate the stock market.
For the most part, reform liberals of the post-war era such as theorists like John Rawls and politicians like Lester Pearson, Pierre Trudeau, John F. Kennedy, and Lyndon Johnson followed in the same general ideological framework that had been established by Dewey and the other reform liberals of the early 20th century. The only significant addition made by these later liberals to the ideology of reform liberalism was a stronger emphasis on the expansion of legal and civil rights for women, racial minorities, gays, lesbians and other groups who experience discrimination.

In their diagnosis of society's problems, reform liberalism and traditional social democracy inhabit common ground. Both ideologies point out the existence of economic, social, and political inequalities associated with laissez-faire capitalism, the restriction of the franchise and discrimination based on sex, race, religion, or lifestyle. Further, there is little disagreement between reform liberalism and traditional social democracy concerning the need to strengthen democracy and entrench rights to provide protection from unjust discrimination or oppression. However, it may be argued that social democrats are more willing to consider the expansion of economic or social rights whereas reform liberals concentrate more on extending legal rights.

Despite such similarities between the two ideologies, I would argue that traditional social democracy has a deeper notion of economic equality than reform liberalism. Reform liberalism believes that the state should ensure equal opportunity for all to develop their own unique capacities in such a way as not unduly to restrict the right of individuals to acquire property. After all, it is the unlimited right of property acquisition and humans' nature as inexhaustible acquirers in a relatively free market that is responsible for producing wealth. Therefore, a basic welfare state, moderately
progressive taxation and limited intervention by the state in the economy is considered sufficient to ensure an equality of economic opportunity which would permit all citizens to attain the material security necessary to fulfill their human potential if they have the merit to take advantage of the opportunities afforded to them.

In contrast, proponents of traditional social democracy believe that the state should ensure a basic equality of condition for all citizens and that regulation of property in the interests of the common good is necessary to achieve this goal. This deeper notion of equality is based upon the belief that humans can fully overcome their acquisitive impulses to become social beings who realize themselves in the advancement of their community if their material needs are completed filled. Therefore, these material needs must be filled regardless of one’s merit and as an entitlement of citizenship. As such, traditional social democracy envisions a much more comprehensive and generous welfare state than reform liberalism. The construction of a comprehensive welfare state would ensure the creation of a society of caring and sociable individuals as opposed to a society of greedy and atomistic individuals.

More importantly, unlike reform liberals, traditional social democrats saw the unlimited right to the acquisition of property as the cause of economic inequality not its cure. Therefore, not only should income be taxed in a graduated fashion but monopolies that reap large profits from providing essential services to citizens should be nationalized in order to bring about greater economic equality by charging lower rates for such services. The nationalization of key industries (particularly natural resources) allows for the creation of common property which could be used to make profits for the entire community instead of a single capitalist. State intervention in the economy was also
deemed necessary to ensure strong economic growth and full employment. Co-operatives
would provide a mechanism by which common property could be held and benefits of
that property distributed to a collectivity. In short, there was a desire for the democratic
and collective control of the economy and reduction of the power of private property over
human life that was inherent in traditional social democracy but was completely absent
from reform liberalism.190

The Third Way

The concept of the third way is much more difficult to define than traditional
social democracy because there are no foundational texts that have stood the test of time
comparable to The Fabian Essays and Preconditions of Socialism. Further, since the third
way is a relatively new phenomenon it is still in the process of being defined and political
scientists are still grappling with its definition. Indeed, the European debate on the third
way has been characterized by considerable disagreement concerning the definition of
third way social democracy.

While it would be impossible to provide a synopsis of the entire European debate
on defining the third way, the debate features a number of recurring themes. Dutch
political scientist Frank Vandenbroucke emphasizes that the third way prevents poverty
traps by improving the productive skills of social security beneficiaries while stressing
their moral duty to seek employment whenever possible.191 Ferrera, Hemerijck and
Rhodes who hail from Italy, Holland and Great Britain respectively argue that the
principal characteristic of the third way is the crafting of social and tax policy to
encourage investment instead of stifling it.192 British researcher Stuart Thomson outlines
six aims of the third way: fairness, individual rights, aiding the market, individual
initiative to achieve advancement, the state as an enabler and the strengthening of community. Armando Barrientos and Martin Powell, who are based at British universities claim that third way social policy favours employability, conditionality, state/private delivery and a pragmatic mix of universalism and selectivity. In short, there has been no agreement on the definition of the third way in Europe in spite of many attempts. Indeed, this lack of consensus on a definition of the third way has even led some researchers to theorize the existence of multiple ‘third ways’ in Europe that vary by country or region.

While recognizing that there is a multiplicity of definitions of the third way, I will use Anthony Giddens’ work as a model for what I consider to be the ideology of the third way. I have decided to use Giddens’ work because he is the theorist who has gone the farthest in gathering the diverse themes of definitions of the third way into a single framework and he is the theorist who is most commonly associated with the ideology of the third way. As such, Giddens’ thought represents a fully developed version of the ideology of the third way against which the ideas of the third way governments in Saskatchewan and Québec can be judged.

Instead of using the language of ‘third ways’, Giddens points out that the third way is not associated with any one particular party, country or region but is a “broad ideological stream with several tributaries flowing into it” and “an overall political orientation” that is nonetheless “intellectually powerful and coherent.” For Giddens, the third ‘way’ is not the wide boulevard between capitalism and communism, but the considerably narrower path between the radical neo-liberalism of the 1980s and old,
statist social democracy of the postwar era. As such, Giddens characterizes the third way as an attempt to “transcend old-style social democracy and neoliberalism.”

In terms of his diagnosis of society’s problems, Giddens is concerned that, while the neo-liberalism of the 1980s did bring about economic growth, the unrestrained operation of the free market created considerable additional economic and social inequality in western countries. On the other hand, he argues that there was a demise of social democracy during the 1980s because it was unaffordable, overly bureaucratic, suspicious of voluntary associations, unconcerned about the environment, insular, restrictive of the dynamism of the market economy, unaware of the consequences of the welfare state for women’s lives, and unresponsive to cultural pluralism and the proliferation of diverse lifestyles. In any case, the economic and social conditions on which traditional social democracy was based- Fordist mass production, a male breadwinner social system and closed national economies amenable to Keynesianism-have disintegrated. Therefore, Giddens argues that social democracy has to find an electorally viable program which both works in the new and changed context of the turn of the 21st century and transcends the shortcomings of traditional social democracy and neo-liberalism.

For Giddens, the good society is not one where the state has the dominant role but one where the three main sets of society’s institutions- the state, the economy, and civil society- are in balance. As such, the good society requires a competitive market economy because it is a source of economic development; individual freedom and autonomy through producer and consumer choice; and individual and collective initiative and innovation which helps all of society. However, the state must alleviate the socially
damaging traits of the market such as economic inequality and act decisively to ensure the protection of social and political rights which the operation of the market does nothing to guarantee. Nonetheless, the state should not be asked to do everything in society because an overly developed public sector is excessively bureaucratic, elitist, inefficient, and does not promote the experimentation and risk-taking needed for the advancement of society and economic prosperity. As such, Giddens argues that the state should aim to create a network of partnerships with NGOs, business, and the third sector to provide public services or promote economic development. The final component of the Giddens' good society is a healthy civil society which is essential to support a democratic government and a dynamic market economy. However, if civil society is too dominant and its divisions are uncontained there is no way to avoid open conflict (e.g. Northern Ireland). Thus, the government should give financial and technical support to civil society to promote “civic entrepreneurship” while maintaining boundaries for it.200

Giddens outlines a comprehensive policy program to achieve this vision of the good society. Giddens’ economic proposals focus on government creating the conditions for economic growth and increased investment in order to achieve full employment. As such, governments need to maintain fiscal discipline, stimulate technological innovation, build adequate infrastructure, cultivate flexible labour markets, and focus on maintaining a skilled workforce through an emphasis on training and re-training. He further argues that governments should explore ways to reduce reliance on taxes which inhibit enterprise or effort such as income or corporate taxes and should focus instead on environmental, consumption, and inheritance taxes. Giddens is adamant that, while governments should provide emergency assistance to private companies in trouble and
financial assistance for modernization and transition, the re-nationalization of state companies privatized by neo-liberals or the expansion of public enterprise should not be attempted because of problems associated with inefficient management and risks to the taxpayer. Giddens' contends that there were a host of problems with neo-liberals' wholesale approach to privatization and that the third way holds that there are several sectors, particularly those which provide a public good or are natural monopolies such as railroads, where complete privatization is inappropriate. Therefore, he contends that any future privatization should be partial and take the form of partnerships for economic development between the state and the private sector.

In terms of the welfare state, Giddens holds that the third way adopts a new approach to inequality which focuses on “equality of opportunity” and a “meritocratic approach to inequality.” As such, social assistance should not merely transfer income to the poor but should provide resources to allow the poor to find jobs and should stress that the right to assistance from the state comes along with the responsibility to make an effort to look for employment. In particular, the third way sees education as the “prime means of contesting inequality of opportunity.” Therefore, Giddens emphasizes early childhood learning, universal public daycare, and lifelong learning as ways to provide an equal starting point and expand opportunities later in life to self-improvement. Universal public daycare along with more flexible working conditions and enhanced parental leave would also facilitate women’s entry into the workforce and raise fertility rates which are important to sustaining welfare state services as babyboomers retire. Giddens holds that, by creating equal opportunity for women to work, the third way is responding to the new individualism which is “the retreat of tradition and custom from our lives” that erodes the
traditional family and allows for more flexible gender relations. In the area of health and other public services, public-private partnerships (P3s) and decentralization to the local level should be explored to provide more consumer choice, reduce costs, improve quality, and increase efficiency. Giddens even goes as far as to suggest voucher schools to improve consumer choice and to argue that affluent users of the public health care system should have the right to purchase special privileges because "insistence on bureaucratic uniformity is counter-productive, since the more privileged simply desert the system."  

In terms of the environment, Giddens contends that environmental protection must be provided for by environmental taxes to reward certain behaviours and discourage other behaviours along with stricter regulation and market-based instruments to control environmental risk and develop environmentally-friendly technologies. He argues that the third way's goal is "ecological modernization" which is the "quest to combine higher levels of economic development with lower levels of environmental impact." Giddens contends that the third way should also attempt to build a "cosmopolitan nation" which would accommodate diverse cultural, ethnic, and regional identities through state-supported multiculturalism and the devolution of powers to regions in countries. However, he insists that Great Britain remain a unitary state and that immigrants have "the obligation to learn core constitutional values and abide by them." Finally, Giddens argues that the third way should advocate a progressive vision of globalization which includes transnational regulation, qualified support for free trade, third world debt relief, multilateralism, the elimination of international tax havens, and enforcement of international law (especially human rights law).
The Third Way and Reform Liberalism

There is little difference between the third way and reform liberalism. Both ideologies diagnose the primary problems of society as being the economic inequality created by laissez-faire capitalism and social inequalities stemming from society's traditions. Further, both ideologies desire an ideal society which reconciles the competitive market economy with social justice. The third way's prescriptions of equality of opportunity, emphasis on merit, and focus on the responsibility of individuals to lift themselves out of poverty are very similar to the ideas of Green and other reform liberals. Both ideologies seem to set up a dichotomy between the deserving poor (very old, sick or severely disabled) and the undeserving poor (those capable of working) in their mode of societal transformation. Further, the third way seems to accept the reform liberal proposition that the operation of a relatively free market and few limitations on property acquisition are necessary prerequisites to the creation of the wealth necessary to reduce economic inequality (i.e. a rising tide lifts all boats). Indeed, Giddens argues that "an effective market economy is the best way of promoting prosperity and economic efficiency" and that "the possibility of becoming very wealthy is presumably not to be denied to people, since it may motivate exceptional talent."207

The similarities in these two ideologies may be attributable to the fact that the third way's view of human nature is very similar to Green's view that humans are both infinitely acquisitive and seek fulfillment in things that they share with others. Giddens argues that the individual is a "consumer-citizen" that consumes products of their choice in a market characterized by open competition and high product diversity.208 Simultaneously, the consumer-citizen also seeks to exercise freedom and attain "self-
realization” through their membership in groups, communities, and cultures.\textsuperscript{209} Since the third way recognizes this duality in human nature, it desires to structure the state around consumer choice and is concerned about incentives/disincentives in its taxation and social assistance policies. The only minor difference between the third way and reform liberalism is that the third way accepts that nationalization is appropriate for several sectors whereas reform liberalism remains suspicious about public ownership.

Giddens is not unaware of the similarities between the third way and reform liberalism. Indeed, Giddens states that one of the defining features of the third way is the ability to “overcome the barrier that used to exist between the Left and liberal progressivism.”\textsuperscript{210} However, he holds that, while there are some affinities between some of the themes of the third way and the ideas of Green and Hobhouse, “the third way isn’t, and can’t be, just a reversion to ethical liberalism” because these reform liberals wrote before or during the rise of traditional social democracy and communism whereas the third way is a response to the causes of demise of those two ideologies which has “created quite different exigencies from those of the past.”\textsuperscript{211} For Giddens, the difference between the third way and reform liberalism is based upon the different time periods in which the two ideologies were emerged and not their ideological content. Thus, the similarities between the two ideologies should be discounted because the third way expounds similar ideas to reform liberalism but does so in relation to a different set of historical circumstances. In any case, Giddens seems to think that reform liberalism has been replaced by neo-liberalism as the dominant ideology among liberals in the 21\textsuperscript{st} century and therefore comparisons between reform liberalism and the third way are not overly important.
The Third Way and Traditional Social Democracy

Although Giddens admits that the third way is a move to the political centre, he is clear that the third way is still in the tradition of the social democracy dating back to Bernstein in that preserves the values of traditional social democracy such as “a belief in a solidary and inclusive society, a commitment to combating inequality, and protecting the vulnerable.” Further, like the social democratic thought that came before it, the third way holds that the state has a vital role to play in realizing these values. For Giddens, the differences between the third way and traditional social democracy are understandable in the context of different historical conditions and the realization of certain shortcomings in traditional social democracy made available through historical hindsight. As such, Giddens concludes that the third way is “social democracy, brought up to date and made relevant to a rapidly changing world.”

While I accept Giddens’ assertion that the third way is a variant of social democracy, it does represent a more radical break with the ideology of social democracy established in the late 19th century by the Fabians and Bernstein than previous social democratic revisionism such as Crosland’s revisionism of the 1950s. Crosland’s revisionism was in fundamental agreement with the Fabians and Bernstein in its advocacy of the expansion of public ownership and the construction of universal social programs providing benefit to all citizens regardless of need or merit. In this sense the revisionism of the 1950s was still very much representative of traditional social democracy. However, as the following table illustrates, the third way fundamentally breaks with traditional social democracy through its re-definition of the concept of equality, fear of an overbearing state, and eschewing the expansion of public ownership.
Table 2.1: Traditional Social Democracy Versus the Third Way

<table>
<thead>
<tr>
<th>Aspect of Ideology</th>
<th>Traditional Social Democracy</th>
<th>Third Way</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diagnosis of Society’s Problems</td>
<td>• Economic inequality inherent in unfettered capitalism</td>
<td>• Economic inequality inherent in unfettered capitalism</td>
</tr>
</tbody>
</table>
| Vision of an Ideal Society | • Equality of condition as an essential part of citizenship  
• Free market needs to be restrained in order to produce a redistribution of society’s wealth  
• No fears concerning an overbearing bureaucracy or the inefficiency of government | • Equality of opportunity based on merit and need  
• Free market as a mechanism which ensures autonomy and generates wealth  
• The state has the potential to be overly-bureaucratic and inefficient |
| Mode of Societal Transformation | • Expansion of public enterprise  
• Progressive income taxes  
• Deficit financing  
• Centralization | • Public-private partnerships  
• Less reliance on progressive income taxes to achieve wealth redistribution  
• Fiscal discipline  
• Devolution of powers |

While both the third way and traditional social democracy share the same concern about the economic inequality inherent in unfettered capitalism, the third way has a shallower notion of equality of opportunity based on merit and need as opposed to traditional social democracy’s deeper notion of equality of condition as an essential part of citizenship. Further, the third way sees the free market as a mechanism which ensures autonomy and freedom through consumer choice and open competition and generates wealth for all of society, whereas traditional social democracy believes that the free market needs to be restrained in order to produce a redistribution of society’s wealth. The third way is critical of solutions which depend too heavily on the state and recognizes that the state has the potential to be overly-bureaucratic and inefficient. Conversely, traditional social democracy holds that the state should play a preponderant role in all spheres of society and displays no fears concerning an overbearing bureaucracy or the
inefficiency of government. Finally, in contrast with traditional social democracy, the third way’s mode of societal transformation involves partnerships between the state and public sector to provide public services and encourage economic development, fiscal discipline, less reliance on progressive personal and corporate income taxes to achieve redistribution, the devolution of powers, and does not include the expansion of public enterprise.

*The Third Way and Neo-Liberalism*

While the third way is a distinct ideology from traditional social democracy, I would also argue that the third way is a fundamentally different ideology than neo-liberalism. The general ideological framework for what would come to be known in the 1990s as neo-liberalism is best depicted in the writings of Friedrich Hayek such as *The Road to Serfdom* (1944). Writing at the onset of the growing popularity of social democracy in postwar Europe, Hayek was concerned that the implementation of policies such as the expansion of public ownership, the construction of a generous welfare state, and economic planning by politicians of all political parties would inevitably lead towards fascism and totalitarianism. He argued that these policies embody a collectivism that tends towards the subjection of all social and economic life to central control, the intolerance of a diversity of opinion, coercion, the imposition of uniformity, and xenophobic nationalism. Moreover, he contended that there was no “middle way” between individualism and collectivism because once the state begins expanding and imposing central direction in one sphere it constantly extends its interventions in an attempt to remedy the failures caused by the inefficiencies of central direction. Eventually, as the self-reliance of individuals wanes, a dictator arises to take to control of
the centralized economy and the totalitarian state comes to dominate the entire society. Hayek held that this transition from social democracy to fascism is exactly what happened in the Weimar Republic and that the conditions were ripe in postwar Britain for the same process to take place.

Hayek’s ideal society is one in which individuals are “allowed, in defined limits, to follow their own values and preferences rather than somebody else’s...the individual’s system of ends should be supreme and not subject to dictation by others.”215 As opposed to the positive freedom posited by reform liberals, Hayek had a negative conception of freedom as “freedom from coercion, freedom from the arbitrary power of other men, release from the ties which left the individual no choice but obedience to the orders of a superior to whom he was attached.”216 An open, competitive and free market allows individuals to exclusively follow their own preferences through consumer choice and free association with other producers thereby creating a substantial degree of autonomy and freedom. A market economy also has the added benefit of engendering the most efficient and rational co-ordination of societal activity if the spontaneity of free competition is allowed. Indeed, Hayek holds that whenever barriers to free competition in a market economy are removed economic prosperity, innovation, societal progress, and increased liberty inevitably result. As such, the free market driven by competition and the unlimited right of property acquisition is moral because it channels the selfish nature of humans towards the common good, creates just consequences for individuals’ choices based on impersonal market forces, and fulfills humans’ inner desire to be free from the dictates of others.217
In order to attain this ideal society and stave off the danger of totalitarianism, Hayek held that the state’s activity should be as limited as possible. He argued that goods and services should be produced and distributed in accordance to price mechanisms except in cases where the owner cannot feasibly benefit from the useful services rendered by his property (e.g. street signs.) Further, state regulation of economic activity could be imposed when an economic activity causes damages to be suffered by others in the society who are unrelated to the activity (e.g. pollution). Finally, he argues that social services are compatible with competition “so long as the organization of these services is not designed in such a way as to not make competition ineffective over wide fields.”

While Hayek acknowledges that the free market produces unequal outcomes, he does not hold such outcomes to be unjust for several reasons. First, only the actions of individuals can be judged to be just or unjust and the outcome of the market is the product of impersonal forces. Second, a redistribution of wealth would decrease individual incentive to produce as much as possible, thereby reducing the overall production of society, and creating the inefficient use of available resources. Finally, distribution by the market is the result of individual effort and is therefore morally superior to distribution by the government which is based upon arbitrary and bureaucratic standards. Specifically, Hayek argues against progressive taxation because is predicated on arbitrary distinctions between taxpayers. In summary, the state should not attempt to redistribute the wealth because the unrestrained operation of the market is just and moral; leads to greater wealth production and efficiency; and the alternative to market distribution is morally inferior.
It is important to note that Hayek is not a partisan of a simple doctrine of laissez-faire liberalism. He argues that the history of the 20th century has shown that the progress towards a free market economy can be easily reversed through lack of vigilance. As such, the state should needs to be constantly adjusting its legal framework and reforming its institutions to ensure that markets remain as free as possible, that impediments to competition are removed or prevented from being introduced, and that all citizens are subject to the same laws so that an equality opportunity to participate in the market is guaranteed.

From Hayek’s general ideological framework, various liberal and conservative parties in western countries derived a comprehensive policy program during the 1980s and 1990s. While not all of these parties and the governments that they formed had exactly the same version of neo-liberalism, a number of common contours stemming from Hayek’s belief system may be outlined. Neo-liberal parties’ economic policies focused on strict fiscal discipline, changes to the labour legislation to weaken the power of unions, deep cuts to corporate and personal income taxes (particularly for the wealthy), privatization of public enterprise, high interest rates to control inflation, deregulation, and the reduction of state intervention in the economy. At the same time as reducing the state’s role in the economy, neo-liberal parties dismantled or scaled back social programs, offloaded responsibilities to lower levels of government, and implemented workfare programs. In terms of women’s policies, neo-liberal parties typically valorized the traditional family and eliminated direct state support to women’s equality by restraining governmental activities in the public sphere. Finally, neo-liberalism put forth a vision
of globalization which emphasized unrestricted free trade between countries based upon binding agreements that restrained the intervention of the states in their own economies.

Despite some scattered symmetries, several clear differences between the ideologies of neo-liberalism and the third way emerge. In terms of their diagnosis of society's problems, neo-liberalism holds that the inequality that results from operation of the market is justifiable and morally defensible whereas the third way is concerned with the economic and social inequality that it argues resulted from the implementation of neo-liberalism's free market strategies during the 1980s. While the third way agrees with neo-liberalism that the good society requires a competitive market economy as a source of economic prosperity, individual freedom, and innovation, its vision of an ideal society also includes a state that assumes responsibility for the political and social consequences of market outcomes and acts to reduce economic inequality. Similarly, whereas neo-liberalism wants to limit the state's involvement in civil society, the third way holds that the state has a role to play in supporting a vibrant civil society, and engendering corporate social responsibility. In particular, neo-liberalism would be suspicious of the third way's proposal to build a cosmopolitan nation through state-sponsored multiculturalism.

These fundamental differences in diagnosis and vision of the good society are reflected in the mode of societal transformation of the two ideologies. While neo-liberalism holds that the state should limit its intervention in the economy as much as possible and advises wholesale privatization of public companies, the third way promotes collective economic action in the form of the maintenance of certain public enterprise to promote economic equality and state partnerships with the private sectors and NGOs to encourage economic development. Similarly, while the third way accepts neo-
liberalism's insistence on fiscal discipline and flexible labour markets, it generally places more emphasis on state action to attract private investment such as skills training, the construction of infrastructure and financial assistance for modernization. Thus, the third way sees a positive role for the state in the market economy whereas neo-liberalism desires the removal of the state from the economic realm.

Neo-liberalism generally holds that state activity is necessarily inefficient, overly-bureaucratic and an unnecessary constraint on the dynamism of the market. The third way argues that while state activity can be this way at times, reforms can be made to limit these undesirable characteristics of state action such as performance targets and public-private partnerships. Neo-liberalism desires a retrenchment of the welfare state and progressive taxation systems constructed during the post-war era in order to reduce government spending and boost competitiveness. The third way agrees with neo-liberalism that taxes impact competitiveness and that social assistance can create disincentives to work. However, third way reforms to social assistance focus on the restructuring of benefits to create incentives to work and its taxation policies aim at achieving a more equal distribution of wealth through shifting from reliance on income taxes to consumption taxes. While neo-liberalism does not recognize the possible negative consequences of globalization, the third way qualifies its support of free trade with insistence on the expansion of human rights and transnational regulation.

The third way recognizes that reducing economic inequality and increasing deterrents are both important in reducing crime whereas neo-liberalism would concentrate solely on deterrents. In terms of the environment, the third way's suggestions of environmental taxes and stiffer regulations are at odds with neo-liberal insistence on
market-based and voluntary solutions. For the most part, the third way and neo-liberalism agree that decentralization to the local level is an effective way to improve the responsiveness of state-provided services as long as such devolution does not create unnecessary and additional layers of bureaucracy.

The third way and neo-liberalism also have a different conceptualization of human nature and equality of opportunity. For the third way, equality of opportunity denotes that the state should provide all citizens with the necessary resources and material security in order to fully develop their potential. In particular, the third way supports measures such universal public daycare and improved parental leave as a way to equalize opportunities for men and women. For neo-liberalism, equality of opportunity involves the assurance of legal equality to participate in the market processes from an equal starting point. As such, women only should be accorded legal and formalistic equality in order to achieve equality with men. Finally, for neo-liberalism, human nature involves only infinite acquisition and the desire to be free from coercion whereas for the third way humans are infinitely acquisitive as consumers but are also citizens who seek self-fulfillment in collective action.

**European Literature on the Third Way**

Since the early 1990s, a massive debate has been taking place in European political science concerning the third way that has centered on three general themes: the definition of the third way, the reasons for its emergence and its merits and deficiencies. While European literature is useful in various ways for my project, it does have certain limitations in its application to Canada which this section will explore.
First, I show in Chapter 5, Giddens’ definition of the third way is a close but not an exact fit to the version of the third way adopted by the NDP in Saskatchewan and the PQ in Québec. The principal weakness in Giddens’ definition of the third way, and of other European definitions, is that it sets up a rigid dichotomy between traditional social democracy and the third way. As such, European literature on third way generally fails to appreciate the continuities that exist between the ideology of the third way and the ideology of traditional social democracy. Chapter 5 will argue that continuities existed between the third way and traditional social democracy across multiple policy areas in Québec and Saskatchewan during the 1990s that are not taken into account in European definitions of the third way and traditional social democracy. Examples of such continuities include shared commitments to fiscal discipline, support for small business, maintenance of public enterprise, corporatism, cuts to personal income taxes, continuation of a public Medicare system, limited democratic reforms, and moderate steps to give more autonomy to First Nations groups.

Second, there has been considerable divergence over reasons for the emergence of the third way in European political science. There is universal agreement that the third way was a reaction to the advent of globalization which heightened the mobility of capital and reduced trade barriers thereby disempowering social democratic form of interventionist state. However, beside this agreement on the fundamental role played by globalization, there is a wide variety of supplementary explanations concerning the emergence of the third way. Giddens contends that the policy shift to the third way was necessitated by the emergence of post-materialist values, cynicism associated with decreasing voter turnout rates and changes in patterns of political support for social
democratic parties which destabilized class voting triggered by the steady decline of the blue-collar working class and the large-scale entry of women into the workforce.\textsuperscript{224} British political scientist Colin Hay argues that the third way was the product of "capital appeasement" and the pursuit of neutral policies aimed to please the desires of the "median voter" as determined by sophisticated polling techniques.\textsuperscript{225} Other European explanations for the rise of the third way include: the diminishing power of unions as workers' interests diverge and as the non-industrial workforce increases and capital is less interested in participating in corporatist arrangements; the combination of lower birth rates, increased unemployment and an aging population has meant that 'cradle to grave' welfare states are no longer sustainable; a shift in voter preference in a more liberal and libertarian direction; the diminishing of the mass party characteristics of social democratic parties; and the growing middle class make-up of the membership and leadership of social democratic parties.\textsuperscript{226}

As we will see in Chapter 5, a number of these explanations have been applied to explain the emergence of the third way in Saskatchewan and Québec. However, there is a need for a more focused explanation of the emergence of the third way than is contained in European literature on the subject because such a focused explanation avoids the relativism of the current 'shotgun' approach in which 'anything and everything' seems to be a contributing factor to the emergence of the third way. Therefore, Chapter 5 attempts to distil the important explanatory factors contributing to the emergence of the third way in Saskatchewan and Québec and illustrate the limitations of a number of other explanations that have been advanced. It is argued that increased trade and restrictions on public ownership by free trade agreements, the massive debt and deficit amassed by
previous government, cuts to federal transfer payments, and the agency of the centre and right wings of the NDP and PQ parties are the primary explanatory factors in the emergence of the third way in Québec and Saskatchewan.

It should also be noted that European explanations of the emergence of the third way assume a number of conditions that are not present in Canada, especially at the provincial level. For the most part, the European literature on the third way deals with national as opposed to sub-national governments. Even in Germany, where the SPD has formed government at the Lander level, debates about the third way focus on how the federal structure limited the flexibility of national SPD government to fully implement third way reforms. Werner Reutter argues that the reason for the lack of attention to paid to the Lander level in German political science is that German scholars have the incorrect impression that Lander parliaments have only a marginal impact on major policies in Germany. This misconception may be responsible for the lack of research on social democracy in German Landers.

Thus, with the notable exception of Germany, European literature on social democracy generally assumes a unitary state which does not take into account the impact of the federal structure on policy making in sub-national governments and ignores the emergence of the third way on the sub-national level. It is entirely possible that social democracy emerges differently in federal states, especially in federations like Canada where the division of powers differs among the provinces due to asymmetrical administrative arrangements. Even if European literature were to discuss the emergence of the third way at the sub-national level, it should be noted that these analyses would be dealing with sub-national social democratic parties whose national counterparts either are
in power or contending for power which is not the case for the federal NDP and the Saskatchewan NDP or the PQ and Bloc Québécois in Canada. Indeed, Canada is one of the few developed federal countries where a social democratic party has managed to gain power on the sub-national level but has never won power on the national level.\textsuperscript{229}

Additionally, the continental European literature on the third way also takes for granted proportional representation that routinely creates coalition governments which can dramatically influence policy-making dynamics. European literature on the third way also generally assumes a legacy of class politics and the existence of powerful trade union centrals which generally does not exist in Canadian provinces. Further, this insistence on class politics does not highlight cleavages surrounding region and language that are an important part of Canadian politics. Finally, European literature on the third way fails to take into account the various effects of Canada being a settler society such as the different construction of nationalism and the influence of imported ideas during the early part of Canadian history.

Finally, there has been rigorous debate over the merits and deficiencies of the third way in Europe which is very useful for my project. European advocates of the third way, such as Anthony Giddens, see the third way as a means of transcending neo-liberalism and traditional social democracy in order to promote equality, inclusion, and social justice in an era characterized by open national economies, the retreat of custom and tradition, new social movements, and growing ecological concerns.\textsuperscript{230} For these advocates, third way thinking provides a path towards electoral success for social democratic parties and presents an effective response to the crisis of Keynesianism.
brought on by the impossibility of national demand management in a globalized marketplace.

On the other hand, the third way has been harshly critiqued by researchers from a number of different perspectives. British political scientist Christopher Pierson and others have argued that, even when one takes globalization into account, the state still has considerable autonomy to pursue traditional postwar social democratic policies in place of the third way which is neither an inevitable nor desirable course of action. British researchers McRobbie and Ward as well as Canadian Sylvia Bashevkin have argued that the reforms brought in by third way social democratic parties in Europe have not significantly improved the position of women compared to the policies of previous neo-conservative governments. The race relations framework of the British Labour government has been criticized for using a language of “community cohesion” which deracializes certain ethnic groups and draws upon earlier discourses of assimilation through notions of integration.

In Europe, the most severe critique of the third way has come from neo-Marxist scholars. These neo-Marxist researchers insist that the third way accepts neo-liberalism’s doctrine of minimizing state intervention in the economy and dismantling the welfare state and has merely used the vocabulary of the Centre-Left to justify this surrender to the interests of the transnational bourgeoisie. In doing so, the third way not only abandons the working class and ignores the growing social and economic injustices underlying globalization but repudiates the role through which social democracy had previously “contributed to the struggle for democracy and social justice in the twentieth century.” This neo-Marxist critique of the third way has its roots in the neo-Marxist critique of
social democracy that stretches back to the ideas of Ralph Miliband in the 1960s. The original neo-Marxist critique of social democracy criticized traditional social democratic parties’ failure to transform capitalism into socialism or to alter the underlying power structures of the economy and their integration into the prevailing norms and practices of the existing political and social order. Indeed, neo-Marxists see the third way as the inevitable destination towards which parliamentary socialism has been traveling since the creation of social democracy at the beginning of the 20th century.

Contrary to the neo-Marxist critique of the third way and social democracy in general, I argue in my conclusion that co-operation with business and the reformist and moderate nature of the Saskatchewan CCF-NDP’s and PQ’s adjustments to capitalist society as a strength and not as a weakness. As we will see, the PQ and the CCF-NDP made a number of important social changes to Saskatchewan and Québec society during their time in power which were only possible because they were flexible in the application of their ideas and sensitive to the framework of social, political and economic forces in which they had to work. I argue that, given the undermining of national economies under free trade and globalization, third way ideas will continue to be adopted by the PQ and by NDP parties in provinces where they have a chance to form government.

Review of Literature on Traditional Social Democracy and the Third Way in Canada

This dissertation makes a contribution to literature and research on both traditional social democracy and the third way in Canada. There is a wealth of literature on the CCF-NDP at both the federal and provincial levels in Canada. This literature has focused on party history, biographies of leaders, ideology of convention delegates, party
organization, electoral strategy, voting patterns, or the public policy of NDP provincial
governments. However, I hope to make a contribution to the literature which examines
the ideas and the ideology of social democracy in Canada. This literature understands
social democracy to be a dynamic and evolving ideology. However, a weakness of the
literature is that it does not adequately analyze how social democratic ideas in Canada
were shaped by the social, economic, and political circumstances in which they were
embedded. Further, it does not examine how federalism can have important impacts on
social democratic ideas in Canada. This dissertation places social democratic ideas
against the relief of the conditions of their society in order to illustrate how these ideas
were reactive to societal conditions and institutional frameworks. Further, to my
knowledge, no research exists which compares English Canadian social democracy to
social democracy in Québec. The examination of Québec’s experiences with social
democracy in the 20th century compared to Saskatchewan contained in this dissertation
make an innovative contribution to Canadian literature on social democracy.

Compared to Europe, the academic debate about the third way in Canada is in its
infancy. There have been a handful of studies on the Ontario, British Columbia and
Saskatchewan NDP governments of the 1990s and recent book, edited by William K.
Carroll and R.S. Ratner, has been published with the title Challenges and Perils: Social
Democracy in Neoliberal Times. This dissertation seeks to correct certain weaknesses
that I find in the current literature on the third way at the provincial level in Canada.
There has yet to be a clear attempt at a Canadian definition of the third way and several
analyses of the third way in Canada have adopted ahistorical approaches which do not
compare the third way, or only cursorily compare it, to social democratic thinking and
action that came before it. As such, my examination of third way ideas and policies in Québec and Saskatchewan begins the process of compiling a ‘Canadian’ definition of the third way on the provincial level. Moreover, my historical comparison of traditional and third way social democracy in Québec and Saskatchewan reveals a number of continuities between the two forms of social democracy that have yet to be appreciated in Canadian literature on the third way.

In this dissertation, I also endeavour to go beyond mere critique and description of third way social democratic governments to explore the reasons for the emergence of the third way in Saskatchewan and Québec in the 1990s. Up until now, the literature on the third way in Canada has developed a ‘shotgun’ approach to explaining the emergence of the third way which relies upon varied and multiple explanations. In my opinion, there is the need for a more focused explanation of the emergence of the third way in Canada. Therefore, this dissertation attempts to distil the important explanatory factors contributing to the emergence of the third way in Saskatchewan and Québec and illustrate the limitations of a number of other explanations that have been advanced.

In my opinion, most Canadian literature on the third way has been over-critical of it as thinly disguised neo-liberalism. In Canada, the only attempt to defend the third way has been a book by Janice MacKinnon in which she defends her actions as a Finance Minister in the Romanow government by arguing that her government had to cut spending in order to deal with the province’s deficit and maintain a competitive tax regime due to the emergence of free trade and globalization. She goes on to argue that the Saskatchewan NDP had a much more compassionate approach to social policy and deficit reduction than the Progressive Conservative government of Ralph Klein in Alberta.

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or the Progressive Conservative government in Saskatchewan during the 1980s. Following MacKinnon's lead, I hope to show that the third way in Saskatchewan and Québec constitutes an ideology that is distinctively different from neo-liberalism.

Finally, in terms of race and gender, there are two studies of third way social democratic governments in Canadian provinces are sceptical of the positive effect of the NDP on public policy concerning women. Joan Grace's study of the third way Doer NDP government in Manitôba argues that it "does not attend to women's structural discrimination" and Katherine Teghtsoonian has argued that many of the regressive women's policies of the Campbell Liberal government in British Columbia have their root in policy changes made by the third way NDP government which preceded it. However, the third way in Canada has not yet been critiqued from a perspective that stressed race or ethnicity. In examining the policies of Saskatchewan and Québec third way governments concerning women and First Nations, this dissertation will contribute to beginning to understand the effect of the third way on women and minorities in Canada.

Review of Literature on the Saskatchewan CCF-NDP and the PQ

For the most part, research on the Saskatchewan CCF-NDP has been divided into two camps: detractors and defenders. Neo-Marxists criticize the Saskatchewan CCF-NDP's failure to alter the underlying power structures of province's economy and the party's integration into the prevailing norms and practices of the existing political and social order. Interestingly, while there have been two journalistic critiques of the Saskatchewan CCF-NDP from the right, there have been no academic research which criticizes the Saskatchewan CCF-NDP from a liberal or conservative perspective. Two
recent books by David Quiring and F. Laurie Barron critically explore the CCF government’s policies in relation to Saskatchewan Aboriginals and conclude that the thrust of these policies was integrationist.\textsuperscript{247} The work of Taylor, Sangster and Melnyk focuses on paucity of CCF women candidates in Saskatchewan provincial elections and the subordination of women in party structures of the Saskatchewan CCF.\textsuperscript{248}

On the other hand, defenders of the Saskatchewan CCF-NDP emphasize the practical and meaningful reforms that the CCF-NDP governments have accomplished which have improved the lives of all the citizens of Saskatchewan and argue that any retreat from pure social democratic principles was necessary in order remain electorally viable and react to new economic, social, and political circumstances.\textsuperscript{249} Further, Fenwick paints a sympathetic portrait of the accomplishments of the moderate feminism of one of the Saskatchewan CCF’s first female MLAs and Louise Carbert argues the women MLAs in the Romanow government during the mid-1990s formed a “critical mass” which was responsible for the implementation of several women-friendly policies.\textsuperscript{250} The only two relatively neutral research on the Saskatchewan CCF-NDP is a piece by Sarah McQuarrie and Jocelyn Praud who argue that the Romanow government was “at odds with traditional social democratic ideas of state intervention, public ownership, and consultation” but do not defend or condemn the government for taking this turn.\textsuperscript{251} Finally, Nelson Wiseman has argued that the advance of neo-conservativism was tempered by the political culture of Saskatchewan and Manitoba so that the NDP in those provinces still maintained a collectivist impulse.\textsuperscript{252}

In my view, the principal weakness of existing literature on the Saskatchewan CCF-NDP is that it does not attempt to give an overview of the entire intellectual
tradition of Saskatchewan social democracy in the 20th century. Instead, this literature usually attempts to analyze a government or a specific policy in isolation. Moreover, this literature rarely focuses on the ideas of the Saskatchewan CCF-NDP but instead prefers to concentrate on party history or a specific policy area. Since Lipset's chapter on the CCF’s ideology and program published in 1950, there has been no intellectual history written about Saskatchewan social democracy. Therefore, by writing about the ideas of Saskatchewan social democracy, this dissertation contributes new and original research to the study of both English Canadian social democracy and Canadian political thought.

Québec social democracy, as an isolated phenomenon, is rarely studied either in English or French. Norman Penner and André Lamoureux have written about the organizational history of the C CF/NDP in Québec. There has also been a number of biographies and autobiographies of various PQ leaders such as René Lévesque, Jacques Parizeau, Lucien Bouchard, and Bernard Landry which focus primarily on their personal and political lives as opposed to their ideas. There is also a vast amount of research on Québécois nationalism which deals only superficially with how that nationalism has converged with social democratic sentiments at various times in Québec history.

In terms of research on Québécois political thought, there is an interesting literature on Québécois “idéologies [ideologies]” which describes and analyzes the ideas of various political groups and individuals throughout Québec history. However, the purpose of this idéologie literature is to examine the trajectory of Québécois political thought and social democracy is not seen as an isolated category in the Québécois tradition of political thought. Québécois political thought is placed into such categories as “nationalisme [nationalism]”, “syndicalisme [unionism]”, “socialisme [socialism]”,

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"coopérativisme [cooperativism]", "agriculturisme [agriculturalism]", "indépendantisme [independentism]", "cléricalisme [clericalism]", "corporatisme [corporatism]" and "révolutionnaire [revolutionary]" but rarely is the category of "social-démocratie [social democracy]" used.256

One of the major disagreements in the literature concerning the PQ is over whether or not the PQ is actually a social democratic party. André Bernard argues that the PQ was a social democratic party in the first mandate of the Lévesque government (1976-1981) but that it turned into a liberal party during Lévesque's second mandate (1981-1985) because it legislated public sector employees back to work.257 In a comparison of the PQ to the Ontario NDP government under the leadership of Bob Rae, Brian Tanguay contends that a "Union-Nationalization" of the PQ took place during its second mandate of the Lévesque government during which it turned its back on previous commitments to unions and workers through favouring the development of the Francophone capitalist class, cutting social spending, and stressing fiscal responsibility.258 In 1985, Yves Vaillancourt presented the nuanced position that the PQ has certain social democratic traits but is ultimately a liberal political formation because it was not born from within the labour movement and it has no desire for a profound social transformation away from the present capitalist system towards a democratic form of socialism.259 Similarly, Jean-François Léonard, when evaluating the first couple years of the Lévesque government, argued that the PQ does have some social democratic elements to its ideology but is not a social democratic party because it does not challenge capitalist hegemony and supports Francophone-owned businesses.260
Other researchers have been firmer in their position that the PQ is not a social democratic party. Before and after the Lévesque government came to power, a number of neo-Marxist critiques have characterized the PQ as a bourgeois party whose sovereignty project was designed exclusively to benefit the Francophone capitalist class. In a short publication based on a Masters’ thesis, Pierre Jalbert compares the ideology of the PQ government in the 1970s and early 1980s to the British Labour Party, German Social Democratic Party and Swedish Social Democratic Party through the examination of party platforms. Jalbert concludes that the PQ is not a social democratic party because, unlike the European social democratic parties that he examines, it does not advocate class struggle and has no formal affiliation with labour unions. Kenneth McRoberts concludes that the PQ during the Lévesque era was not a social democratic party on exactly the same grounds as Jalbert: the PQ is not formally affiliated to labour unions and it eschews class struggle. Rather, following Raymond Laliberté, McRoberts characterized the PQ as a “nationalist populist” party which is suspicious both of capital and organized labour and purports to represent the ‘people’ as a whole.

During the PQ’s second period in government from 1994 to 2003, there were also numerous researchers who contended that the PQ was not a social democratic party. Jacques B. Gélinas argued that, despite the PQ government’s insistence that it was social democratic, it was actually a neo-liberal government because of its support for free trade, efforts to eliminate the deficit, weak environmental legislation, and attempts at deregulation. Similarly, Gaétan Breton claimed that the PQ followed the tenets of neo-liberalism and globalization in the 1990s because it cut social spending and did not tax the rich. Both Andrée Ferretti and Pierre Dubuc contended that the PQ’s neo-liberal
policies of deficit elimination and reducing the size of the state were in line with its timid approach to sovereignty which sought to negotiate a partnership with English Canada in order to please the dominant economic classes. Journalist Josée Legault claimed that the Bouchard government betrayed the three foundations of the PQ—social democracy, the French language, and the national question—through cuts to social assistance, reinforcing institutional bilingualism and carrying on normal relations with Ottawa despite its refusal to recognize Québec’s right to self-determination.

Other researchers found it difficult to make a definitive judgment on whether the PQ government of the 1990s was a social democratic party or not. Writing just one year after Bouchard became Premier, Yves Vaillancourt argued that the Bouchard government’s policies had been at times neo-liberal and at times social democratic. He went on to contend that definitive choices had not been made yet in many cases and it was up to pressure from civil society and social movements to ensure that the future direction of the government was less neo-liberal and more social democratic. Similarly, in 1999, Michel Seymour argued that the Bouchard government had produced a mix of neo-liberal and social democratic policies and the PQ party itself was not clear on whether it was a social democratic.

On the other hand, I could only find a limited number of analyses which treated the PQ as a social democratic party. In 1975, Léon Dion argued that the ideology of the PQ is “nationalisme social-démocrate [social democratic nationalism]”. However, he also argues that the PQ is willing to temper its social democracy in order to get elected which may eventually lead to its becoming a liberal nationalist party. Richard Jones describes the PQ before it first took power in 1976 as being generally social democratic.
but he also noted that there was opposition to social democracy in the party which would likely cause it to break up after Québec sovereignty had been achieved. Using the Hartz-Horowitz framework, Nelson Wiseman argues that the collectivism of Québécois society, caused by its status as a “feudal fragment”, combined with Quiet Revolution liberalism to produce the social democracy of the PQ. In reference to the PQ government of the 1990s, Jim Stanford contended that it represented “both the worst and the best of what Canadians can expect from social democratic governments” in that it introduced progressive social policies such as $5 a day daycare but that its fiscal policy has entailed deep cuts to spending. In 2005, Peter Graefe argued that the PQ is a social democratic party because of its “positioning on the centre-left of the ideological spectrum, its ongoing efforts to build and maintain a hegemonic position over the broader left, and its engagement with intellectual debates about social democratic strategies.”

This dissertation seeks to contribute to the literature which understands the PQ as a social democratic party. In this dissertation, I treat the PQ as a social democratic party for two primary reasons. First, despite some periodic ambiguity and oscillation, the PQ has been fairly clear that it identifies itself as a social democratic party. When the PQ was first created it did not officially declare itself to be a social democratic party even if many of its leaders and adherents openly identified themselves as social democrats. However, during the Lévesque government the party became more comfortable with the label and eventually began using it in its party program in 1982. In 1984, the PQ even applied for membership in the Socialist International but its application was blocked by the NDP and it was only given observer status “when invited by the Secretary General”. References to the PQ being social democratic continued to be contained in party programs after that.
Indeed, the party's latest program simply declares that "Le Parti Québécois est social-démocrate [The Parti Québécois is social democratic]." Second, this dissertation illustrates that the PQ's ideas and policies are very similar to those of the Saskatchewan CCF-NDP throughout the second half of the 20th century. Therefore, if the Saskatchewan CCF-NDP is a social democratic party, which no one has ever denied, then so is the PQ.

While the advocacy of class struggle can certainly be a part of a social democratic ideology, I disagree with the assertion of Jalbert and McRoberts that it is a necessary condition for an ideology to be considered social democratic. Indeed, as we saw above, both Bernstein and the Fabians advocated class co-operation over class conflict. As is shown in this dissertation, the Saskatchewan CCF-NDP and the PQ have consistently stressed the co-operation of all societal groups and have not claimed to represent one class over another while simultaneously maintaining a third way or traditional social democratic perspective as defined above.

A somewhat more complicated issue is the necessity of an affiliation with trade unions in order for a party to be considered social democratic. Both the PQ and the Saskatchewan CCF were not officially affiliated to labour even though informal alliances did periodically exist. It is my view there are several reasons why an affiliation between the labour movement and a social democratic party is not a primary consideration in the determination of whether a party is social democratic. First, the social democratic nature of a party is determined by its ideas and ideology not its organizational form or relationship with other groups. Second, the necessity of an affiliation between a trade union central and social democratic party is a product of the European experience. European theorists saw that the labour-social democratic party affiliation was frequent in
their cases and therefore they assumed it was an universal characteristic of social democracy. Third, Saskatchewan before 1960 had a very undeveloped industrial structure with few trade unions. In this situation, as Chapter 3 of the dissertation will illustrate, a communitarian model of social democracy primarily based upon farmers and their co-operatives arises which is just as viable as industrialized Europe’s model of social democracy. Indeed, an article by Uffe Ostergard, compares the rise of the CCF in Saskatchewan to the emergence of the Danish social democratic party (Socialdemokraterne) which was also initially dependent upon co-operatives and the communitarian ethics of the country’s agrarian community.279

Finally, the PQ’s status as a sovereignist party with the goal of creating a sovereign Québec through a referendum makes it a special case. As this dissertation will illustrate, the reason why the PQ has always resisted a formal alliance with the Québec labour movement is that it sees such an alliance as being a handicap to attaining a Oui majority in an referendum. Its leaders believe that, in order to win a referendum, the PQ must speak for the whole Québécois nation and not just one particular section of that nation. Therefore, the existence of the sovereignist project has mitigated against the PQ having an affiliation with the labour movement and this needs to be factored into the explanation as to why the PQ can be social democratic without an official affiliation with Québec’s trade union centrals.

Social democracy must be used as a category in the analysis of Québécois political thought in order to fully explain the emergence of such social democratic measures as public automobile insurance, the nationalization of asbestos and the development of an extensive welfare state in Québec since the Quiet Revolution. Indeed,
Margaret Canovan argues there is a necessary connection between nationalism and social justice. She argues that theories of social justice implicitly assume "bounded, unified political communities that seem suspiciously like nation-states" and in some cases these theories "defend the nation-state itself for the advancement of social justice". For Canovan, all social democratic ideas would assume the nation as the basis of the state’s ability to redistribute wealth. She contends that the high degree of communal solidarity provided by the nation is the foundation which makes wealth redistribution and welfare provision feasible. As such, it is essential that the relationship between social democracy and nationalism in Québec be examined to gain a fuller understanding of both Québécois nationalism and social democracy.

Conclusion

In summary, this dissertation will compare the ideas of traditional and third way social democratic governments in Saskatchewan and Québec to the definitions of these concepts produced using the texts of the Fabians, Bernstein, Crossland and Giddens. As such, I will be contributing to the creation of a 'Canadian' definition of the third way and the analysis of reasons why the third way emerged in certain Canadian provinces. Through this dissertation, I want to enrich the study of Canadian social democracy and Canadian political thought by focusing on the ideas that drove social democracy in the late 20th century in Québec and Saskatchewan. My dissertation aims to be an intellectual history of Québécois social democratic ideas thereby contributing a new dimension to both the study of the PQ and to the study of Québécois political thought. This broadening of the scope of the study of Canadian social democracy and Canadian political thought will help us better understand both the recent evolution of social democracy in Canada.
and the PQ and Saskatchewan CCF-NDP governments of the second half of the 20th century who have undoubtedly played very important roles in Canadian history.
Chapter 3: The Emergence of Social Democratic Ideas in Saskatchewan and Québec

This chapter seeks to describe and explain the emergence of social democratic ideas in Saskatchewan and Québec before the CCF-NDP and the PQ formed governments. It begins by describing the proto-social democratic and social democratic ideas of agrarian protest movements and the early Saskatchewan CCF in 1900 to 1944. I then argue that these social democratic ideas emerged in Saskatchewan for these reasons: 1.) boom and bust grain-based political economy created by the National Policy; 2.) the creation of a social democratic strain in Saskatchewan political culture engendered by immigration patterns and the frontier environment of the province; 3.) the institutional structures of federalism which encouraged the rise of regional protest parties; and 4.) the ability of social democratic political actors to synthesize diverse foreign ideas into a coherent social democratic ideology which responded to the context of Saskatchewan.

The chapter goes on to describe the surfacing of proto-social democratic and social democratic ideas in Québec within social Catholic thought from 1900 to 1950, ‘rattrapage [catch-up]’ thinking of the 1950s, the Lesage Liberal government and Rassemblement pour l’indépendance nationale (RIN) during the 1960s and the PQ before it attained power in 1976. I contend that social democratic ideas emerged in Québec due to the industrialization and urbanization of Québec under an industrial capitalist mode of production in the first half of the 20th century followed by its economic peripheralization compared to Ontario during the postwar era; the establishment of a social democratic strain in Québec’s political culture due to the interplay between ethno-religious nationalism and territorial nationalism during the middle of the 20th century; alterations in Canadian federalism which at first created asymmetrical administrative arrangements in
the 1960s and then moved towards more centralization under the Trudeau government in the 1970s; and the capacity of political agents to merge the collectivism of social Catholic thought with the secularizing and modernizing discourse of the Quiet Revolution to create a territorial nationalist social democratic ideology.

The theoretical point of this chapter is that the emergence of social democratic ideas in Saskatchewan and Québec was the product of a similar interaction of their political economies, political cultures, institutional settings, and political agents. As such, it is shown that the ideas of social democratic actors in Saskatchewan and Québec successfully responded to the social, political, and economic conditions of their time period resulting in the establishment of viable social democratic parties which formed government. Ultimately, the historical processes described in this chapter created a social democratic strain in the political cultures of Saskatchewan and Québec. By the 1990s, these social democratic strains had created path dependency in the politics of Saskatchewan and Québec which ensured several continuities between traditional social democratic and third way ideas in these provinces.

**Ideas of Saskatchewan Agrarian Protest Movements and the Saskatchewan CCF (1900-1944)**

Since the publication of Seymour Lipset’s classic book *Agrarian Socialism* (1950), there has been general agreement among researchers that the roots of Saskatchewan social democracy lay in the various agrarian protest movements that were active in the province in the early part of its history. For our purposes, what is important about these movements is that they created a social democratic strain in the political culture of Saskatchewan that would have impacts on the politics of the province until the end of the 20th century. The following sections describe the proto-social
democratic and social democratic ideas of the agrarian protest movements who were forerunners of the CCF in Saskatchewan and then explain why social democracy emerged within these movements. The next sections describe the primary ideas of the CCF before it took power then explain and outlines reasons for the CCF’s victory in 1944.

Table 3.1: Principle Ideas of Selected Agrarian Protest Movements in Saskatchewan (1900-1933)

| Territorial Grain Growers Association/Saskatchewan Grain Growers Association (TGGA/SGGA) (1905-1926) | Democratic internal structure, anti-monopoly sentiment, government regulation of elevator and railway companies to ensure free competition and co-operatively-owned elevators |
| No-Party League (1913) | Farmer-labour alliance, condemnation of unequal distribution of wealth, public ownership (banks, insurance, railways and natural resources), graduated taxation, fiscal responsibility, the institution of a rudimentary welfare state and anti-partyism |
| Saskatchewan Women Grain Growers' Association (SWGGA) (1913-1926) | Prohibition, suffrage and improvement of rural education |
| FUC: Farmers' Union of Canada (1921-1926) | Co-operative marketing of wheat through a mandatory wheat pool |
| UFC (SS): United Farmers' of Canada (Saskatchewan Section) (1926-1950) | Creation a Co-operative Commonwealth encompassing a mixed economy |
| UFWA: United Farm Women of Saskatchewan (1926-1950) | Free inoculation against contagious diseases, regular visits to schools by nurses, improved women's property rights, labour saving household devices and contraception for needy women |
| FLG: Farmer-Labour Group (1931-1935) | Nationalization of railways, fixed prices for grain, lower freight rates, promotion of agricultural co-operatives, state health insurance, moratorium on farm foreclosures, crop insurance, adjustment of farm debt and an use-lease land policy |

Territorial Grain Growers Association/Saskatchewan Grain Growers Association (TGGA/SGGA)

In 1901, Saskatchewan farmers experienced a very good crop but the CPR lacked the capacity to ship it and over half of the wheat spoiled. In response, a group of farmers at Indian Head, Saskatchewan founded the Territorial Grain Growers' Association (TGGA) to lobby government and educate farmers. At its first convention in 1902, the TGGA adopted a democratic internal structure with local branches meeting one or twice a month and sending delegates to yearly conventions at which policy was established for
the whole organization.\textsuperscript{282} This model would later be adopted by the Saskatchewan CCF and is still used today by the Saskatchewan NDP.

The TGGA strongly opposed monopoly control of railways and the grain trade. In his presidential address to the 1903 convention, William Richard Motherwell claimed that the “elevator monopoly reigned supreme” and a delegate stated that farmers should “show the railway companies and the combines that we would have our rights.”\textsuperscript{283} The TGGA’s anti-monopoly sentiment was galvanized by feelings of Western alienation. As one delegate to the 1903 convention stated “The officials in Montreal do not appreciate our position. They think that the people in the West are asking too much and therefore they do not intend to give what we ask.”\textsuperscript{284} The TGGA also passed a resolution calling for the immediate granting of provincehood to the NorthWest Territories with full provincial powers which meant control over natural resources and Crown lands. The TGGA’s main suggestion for reducing the power of Eastern monopolies over Saskatchewan’s wheat economy was regulation of the railways and elevators companies by the federal government to ensure free competition. However, there was a sneaking suspicion in the TGGA that government regulation would be insufficient to curb the power of Eastern railway and elevator companies over farmers’ lives. Therefore, merging Western alienation with the social democratic goal of public ownership, the TGGA decided to explore the feasibility of co-operatively-owned elevators and government-owned railways.

The TGGA was re-named the Saskatchewan Grain Growers Association (SGGA) when Saskatchewan became a province in 1905. By 1910, the SGGA had a growing social democratic tendency in it. E.A. Partridge, an important activist in the SGGA, was
the first social democratic thinker of significance in Saskatchewan. Partridge was concerned about the unequal distribution of wealth in society. As early as 1905, he stated that “unless the present opportunities of those who are already wealthy be in some way restricted, a quarter of a century will see ninety-nine per cent of the wealth of North America the private property of one per cent of the population.” Ultimately, Partridge realized that prairie farmers could prosper only under a mixed economy with co-operative and government owned enterprises existing along private business and farms. Resolutions passed at the 1907 and 1909 SGGA conventions calling for state ownership of telephones and certain natural resource industries attest that Partridge was not alone in his social democratic beliefs in the early Saskatchewan agrarian protest movement.

No-Party League

Starting in 1910, resolutions were presented at every SGGA convention calling for the SGGA to form a farmer political party to run against the ‘old-line’ parties of Eastern Canada. However, the SGGA executive was consistently able to convince a sufficient number of delegates that co-operation with the Liberal party was a better avenue to take and defeat the resolutions. In 1913, after the narrow defeat of a resolution on the entry of the SGGA into politics, Partridge invited those delegates interested in forming a new political party to meet at a local church. The outcome of this meeting was the formation of the No-Party League under a manifesto written by Partridge. If Partridge was the first social democratic thinker in Saskatchewan, the unsuccessful and short-lived No-Party League was the first social democratic party in Saskatchewan. Its manifesto linked the social democratic goal of economic equality with Western alienation by arguing that the concentration and control of wealth and capital by a small group of
Eastern companies, prospering behind a tariff wall, was responsible for the excessive freight rates and low grain prices that impoverished Western farmers\textsuperscript{286}. The No-Party League’s proposed solution was public ownership of banks, insurance, railways and natural resources, graduated taxation, and the institution of a rudimentary welfare state. The No-Party League also embodied the growing anti-party sentiment in Saskatchewan from 1910 to 1920 believing that political parties were corrupt, power-hungry and invented for the advancement of the politicians rather than the representation the interests of the people who voted for them. Anti-partyists’ solution was a combination of the abolition of the senate, proportional representation in the electoral system and ‘direct legislation’ which was a mixture of recall and referendum to supplement or check policy decisions made by party governments.

\textit{Saskatchewan Women’s Grain Growers’ Association (SWGGA)}

The newspaper of the SGGA started a women’s section in 1910 and the SGGA passed a resolution calling for the enfranchisement of women in 1912. In 1913, a female section of the SGGA was formed under the name of Saskatchewan Women’s Grain Growers’ Association (SWGGA). The SWGGA adopted a platform which called for prohibition, suffrage, improvement of rural education and the establishment of social centers for farm women and youth.\textsuperscript{287} While the creation of the SWGGA represented a consciousness of women’s issues in the SGGA, women never formed more than 10% of the delegates to SGGA conventions, rarely held leadership positions and were expected to clean and cook for the men’s meetings.

\textit{Farmers’ Union of Canada (FUC) and the United Farmers’ of Canada (Saskatchewan Section)}
The 1920s saw the rise of a rival farmer organization to the SGGA in Saskatchewan which was undoubtedly the most important precursor to the CCF. Disappointed with the conservativism of SGGA leadership and their continued support of the Liberal Party, a group of farmers in Ituna came together to form the Farmers' Union of Canada (FUC) in 1921. The FUC argued that it was useless to lobby governments or form farmer political parties in order to reduce the exploitation of farmers by Eastern business interests. Rather, the solution was for farmers to assume control of their own affairs through the co-operative marketing of Canadian wheat so that Western farmers, not Eastern grain companies, would set grain prices. The FUC succeeded in organizing a co-operative grain company, named the Saskatchewan Wheat Pool, and the SGGA merged with the FUC in 1926 to create the United Farmers' of Canada (Saskatchewan Section) or UFC (SS) under the leadership of George Williams. The UFC (SS) saw itself as a catalyst to the creation of a “Co-operative Commonwealth” that would reform the capitalist economic system to create a new and non-competitive economic order in which there was a mixture of government, private and co-operative ownership.

United Farm Women of Saskatchewan (UFWS)

Like the SGGA, the UFC (SS) constitution created a women's section called the United Farm Women of Saskatchewan (UFWS) and specified that every local of the UFC (SS) had to have at least five women and gave women seats on the executive and board of directors of the central organization. The UFWS advocated a number of policies that had not occurred to their male counterparts. In contrast to the economic focus of the men in the UFC (SS), the UFWS called for health and education policies such as free inoculation against contagious diseases, regular visits to schools by nurses, better training
for school teachers, and the establishment of scholarships for farm youth to go to university. The UFWS also argued for improved property rights for married women and encouraged farm women to "regard the profession of mother and homemaker as the greatest in the world." Upon producing a study illustrating the overwork of farm women, the UFWS argued for labour saving devices in the home as well as running water to cut down the work created by having to haul all their water from wells. Finally, the UFWS attempted to pass a resolution at the UFC(SS) convention advocating the "supply of contraceptive instruction to needy women who ask for it where the public good would be served" but it was defeated by the predominantly male convention.

**Farmer-Labour Group (FLG)**

With the depression and difficulties experienced by the Wheat Pool in the 1930s, the resistance to more radical solutions in Saskatchewan's farmers' movement evaporated and the 1931 UFC (SS) convention passed a resolution stating that the UFC (SS) would enter into provincial and federal politics as a political party. The UFC (SS) joined with the small Independent Labour Party of Saskatchewan, which was under the leadership of M.J. Coldwell, in 1931 to form the Farmer-Labour Group (FLG) to run in federal, provincial, and municipal elections. A platform was adopted by the FLG containing many ideas that had already been put forth by the agrarian protest movements during the first 30 years of the 20th century. The FLG program began by contending that Western Canada was being treated as a colony of the East and that "the present economic crisis is due to the inherent unsoundness of the capitalist system, which is based on private ownership of resources and the capitalistic control of production and distribution." The rest of the program relied on familiar ideas of agrarian protest such as nationalization of
railways, fixed prices for grain, lower freight rates, promotion of agricultural co-operatives, and state health insurance. Other parts of the program reflected the immediate circumstances of the depression such as a moratorium on foreclosures, seizures, and evictions of farmers from their land, crop insurance, and adjustment of farm debt. The most radical proposal was a ‘use-lease’ system of land tenure whereby, upon the request of the land-owner, the government would hold the title to farmland and lease it farmers who could then pass their leases on to their children.

White Settler Construct and Whites-only nationalism in Early Agrarian Movements

While the laws, institutions, and policies of the Canadian white settler construct may have been imposed on the white activists of these early agrarian protest organizations by the National Policy of the federal government, it is obvious that these organizations accepted entirely the goal of replicating Britain in Saskatchewan. In a display of Whites-only nationalism, these organizations ignored that their prosperity was based upon the dispossession of First Nations people of the land that had been given to homestead. In fact, early agrarian movements in Saskatchewan completely ignored the existence of Aboriginals in Saskatchewan and excluded Aboriginals from their organizations. Such indifference and unconcern can only be interpreted as the farmers’ fundamental agreement with the federal government’s treatment of Saskatchewan’s Aboriginals.

In the mindset of early Saskatchewan social democrats, the clearing off of the Métis and First Nations from white settlers’ lands logically was to be followed by the assimilation of non-British immigrants to the ‘British’ model. Saskatchewan’s early agrarian movements wanted to protect the British character of the province by
eliminating Catholic schools and abolishing non-English instruction. Further, these agrarian movements argued against immigration on the grounds that more farms would lead to an oversupply of wheat thereby driving down grain prices and because they believed non-British/American or non-Scandinavian immigrants lacked a co-operative tradition and would be obstacles to the creation of a Co-operative Commonwealth. Social gospellers and agrarian women's movements feared that central and eastern European drinking habits and purported immorality would erode the moral goodness of Saskatchewan society. Certain agrarian women activists also wanted to deny the federal franchise to non-British women who they considered morally unfit and likely to vote against conscription.

The nativism of early Saskatchewan social democracy pales in comparison to the virulent racism of the KKK (which was active in Saskatchewan from 1926-1931), the Saskatchewan Conservative party and the Saskatchewan Orange Lodge, who argued that immigration was making Canada a mongrel nation through a "flood of dirty ignorant garlic smelling foreigners". The President of the UFC (SS) insisted that it opposed immigration from all countries, including Britain, and also stated that some of the province's best settlers had come from countries other than Britain and had played an important role in developing Saskatchewan. The SGGA expressed concern about the poverty in which immigrants coming to the prairies lived in. The FUC also recruited a number of Ukrainians into its organization and the SWGGA translated their material in non-English languages and advocated "work among non-English, by encouraging them to become members of our Association" while the UFC (SS) introduced a Ukrainian page its newspaper. However, such occasional inclusion of immigrants and compassion for
their poverty does not eliminate the overall nativist attitude of early agrarian movements and their perpetuation of the Canadian white settler construct and Whites-only nationalism in Saskatchewan.

**Explaining the Emergence of Social Democracy in Saskatchewan**

Following my theoretical model, it is my argument that social democracy emerged in Saskatchewan due to four interrelated factors which were 1.) the boom and bust grain-based political economy created by the National Policy; 2.) the emergence of a social democratic strain in Saskatchewan political culture encouraged by immigration patterns and the frontier environment of the province; 3.) the institutional dynamics of federalism which provided a forum for regional protest parties; and 4.) the success of political agents in synthesizing diverse foreign ideas into a coherent social democratic ideology. The following sections elaborate on these four factors and briefly compare the rise of social democracy in Saskatchewan to other provinces and agrarian American states.

*Grain-Based Political Economy*

As we have seen, the creation of the grain economy in Saskatchewan was the product of conscious political decisions and actions taken by the federal government in order to develop the prairies for the benefit of central Canadian business interests. However, one unforeseen and unintended consequence the National Policy and federal government's internal colonization of the prairies was that it contributed to the creation of social democracy on the prairies which led to a third party challenge to the supremacy of the two political parties who had implemented the National Policy. The wheat export economy that was created by the National Policy was notorious for its 'boom and bust'...
instability which robbed Saskatchewan farmers of their economic well-being and financial security. Moreover, the ups and downs of the wheat economy were based on factors which were essentially out of the control of the farmer such as world wheat prices and weather conditions. On top of the boom and bust nature of the wheat economy, Saskatchewan farmers were placed into an exploitative situation in relation to the central Canadian business interests by the federal government’s National Policy. High priced consumer goods and farm machinery produced by tariff-protected industries in the East, exorbitant freight rates charged by the CPR and unfair weighting, grading and price collusion by grain company monopolies combined with constant instability of the wheat economy to place Saskatchewan farmers in a precarious position.

Essentially, Saskatchewan farmers found themselves in a constant cost-price squeeze. The price that farmers received for their grain simply did not cover the cost of producing that grain and paying for its transportation to places where it could be sold. As one activist reflected a number of years later: “we were producing at a loss...You can’t go on raising a family and buying machinery at a loss. You had to do something”. At no time in the history of Saskatchewan was the cost-price squeeze greater than during the depression when the FLG emerged. In summary, the most important factor in the emergence of social democracy in Saskatchewan was the province’s political economy which created an economic situation in which Saskatchewan farmers felt that they had no choice but to co-operate, push for state ownership of a certain part of the means of production, and create their own third parties. The political economy of Saskatchewan stimulated the collectivism, belief in state intervention in the economy and society, and
the concern for unequal wealth distribution that are necessary ingredients for the
development of social democratic ideology.

The high prevalence of prosperous farmers in early Saskatchewan agrarian
movements and the FLG has led some researchers to claim that these organizations were
an expression of the petit bourgeoisie class fighting against the threat of industrial
modernization for their own economic benefit.\textsuperscript{300} They argue that the farmers' petit
bourgeoisie class position determined their political behaviour. Under this analysis, the
early Saskatchewan agrarian movement was made up of small capitalists defending their
private property contained in the family farm against the exploitation of large capitalists
concentrated in central Canada. Thus, the conclusion of these authors is that the political
party that came out of the Saskatchewan agrarian movement, the FLG, was a populist
party based upon small land owners that was not dissimilar to Social Credit in Alberta.

Rejecting these arguments, I agree with David Laycock's characterization of the
agrarian protest movement in Saskatchewan as "social democratic populists" and concur
with his statement that "Class attachments do not necessarily produce all-embracing class
logics...the class basis of an organization should not be granted inordinate explanatory
power."\textsuperscript{301} Early Saskatchewan social democracy was more of a populist movement than
a class-based movement. The political economy of the prairies stimulated the
identification of an external enemy of the 'people' which was the Eastern business class
and federal government. The battle that early Saskatchewan social democrats waged was
not against an indigenous bourgeoisie oppressing an industrial proletariat but against a
powerful alliance of Eastern business and political parties who oppressed the whole of
the 'people' of Saskatchewan regardless of their class.
As such, while early Saskatchewan social democracy was about obtaining a better economic situation for farmers, it was also about creating a better society for all. In its advocacy of the reform of capitalism, Saskatchewan social democracy displayed characteristics that were distinctly populist such as stressing the worth of ‘the people’ and their political supremacy, rejecting intermediaries between leaders and the masses, and directing an attack of the whole ‘people’ against an external enemy. The difference between the social democratic populism of the FLG, and the other populisms that grew up on the prairies during the same time period, was that it advocated public ownership and the construction of a welfare state to reduce the economic inequality created by monopoly capitalism. The other populisms on the prairies in the first half of the 20th century focused on government regulation of the grain trade (crypto-liberalism), monetary reform (social credit), or direct legislation (radical democratic) as means to protect farmers from monopolistic exploitation. Consequently, Saskatchewan social democrats transcended their immediate class interests by moving toward a vision of increasing equality in Saskatchewan society.

Emergence of a Social Democratic Political Culture in Saskatchewan

The political economy of Saskatchewan combined with immigration patterns and the frontier environment of the prairies to create a strong social democratic strain in the province's political culture. In Saskatchewan, a large number of British immigrants settled in rural areas bringing British Labour Party, trade unionist, co-operative, and social gospel ideas into Saskatchewan agrarian protest movements. This British Labour tradition in rural areas made it easier for Saskatchewan farmers to co-operate with the small labour movement in the province in order to create a farmer-labour party. Lipset
calculated that 37% of farmers in 1930 had been labourers before coming to the Saskatchewan so these farmers had little difficulty seeing the similarities between the exploitation faced by farmers and the exploitation faced by labourers. Further, the 'Britishness' of early Saskatchewan social democrats increased social democracy's cultural acceptability to the general population of the province and made it difficult for its opponents to attack it as 'alien', 'foreign', Soviet or communist. Such 'Britishness' also led to a rise of Whites-only nationalism in the Western alienation of early Saskatchewan social democrats and their adherence to a white-settler construct. Indeed, the Fabians had been strong supporters of colonialism and were adamant that social democracy would have to be imposed on "a nation of individualistic savages such as the Australian blacks" by British colonial authority.

Contrary to Horowitz, who sees Canadian social democracy solely as a product of British influences, there were a large number of American immigrants who also settled in rural areas of Saskatchewan who brought their ideas of American agrarian protest, social gospel, and co-operatives into Saskatchewan agrarian movements. From American agrarian protest, early Saskatchewan social democracy took its anti-monopoly sentiment, the concept of a farmer-labour party and the idea of government regulation of industries affecting agriculture such as railroads and banks. Perhaps most importantly, Saskatchewan social democracy was influenced by American ideas of co-operativism which sought to eliminate the middle man and make farmers less subject to external economic control. Indeed, the idea of a wheat pool was promoted in Saskatchewan by Aaron Sapiro, an American lawyer. Moreover, the term "Co-operative Commonwealth" seems to be an American invention. Laurence Gronlund, a Chicago
lawyer and member of Socialist Labor Party, published a treatise in 1884 entitled The Cooperative Commonwealth: An Exposition of Modern Socialism. In this treatise, Gronland argued that "The Cooperative Commonwealth, then, is that future Social Order—the natural heir of the present one—in which all important instruments of production have been taken under collective control; in which the citizens are consciously public functionaries, and in which labors are rewarded according to results". In the 1890s, the call for the establishment of a Co-operative Commonwealth was part of the ideas of many American farmer-labour parties. Finally, similar to the Fabians' assertion of the need for British colonial authority over 'savages', the American agrarian protest movement was opposed to the diverse flow of immigration coming to the mid-western plains states. As such, immigration from the United States may have buttressed early Saskatchewan social democrats' nativism towards non-English speaking immigrants.

Immigrants to Saskatchewan from Ontario bought 'Clear Grit' agrarian liberal ideas which "reflected the democratic biases of the agrarian frontier: a deep and abiding suspicion of commercial and transportation monopoly of Montreal; and a belief in egalitarianism and rugged individualism, in free trade and free land, in representation by population, and in strict supervision of, if not a limitation, on government support to business enterprise". The influence of Clear Grit agrarian liberalism from Ontario was a primary inspiration for the farmers who set up the TGGA and SGGA. Clear Grit agrarian liberalism was a necessary stepping stone for the achievement of social democracy in Saskatchewan because it was the first expression of the unjust position of the Saskatchewan farmer. Further, it was only by struggling with the limitations of this
liberalism that certain Saskatchewan farmers sought more profound social change through social democracy.

For the most part, non-English speaking immigrants were not active in Saskatchewan agrarian movements. However, in the 1920s, a small number of Ukrainians and Scandinavians entered the FUC and the UFC (SS). Scandinavians had the experiences of co-operatives in their own countries and Ukrainians had pre-modern collectivist ideas which made them susceptible to social democratic ideology. Many Scandinavian immigrants also had lived in the United States before coming to Saskatchewan, where their collectivist and co-operative ideals had been re-enforced through interaction with the American agrarian movement.

The frontier environment of Saskatchewan was favourable to the rise of a social democratic strain of political culture. The dream of prosperity depicted in the immigration propaganda disseminated by the federal Canadian government in Great Britain and the United Stated juxtaposed with the harsh realities of frontier life sharpened settlers' anger toward the political and economic system. The absence of party tradition and traditional social values or ways of doing things facilitated experimentation with third parties among the Saskatchewan population to correct unjust situations. Wiseman argues that the impact of transplanted ideas from Britain and the United States was even greater in Saskatchewan because it was a “new” society with no political or intellectual tradition of its own.

Saskatchewan’s harsh climate, lack of developed infrastructure, and the high rate of failure on homesteads led to calls for state intervention to ameliorate these circumstances and the need to co-operate in order to survive. Sparse settlement and lack
of urban centers simply made various services unprofitable in rural Saskatchewan leading to the creation of co-operative telephone companies, highway construction, and medical services. Once established, these co-operatives needed to be protected, especially from the ravages of the depression, which created the need for a political party dedicated to co-operative values. Moreover, the existence very small governmental units on the frontier (most municipalities had only 400 families) engendered a collectivist outlook in Saskatchewan society and necessitated wide-spread participation in community affairs.\textsuperscript{317} For instance, Lipset found in 1948, that the 600,000 rural residents of Saskatchewan elected 2,100 municipal councillors and 15,000 school trustees compared to the 800,000 residents of Toronto who elected only 24 municipal councillors and 18 school trustees.\textsuperscript{318}

While there was some differentiation of wealth among Saskatchewan farmers, there was only a very small provincial bourgeoisie. Lipset classifies early 20\textsuperscript{th} century Saskatchewan as having a “one-class social structure” composed almost entirely of wheat farmers living under similar economic and social conditions.\textsuperscript{319} This lack of class differentiation, particular to the frontier environment, created a feeling of solidarity in the farmer population against the ‘vested interest of the East’. Richard Allen argues that the frontier environment with its vast expanses of land and harsh living conditions orientated the settlers toward a religion which preached co-operation as did the social gospel.\textsuperscript{320} The image of creating a ‘new’ society on the frontier and an open social system encouraged utopian thinking, mitigated against the acceptance of injustice, and created an openness to new ideas in Saskatchewan all of which contributed to the rise of a social democratic protest party.
Given the importance of women to farm operations, it is no surprise that early Saskatchewan farmer organizations displayed openness to women’s participation and concern for women’s issues. However, as we have seen, women remained marginalized with the agrarian protest movement which reflected that these political institutions remained male-dominated and indicated the presence of a strong social conservative tendency in the political culture of the young province. Thus, not only did early Saskatchewan social democracy contain Whites-only nationalism and a white settler construct in it, it also sought to re-enforce the patriarchal relations inherent in the grain economy created by the National Policy.

Social democratic ideas were spread in the political culture of Saskatchewan through the use of the printing press. Of particular importance was the Grain Growers’ Guide which had 80,000 subscribers by 1920 and was the most widely read journal on the prairies after the Winnipeg Free Press. The Guide reported how the Canadian economy was in control of “50 Eastern Big Shots”, documented how financial contributions from large companies to the Conservative and Liberal parties resulted in patronage and decried the “new feudalism” of the federal government over the prairies. It was critical of the daily press on prairies calling them paid political partisans and prostitutes to Eastern business interests. Social democratic ideas such as these were re-enforced in the 1930s through the FLG’s extensive use of radio to carry its messages to the Saskatchewan population.

In The Bias of Communication, Harold Innis theorizes the “significance of communication to the rise and decline of cultural traits.” The ability to produce mass quantities of printed materials using a printing press and to transmit radio signals gave
early social democrats the capacity to effectively communicate with a population that was geographically dispersed over a vast province. Indeed, early Saskatchewan social democrats used the printing press and the radio as countervailing forces to the east-west pan-Canadian political culture that was trying to be imposed on Saskatchewan by the National Policy. As such, the technology of the printing press and the radio were crucial in the development of a distinctive social democratic strain in Saskatchewan political culture.

The influx of immigrants with ideological baggage amiable to social democracy, the openness of the prairies’ frontier environment, and the technology of the radio and printing press led to the emergence of a social democratic strain in the political culture of Saskatchewan by 1932. This social democratic strain was supportive of government intervention in the economy, sympathetic to the concept of a welfare state, suspicious of Eastern Canadian big business and possessed strong co-operative and collectivist values. This social democratic strain co-existed along side other strains in Saskatchewan political culture such as conservativism and liberalism which found expression in the various organizations and political parties outside of the FLG and the agrarian protest movement. However, it should be remembered that foreign ideas brought into Saskatchewan by immigrants could not have been effective if Saskatchewan’s political economy had not already placed farmers within an exploitative and financially tenuous situation where social democracy could present itself as a solution. Further, while Saskatchewan’s frontier environment increased the freedom of farmers to experiment with new ways of expressing their grievances, it was the heartland-hinterland relationship between the prairie west and central Canada which provided the initial stimulus to such grievances.
and new parties. As Frances Kaye recently argued, it is Innis, not Turner, who provides a much better guide to the development of the Canadian prairie west. Nonetheless, as we will see, the emergence of a strong social democratic in the province’s political culture has had long-lasting and important effects on Saskatchewan politics, the most important of which is the electoral dominance of the CCF-NDP from 1944 to present.

The Institutional Dynamics of Federalism

Following the historical institutionalist approach in my theoretical model, it is important to note that the institutional structure of Saskatchewan was also conducive to the rise of social democracy in this formative period of the province’s history. David Smith has argued that the Canadian federal system, through the creation of provinces, created a political arena in which discontent over regional disparity could be expressed. The existence of the arena of provincial politics provided a forum in which third parties could emerge to protest the national-wide consensus embodied in the Conservative and Liberal parties. Further, these third parties could become major players in a province without having to garner country-wide support or worry about achieving national political success. Similarly, in his foreword to the Second Edition of Agrarian Socialism, Lipset admits that the weakness of his original work was that he did not realize that the Canadian electoral system, as compared to the American electoral system, encourages the rise of third parties because parties do not have to engage in state-wide campaigns for governorships or country-wide campaigns for the presidency in order to gain political influence. Moreover, Lipset notes that the American primary system allows the interests and values of discontented groups to be expressed in the major parties thereby lessening the stimulus to create third parties. However, it is clear that the
province's political economy was the most important casual factor in the emergence of social democracy in Saskatchewan. After all, a similar institutional framework in Alberta and Manitoba created populist, conservative, and liberal reformist politics as opposed to strong social democratic parties.

*Agency*

It is a testament to the intellectual prowess of early Saskatchewan social democratic thinkers that they achieved a viable synthesis of diverse ideas emanating from Great Britain, the United States, and Ontario to fit the social, political, and economic circumstances of their place and time. The structure of the political economy of Saskatchewan encouraged ideas such as the public ownership of certain parts of the means of production, the beginnings of a rudimentary welfare state and the encouragement of co-operative enterprise in order to provide financial security and economic prosperity for prairie farmers. Therefore, the FLG called for state ownership of railways, banks, public utilities, and natural resources along with the socialization of medicine, old pensions, unemployment insurance, and a compulsory wheat pool. The immigration patterns of Saskatchewan were congenial to a combination of American agrarian protest and British labourism. Therefore, the FLG espoused both American ideas such as anti-monopoly sentiment, co-operative enterprise, and a farmer-labour alliance while retaining the British emphasis on nationalization, the welfare state, and gradual parliamentary change. The frontier environment of Saskatchewan encouraged utopian visions so the FLG provided the social gospel inspired vision of a Co-operative Commonwealth along side its practical reforms in order to quench this thirst for a new and utopian society on the prairies. Finally, the institutional setting of Saskatchewan was
more congenial to a British-style parliamentary labour party instead of anti-party solutions so the FLG did not advocate populist democratic reforms such as direct legislation and fashioned itself as British parliamentary party.

It was the agency of the political agents, specifically Partridge, Coldwell, and Williams, who pushed Saskatchewan agrarian movements past the solutions of the Liberal and Conservative Parties towards social democratic ideas. It was also this agency that offered social democracy as a response to Western alienation. Certainly, the nature of the political economy of Saskatchewan that created hatred toward big Eastern business, a distrust of traditional parties, the need for government regulation and the stimulus for co-operation aided these political agents as did immigration patterns, the frontier environment and Saskatchewan’s institutional framework. However, agency (human will, thought and action) was required to take advantage of these social, political, and economic circumstances to push agrarian organizations to embrace social democratic solutions to the problems facing the prairie farmer. Thus, the social democratic actors seized the opportunity afforded to them by political, social, and material circumstances in order to create a successful social democratic party in Saskatchewan.

*Saskatchewan in Comparison to Other Provinces and Agrarian American States*

The operation of a wheat economy created third party protest elsewhere on the North American plains late 19th century and early 20th century. A number of American agrarian protest parties emerged after the civil war in the Western agricultural American states of Nebraska, Iowa, Kansas, North Dakota, South Dakota, and Minnesota. Further, wheat growers and other farmers elected farmer parties to form provincial governments in Ontario, Manitoba, and Alberta in the 1920s and had gave the farmer-supported
Progressives 65 seats in the 1921 Canadian federal election. An important question is why social democracy emerged as the ideology of wheat growers' protest and achieved sustained success in Saskatchewan but not elsewhere in North America?

The answer is that the combination of agency and social, political, and economic circumstances were different in Saskatchewan than elsewhere. No other North American jurisdiction was as heavily dependent on wheat as Saskatchewan. In 1937, the Bank of Canada stated in reference to Saskatchewan: "No governmental unit in the world attempting to maintain a modern civilization is so completely dependent on the production and marketing of one commodity- a commodity which under even normal conditions is subject to wide variations in production and price". As shown, wheat’s instability as an export commodity orientated Saskatchewan farmers towards social democratic ideas such as public ownership, government regulation, and co-operative enterprise.

In the case of Alberta, there was too heavy an influx of American immigrants who brought agrarian protest ideas laden with monetary reform panaceas, anti-party sentiment, and Jeffersonian laissez-faire individualism. Unlike Saskatchewan, Alberta lacked British immigrants who could have brought a British labour tradition which stressed equality, state ownership, and gradual parliamentary reform. The existence of a large group of ranchers south of Calgary also mitigated against the emergence of social democratic ideas in Alberta. Due to the stability in beef prices, ranchers tended to be more conservative than wheat farmers in the beginning of the 20th century. Alberta also had a much more diversified economy than Saskatchewan with more mixed farming, less reliance on wheat as a cash crop, more industry, and a larger and stronger bourgeoisie. Further, Protestants
in Saskatchewan adopted a social gospel orientation whereas the fundamentalist Protestants in Alberta emphasized personal salvation. In terms of agency, the leaders of agrarian protest organizations in Alberta, like the United Farmers of Alberta (UFA), may have had some social democratic principles but their refusal to accept the nature of the Westminster parliamentary system left them unable to cope with the realities of parliamentary politics. Social Credit, which succeeded the UFA as the party of agrarian protest in Alberta, emphasized the monetary reform tradition of American agrarian protest over social democratic ideas. Finally, farmers’ organizations in Alberta were not able to achieve the same level of co-operation with labour unions that prevailed in Saskatchewan due to the lack of labourers who had became farmers in Alberta.

There are similar reasons for social democracy’s lack of success in Manitoba, Ontario, and the United States in the early 20th century. In Manitoba, there was too heavy of an influence of immigrants from Ontario which led the agrarian protest organizations in that province towards more of a Clear Grit agrarian liberal stance and a refusal to co-operate with labour unions in Winnipeg. Another part of the reason for the lack of co-operation between farmers and labourers was that there were fewer farmers who had previously been labourers in Manitoba. The inability of farmer organizations and labour unions to co-operate and the existence of a strong provincial bourgeoisie in Winnipeg are at the root of the dominance of Bracken reform liberalism instead the emergence of social democracy in the first half of the 20th century in Manitoba. In Ontario, the existence of a powerful business class, a lack of co-operation between farmer and labour groups due mainly over disagreement on the issue of tariffs and mixed agriculture as opposed to dependency on a single commodity decreased the chances of a sustained social
democratic government under the United Farmers of Ontario or the CCF. Midwestern agricultural American states usually contained both wheat growers and mixed farmers who enjoyed more stable prices. American agrarian protest movements also lacked the British Labour Party influence and, as Lipset argued, the system of American federalism was unfavourable to the rise of third parties.

The Early Co-operative Commonwealth Federation (CCF) (1933-1944)

The FLG joined the Co-operative Commonwealth Federation (CCF) when it was created in 1932 in Calgary. The CCF met in Regina in 1933 and adopted the historic Regina Manifesto. The Regina Manifesto has been analyzed at length in other works.\(^{328}\) For my purposes it will suffice to note that the Manifesto’s ideas were similar in many respects to themes that already had appeared in Saskatchewan social democracy. However, the Manifesto did propose the amendment of the BNA Act to create a greater centralization of powers in the federal government, which did not fit well with Saskatchewan social democracy’s sentiments of Western alienation.

Just over a year after the adoption of the Regina Manifesto, the Saskatchewan CCF participated in its first provincial election that it contested under the FLG name and the leadership of M.J. Coldwell. Using the slogan “Humanity First”, FLG party leaders stressed debt adjustment, a planned economy, and nationalization of banks, higher corporate taxes, and the socialization of health services.\(^{329}\) Using the example of Sweden, the FLG argued that it would develop Saskatchewan natural resources such as forests, clay, and coal under government ownership in order to finance debt adjustment for farmers and create a more advanced welfare state.\(^{330}\) The Liberals, the Conservatives and the press heavily attacked the FLG’s use-lease land policy, which was described above,
as the nationalization of land, the Sovietization of the province, and the condemnation of farmers to serfdom. The FLG insisted that, without the use-lease policy, independent farmers would turn into tenant farmers of Eastern mortgage companies. The FLG attempted to portray itself as defending farmers' private property against Eastern mortgage companies and financial interests. It declared "What do you need at this time? First, to retain your home and land for your use, and prevent its confiscation by the financial interests...The Farmer Labour Group (C.C.F.) pledges itself to enact immediately when returned to power, all the legislation necessary to secure to you the use and possession of your home and land." The call for the protection of the family farm from foreclosure was wrapped in a cloak of Western alienation as the FLG claimed "Strike a blow against the financial and industrial exploiters of Western Canada by voting Farmer-Labour." The FLG's appeals to Western alienation were successful as it won five out of 55 seats in the legislature with 24% of the total vote and became the official opposition.

After the 1934 provincial election, the FLG officially changed its name to the Cooperative Commonwealth Federation (CCF) and George Williams replaced Coldwell as leader. The 1938 Saskatchewan provincial election was a four-way fight among the Conservatives, Social Credit, the CCF, and the Liberals. As an alternative protest party to the CCF, Social Credit promised to end the depression by using a monetary reform scheme that would give farmers the money they needed to get out of debt. The CCF ran almost no urban candidates in 1938, and again concentrated on portraying itself as the party which would force Eastern mortgage and land companies to adjust farm debt and prohibit them from foreclosing on farmers' land. It dropped its controversial use-lease
policy proposing instead to enforce a debt moratorium to “protect the people against the imposition of usury, until the powers of entrenched finance give a square deal to the Farmers and Home Owners of this province.” Through portraying itself as the party which would protect farmers’ private property from Eastern finance capital, the CCF withstood the challenge of Social Credit to win 10 seats and maintain its status as official opposition. With the poor results of Social Credit (only 2 seats) and the Conservatives (no seats), the CCF emerged from the 1938 election as the only possible alternative to the governing Liberals.

The CCF in this time period also began to gradually dismantle its adherence to the Canadian white settler construct that the earlier Saskatchewan social democratic movement had portrayed. Recognizing the need to reach out to ethnic communities in order to form government, the CCF did not advocate restrictions on immigrants as the UFC (SS) had done at the beginning of the 1930s. Instead of restrictions on immigration, its 1938 platform pledged “To protect the democratic rights of the people by: (a) Guaranteeing freedom of speech and the right of assembly, (b) Guaranteeing religious liberty to all.”

When Williams went overseas to fight in World War II, the Saskatchewan CCF party united behind T.C. Douglas’ leadership and adopted a new platform simply entitled The C.C.F. Program for Saskatchewan which contained a mix of old and new ideas. It would become the platform on which the CCF would win the 1944 provincial election and intellectual foundation on which the CCF would govern Saskatchewan for 20 years. The agricultural portion of the platform re-iterated the familiar proposals of a moratorium on farm foreclosure and evictions, debt adjustment, crop insurance, encouragement and
support for co-operatives, and the abolition of the Winnipeg Grain Exchange in favour of marketing boards for agricultural produce. On the other hand, the urban security plank was much more detailed than previous FLG/CCF platforms. It proposed the creation of a Department of Labour, an increased minimum wage, a reformed labour code to protect the workers' rights to form a union and to collective bargaining, improved workers' compensation, and worker representation on all boards and commissions dealing with labour matters. The platform also placed a much heavier emphasis on social programs than past articulations of social democracy in Saskatchewan. It called for a complete system of free socialized medicine, increased old age pensions, and more generous mothers' allowances. The third section of the platform, entitled "Education and Democratic Rights", eliminated earlier ideas of removing the capitalist bias in school curriculum and the teaching of co-operative values in primary schools. Instead, the platform proposed increased provincial funding to education, larger school districts, higher salaries for teachers, free textbooks and supplies, making health services available in schools, special classes for students with learning problems, ensuring that students from modest income families can go to university through scholarships, and more adult education opportunities. The platform backed away from the anti-party ideas of recall, referendum, and direct legislation of early agrarian movements in favour of moderate democratic reforms such as having elections at pre-set four year intervals and the institution of the single transferable vote for all ridings.

The final section of the 1944 CCF platform was entitled "Planning, Public Ownership, and Finance" and proposed that the Saskatchewan government set up a board of experts to plan for the post-war reconstruction of Saskatchewan. These planning
experts might suggest the building of affordable housing, training for returning soldiers, and the establishment of government-owned airline to access the natural resources of northern Saskatchewan. The technocratic thrust of the CCF’s proposals to plan Saskatchewan’s economy illustrates its move away from its populist roots. The platform also stated that, after geologists have established exactly what natural resources that Saskatchewan possesses, a CCF government would “proceed to develop these resources under public ownership”.

The profits from the public ownership of resources would “provide social, educational, and other essential services to all the people of the province”.

Though more understated, Western alienation was still part of the Saskatchewan CCF’s ideology and electoral appeal in the early 1940s. In 1942, the CCF legislative caucus put forth motions for supporting free trade and a state-owned railway to Hudson’s Bay as ways to circumvent the power of Eastern manufacturers and railway companies. In 1944, Douglas declared that banks should be nationalized because Eastern banks operating in the Western Canada “generally loan money when we least need it, and call it in when we most need it.” Further, the 1944 provincial CCF platform dropped the Regina Manifesto’s insistence on giving more powers to the federal government. Instead, the platform was steadfast in its promise to use the powers of the provincial government to the fullest in order to achieve the Co-operative Commonwealth.

Despite some openness to women in the Saskatchewan agrarian movement, women’s issues were almost completely absent from Saskatchewan CCF platforms from 1934 to 1944. Following the ideas of early agrarian movements, the Regina Manifesto had called for a national labour code to ensure equal pay for equal work and the
Saskatchewan FLG platform for the 1934 provincial election demanded “equal pay for equal work irrespective of sex”\textsuperscript{340} However, this demand was mysteriously dropped from the Saskatchewan CCF platforms for the 1938 and 1944 provincial elections which made no mention of women or women’s issues. Instead, in the 1944 provincial campaign, the CCF stressed traditional family values and appealed to women in their role as mothers promising that the CCF would mean employment for their husbands, a better education for their children, and adequate medical care for their families.\textsuperscript{341}

Despite of the evident lack of attention that the early Saskatchewan CCF paid to women’s issues, women’s participation was high in the party, especially compared to the provincial Conservatives and Liberals whose activists were almost exclusively male.\textsuperscript{342} However, CCF women in Saskatchewan were generally consigned to behind-the-scenes organizational roles.\textsuperscript{343} Unlike other provincial sections of the CCF and the agrarian movements out of which it grew, the Saskatchewan CCF did not have a women’s section. Instead, it set up women’s clubs at the local level which had no voting rights or delegates at conventions. The CCF women’s clubs acted as women’s auxiliaries who cooked and cleaned for meetings, performed secretarial work, went door to door at election time and did fund-raising through bake sales, fowl suppers, and sock knitting. Their maternal feminism inherited from agrarian protest movements led many CCF women to accept the sexual division of labour that prevailed in the party’s organization because it seemed natural to them. Further, these women were convinced that the achievement of the Cooperative Commonwealth and securing a fair price for grain were more important than gender issues. For the most part, questions concerning the systematic discrimination of women or their subordinate role in the party or society simply were not raised by men or
the women in the early CCF in Saskatchewan. A Saskatchewan CCF female activist later reflected that "The question of women just never came up. Economics and the war overshadowed everything else. I never thought about the woman question...except for resenting always being the stenographer of the group." Nonetheless, in the era before tax exemptions for political donations and in a party with no corporate financing, the voluntary organizational and fund-raising activities of women were essential for the election of male CCF candidates.

In the 1944 provincial election, the Liberals painted the CCF’s public ownership program as communist, raised fears of land seizures, church closings, and regimentation and, claimed that the CCF uncommitted to the war effort despite the fact that Williams was overseas fighting in Europe. The CCF focused on it proposals for an immediate moratorium on farm debt and government-provided health care. The CCF also tried to frame the voters’ decision in broader terms, Douglas stated that voters had to choose between “conditions as they were before the war: a period of free enterprise and all the poverty it caused, or a change to a commonwealth of social justice”. Douglas also used political fables such as Mouseland and The Cream Separator to explain old themes in Saskatchewan social democratic thought like the critique of traditional parties and the exploitation of the agricultural producer by Eastern capitalists in a humorous manner. The CCF's strategy worked and it won a massive victory taking 47 out of 52 seats with the Liberals winning the remaining 5 ridings and the Conservatives and Social Credit parties winning no seats.
Explaining the CCF’s Victory in 1944

As we have seen, the political economy, political culture, institutional framework, and political agents of Saskatchewan laid the foundation for the emergence of social democratic ideas in the province. However, what accounted for the CCF’s victory in 1944? There were a number of inter-locking economic, political, and social circumstances which were crucial in the CCF’s rise to power. These circumstances created a critical juncture within Saskatchewan society where the old path of Liberal Party dominance of the Legislative Assembly and laissez government was broken and a new path of CCF-NDP electoral dominance and state intervention was created.

The conditions of Saskatchewan’s political economy in the early 1940s were conducive to the CCF’s victory. The federal government had established the Canadian Wheat Board (CWB) in 1935 and had given it a temporary monopoly over the selling of Canadian wheat in 1943 because of the war.\textsuperscript{349} The operation of the CWB, the high world demand for wheat due to World War II, and a drop in American wheat production increased the price of Canadian wheat in the years from 1940 to 1944. This increase in wheat prices coincided with good crop yields to bring economic prosperity to Saskatchewan. As mentioned, prosperous farmers had always been more supportive and actively involved in agrarian protest organizations and the CCF. The record crop in 1942 allowed these prosperous CCF supporters to contribute large sums to the party permitting it to pay for intensive organization and publicity.\textsuperscript{350}

It was not until after the depression had receded that poorer farmers, the urban working class, and subordinated ethnic groups in Saskatchewan began to support the CCF in any numbers. It seems that these groups needed the personal and financial
security of a prosperous economy in order to take a chance on a political party promising large-scale change. Further, the adverse experiences of these groups during the depression may have helped convince them of the CCF’s argument that reform of the economic system was needed to avoid another depression. Indeed, voters in many western countries were suspicious of laissez faire capitalism and more ready to accept government intervention at end of World War II. The end of the war brought social democratic parties to power in many European countries such as Great Britain, Sweden, Austria, France, and Germany as well as Australia and New Zealand. The war years were also years of great electoral success for the CCF across Canada. The CCF won three federal by-elections from 1942 to 1944 and a 1943 Gallup poll showed that it may even have a chance of winning power in the upcoming federal election. In provincial elections during the war years, the CCF increased its support in the Maritimes, elected a member to the Québec legislature, nearly formed government in Ontario, tripled its seats in Manitoba, doubled its vote in Alberta and won the plurality of votes in British Columbia. Clearly, the 1944 Saskatchewan provincial election was held at a time of soaring popularity of the CCF across Canada and growing popularity of social democracy in the western world.

In terms of political culture, Canada’s Catholic Bishops declared that Catholics were “free to support any political party upholding the basic Christian traditions of Canada, and favouring needed reforms in the social and economic order” which gave Catholic voters ‘clearance’ to vote CCF. Moreover, a number of Catholics and a small number of Catholic priests had become active in the Saskatchewan CCF during the late 1930s. The bishops’ declaration and a growing Catholic presence in the party
motivated Saskatchewan Catholics to vote for the CCF and led credence to the CCF’s arguments that its philosophy was in line with Catholic teachings. Further, co-operative insurance providers, grocery stores, oil refineries, and credit unions all emerged in the 1930s signalling the popularity of a ‘co-operative philosophy’ in Saskatchewan. Lipset estimated that, by 1950, the average Saskatchewan farmer was a member of four to five cooperatives. Undoubtedly, the spread of co-operatives in Saskatchewan during the 1930s and early 1940s aided the CCF as a political party whose ideology stress cooperation over competition.

The institutional framework of Saskatchewan politics was also favourable to the CCF. The collapse of the Social Credit and Conservative parties after the 1938 provincial election left no alternative for voters to a continuation of Liberal rule except the CCF. The first past post electoral system worked heavily in favour of the CCF in the 1938 provincial election because its support was geographically concentrated in the rural areas of the province north of Regina.

In addition to these favourable economic, political, and social conditions, agency also played a pivotal role in the CCF’s 1944 victory. The Saskatchewan Liberals were unimaginative, tired and out of touch after 40 years of nearly uninterrupted rule and clearly erred in extending their mandate by an extra two years due to the war. Further, whereas the Saskatchewan Liberals did not even have a convention between 1931 and 1946, the CCF put in place a democratic internal structure that it inherited from farmers’ organizations in which local chapters held regular meeting and elected delegates to annual conventions. This democratic party structure had three principal benefits. First, it provided mechanisms to allow party members exert some control over party policy and
to transmit their concerns to the leadership of the party. The participation of party members in policy making engendered ideas that were more in tune with views of Saskatchewan's population and lent credence to the CCF's claim that it listened to the common person. Second, whereas other parties' organizations were dormant between elections, the CCF's structure of poll committees was constantly active in organizing and fund-raising in their neighbourhoods. Thus, by the 1944 election, the CCF had developed a considerably superior organization to the Liberals in many parts of the province. Third, education had always been an important part of the farmers' movement and the CCF had the same dedication to educating the public and its members about politics, economics, and society. The CCF's dedication to education sprung from the belief that human beings could be improved and that people were rational enough to realize that their needs were not being met by the present economic system.

Thus, the social democratic strain in Saskatchewan's political culture combined with the CCF's linkages with co-operative and agrarian protest movements and its internal democratic structure to encourage the recruitment, education, and participation of new members. In fact, by 1944, 1 out of every 12 Saskatchewan voters was a member of the CCF. This massive membership acted as a veritable army of supporters which worked in elections and spread the CCF ideology through the organizations in which they were involved and their inter-personal and family contacts.

Agency was also important in the considerable adjustments that the CCF made to its ideas in order to receive the confidence of a sufficiently large amount of the Saskatchewan population to form government. Unlike previous platforms, the 1944 CCF platform included detailed social and labour policy to appeal to the urban working class.
It also included new appeals to small businessmen such as debt adjustment on their mortgages and promised that economic growth generated through the CCF's economic policies would help their business. The CCF did not mention issues of language of schooling or immigration in its platforms that had been of interest to farm movements. Instead, in an attempt to limit its white settler construct mindset, the CCF included guarantees of freedom of speech and religion in its platforms in order to attract voters from ethnic groups which had traditionally distrusted the CCF due to the stances of the agrarian movements from which it came. The CCF also divorced itself from anti-party ideas such as direct legislation which had been held by many in the farm movement in favour of promoting the democratic characteristics of the CCF and the fact it did not receive corporate donations. The CCF also dropped its advocacy of 'equal pay for equal work irrespective of sex' that was contained in its 1934 platform and its new platform included a detailed justice section to deal with crime and an education section which pledged to improve accessibility and quality of education in Saskatchewan instead of rooting out the capitalist bias inherent in the education system. These alterations in the CCF's ideas were meant to appeal more socially conservative voters and women who wanted to improve the social conditions in Saskatchewan without threatening the traditional structure or moral code of society.

My discussion above illustrates the inadequacy of interpretations by Lipset, Sinclair, and Conway that claim that the Saskatchewan CCF transformed itself from a socialist to liberal reformist party in its attempt to form government. These interpretations take the FLG's use-lease land policy, statements concerning the replacement of capitalism with a co-operative economic system based on social
ownership, and the infrequent self-identification as ‘socialist’ by FLG leaders in the early 1930s to mean that the CCF in 1933 was a socialist party that aimed at the complete nationalization of the means of production, including farm land. Therefore, these interpretations argue that by eliminating their use-lease policy and by dropping references to ‘socialism’ in their discourse, the Saskatchewan CCF had evolved into a liberal reformist party by the time of they won power.

The main problem with these interpretations is that they overstate how radical the CCF was in 1933 and overestimate the CCF’s moderation in the decade that followed 1933. Notwithstanding their occasional use of the word ‘socialism’, Saskatchewan social democrats consistently aimed at the reform of capitalism and not its replacement with socialism or the nationalization of the entire means of production. The use-lease land policy was voluntary and was intended to protect private property rather than nationalize it. In fact, as early as the 1934 election campaign, the FLG was portraying itself as a defender of farmers’ private property from confiscation by Eastern financial interests.

Certainly, the CCF did moderate some of its ideas in the decade from 1934 to 1944 in order to get elected. However, this moderation did not change them from radical socialists, which they never were in the first place, to liberal reformers. Rather, any moderation that took place was in the Saskatchewan tradition of social democracy as described above from E.A. Partridge to the UFC (SS). This tradition had consistently advocated a mixed economy involving a private sector, co-operative enterprises, and public ownership of a certain part of the economy (usually natural resources, public utilities, and monopolistic enterprises such as banks, railways, and grain elevators). Saskatchewan social democrats contrasted monopolistic free-market capitalism, or what
they referred to simply as "capitalism", with a co-operative economic system that contained "social ownership" alongside private industry and private property. The CCF clearly stated that "social ownership" was to be broken into four categories: federal government ownership of transportation (airlines and railways), communications (CBC) and banks; provincial government ownership of natural resources (timber and minerals), public utilities (telephones and electricity), highways, and the liquor board; municipal government ownership of streets, waterworks, and buses; and finally co-operative ownership such as credit unions, co-op stores, and the wheat pool.360 Saskatchewan CCF statements concerning the 'replacement' of capitalism with an economy based on social ownership should be interpreted as transforming unfettered monopoly capitalism into a mixed economy.

Related to claims that Saskatchewan CCF changed from a socialist to a liberal reform party is what Alan Whitehorn calls the "protest movement becalmed" interpretation of the CCF.361 This interpretation is mostly applied to the federal CCF, but is often claimed to apply equally to the Saskatchewan section of the party. The "protest movement becalmed" interpretation holds that the CCF began as a decentralized socialist movement seeking radical social change and controlled by its members but that it turned into a reformist political party with power centralized in a 'party establishment' willing to sacrifice fundamental aspects of socialist ideology for electoral gain.362 The movement-party dichotomy works poorly in the Saskatchewan case. Since its inception, the Saskatchewan CCF always had the features of a political party such as a central office, centrally run campaigns, and an entrenched party leadership and party bureaucracy. Indeed, the agrarian 'movements' from which the CCF came also had these
characteristics. What made the Saskatchewan CCF and agrarian movements unique was that they were able to integrate movement-like qualities such as member participation and democratic control with the need to have a central organization and representative leadership. Conflict between the leadership and the membership took place at conventions leading to compromise from both sides. Such a process was a consistent feature of the functioning of both agrarian protest movements and the early CCF.

The Emergence of Social Democratic Ideas in Québec (1900-1976)

With the exception of brief discussions in work of Nelson Wiseman and Graham Fraser, research on the PQ does not generally discuss where the ideas of the party came from or how groups which the PQ influenced its ideas. Indeed, in most literature on the PQ, the PQ seems to come out of nowhere or is seen as simply a merger of the various independentist groups that existed in the 1960s. This section seeks to correct this deficiency by describing the deep roots of the ideas of the PQ in Québec society and illustrating that the PQ’s social democracy was not just ‘invented’ but that it was a natural outgrowth of intellectual currents in Québec from the beginning of the 20th century to the early 1970s. The sections below describe the principle proto-social democratic and social democratic ideas of the forerunners of the PQ and describe the ideas of the PQ before it came to power. The following sections then explain the reasons for the emergence of these proto-social democratic and social democratic ideas and discuss reasons for the victory of the PQ in 1976. As with the case of Saskatchewan, my analysis contends that the emergence of social democratic ideas in Québec was produced by the province’s political economy, political culture, the institutional framework, and political agents.
Table 3.2: Principle Ideas of the Forerunners of the Parti Québécois (1900-1967)

<table>
<thead>
<tr>
<th>French Canadian Social Catholic Thought (1900-1950)</th>
<th>Ethno-religious nationalism, Catholicism, collectivism, corporatism, anti-party sentiment, anti-imperialism, economic nationalism, sexism, nativism, xenophobia, a concern with social issues and a critique of economic liberalism and monopoly capitalism.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rattrapage Thinking (1950-1960)</td>
<td>Provincial autonomy, local development of natural resources, nationalization of hydro-electricity, economic planning, territorial nationalism, rudimentary welfare state administered by the Catholic Church and progressive taxation</td>
</tr>
<tr>
<td>Nationalist Social Democracy (1960-1967)</td>
<td>New labour code, free primary and secondary schools administered by the state, a program of student loans and bursaries, free and public hospitalization insurance, creation of several new public enterprises, completion of the nationalization of electricity, provincial pension plan, opting out of federal-provincial cost-shared programs, territorial nationalism</td>
</tr>
</tbody>
</table>

**French Canadian Social Catholic Thought (1900-1950)**

The period of 1900 to 1950 saw the emergence of French Canadian social Catholic thought, which although not social democratic, definitively possessed some proto-social democratic elements. While there were numerous individuals and groups whom propagated what could be characterized as social Catholic thought in the first half of the 20th century in Québec, I limit my analysis to eleven principal representatives in the mainstream of Québec society in this period: Ligue nationaliste, Lionel Groulx and *L’Action Francaise*, École sociale populaire (ESP), Catholic youth movements, Confédération des travailleurs catholiques du Canada (CTCC), the Caisse Populaire movement, Union Catholique des cultivateurs (UCC), Catholic Francophone women’s organizations, L’Action libérale nationale (ALN), Faculté des sciences sociales at Université Laval and the Bloc Populaire Canadien.

While their specific ideas varied considerably, I would argue that the social Catholic thought of these eleven groups shared several common and interlocking characteristics such as ethno-religious nationalism, Catholicism, collectivism,
corporatism, anti-party sentiment, anti-imperialism, economic nationalism, sexism, nativism, xenophobia, a concern with social issues, and a critique of economic liberalism and monopoly capitalism. Social Catholic thought was ethno-religious nationalist in that it strongly believed in the existence of a unique Catholic French Canadian nation blessed by God and based on 'racial', historic, linguistic, and institutional commonalities. The need to protect the nation was usually seen as necessitating the maintenance and expansion of traditional and rural French Canadian society through moving urban workers into the countryside to farm (this policy was sloganized as “la retour à la terre [return to the earth]” or “colonisation [colonization]”), the rejection of the alignment of Canada with the foreign policies of the British Empire and the control of the Québec economy by Francophone businessmen. Moreover, social Catholic groups displayed an anti-party sentiment which criticized business donations to political parties, advocated democratic internal party structures and deplored the rigidity of traditional political parties which did not allow elected officials to vote how they thought or adequately represent the interest of their constituents.

The perceived need for the French Canadian nation to control its own destiny and maintain or create institutions to meet its unique cultural needs led social Catholic thought to advocate a large degree of autonomy for the Québec provincial state from the federal Canadian government. Social Catholic thought saw Confederation as a pact between two nations and wanted to establish a decentralized federalist framework in a bilingual federal state. The double commitment to a federal Canada and the French Canadian nation created a constant tension between the maintenance of a pan-Canadian nationalism in federal Canadian state and the fulfillment of the destiny of the French
Canadian nation in Québec. It was difficult for these social Catholic groups to decide whether they wanted the protection and promotion of the French Canadian nation in Québec as Groulx or Jeune Canada contended or if they wanted their nation to join with the English Canadian nation and Francophones outside of Québec in a strong and united Canadian nation based on two founding peoples as Henri Bourassa and the Ligue Nationaliste argued.364

The ideas of social Catholic thought contained a close association of ethnoreligious nationalism and Catholicism. Catholicism was the ultimate expression of the nation, the assurance of the continuance of the race and the fulfillment of a messianic destiny. These social Catholic groups also found the basis for their social concerns in Catholicism’s teachings on charity and the need to help one’s fellow human being. It is hard to underestimate the impact of Leo XIII’s *Rerum Novarum* and Pius XI’s *Quadragesimo Anno* on the thought of these groups. While condemning socialism and defending private property, these Encyclicals also strongly denounced the economic injustice inherent in the capitalist system and argued for an equal distribution of wealth based on a corporatist organization of society. The teachings of Leo XIII and Pius XI led Québec’s social Catholic groups to critique the ‘abuses’ of capitalism such as poverty, exploitation of workers and excessive wealth concentration caused by economic liberalism, individualism and greed. Further, they fought against ‘trusts’ of gasoline, milk, coal, bread, and electricity on the grounds that these monopolies unjustly exploited the masses against the principle of social justice preached by the Catholic Church.365

While they aimed at the reduction of poverty, wealth concentration, and exploitation, these social Catholic groups also insisted that the inequality of classes and a certain level
of poverty in Québec society were natural and pre-ordained by God. Social Catholic thought held that private property, profit, and individual initiative were good and essential components of a society, but that reforms to capitalism were needed to ensure workers and farmers enjoyed an adequate standard of living to prevent them falling prey to subversive, revolutionary ideas such as communism and class struggle.

Ethno-religious nationalism, Catholicism, and the concern for social justice in social Catholic thought combined to form a very strong collectivist tendency. Contrary to individualism and liberalism, the social Catholic thought held that individual effort does not have sense or direction unless it is involved in a movement aiming at the realization of a collective or national project. Further, there is a collective duty in the nation to aid the weakest. I would argue that French Canadian ethno-religious nationalism had a collectivism inherent in it that French Canadian territorial nationalism did not. French Canadian territorial nationalism, with its focus on uniform rights and obligations, saw members of the French Canadian nation as individuals with certain rights and duties. Conversely, French Canadian ethno-religious nationalism saw members of the nation as parts of the greater whole of the French Canadian race and nation with a collective religious destiny. However, it should be pointed out that all nationalism has a collectivist aspect to it and that collectivism can lead in both a left-wing and right-wing (even fascist) direction. Indeed, the corporatism of these social Catholic groups also led them at times to express guarded admiration for Catholic fascist states like Mussolini’s Italy or Salazar’s Portugal.

Catholicism, ethno-religious nationalism, a concern for social justice, and collectivism led social Catholic thought to embrace corporatist and cooperative economic
solutions. Social Catholic thinkers did not believe that class conflict was an inherent feature of society. For instance, Groulx was adamant that the French Canadian nation was a classless entity characterized by the unity and homogeneity of its constituent parts. All the social Catholic groups, even the unions, believed that classes could and should work together for the benefit of the nation. Corporatism and co-operativism appeared as perfect economic remedies to social Catholic thought because they reduced the power of trusts and the abuses caused by laissez-faire capitalism and required only minimal state intervention. In the social Catholic mindset, the state was to be an arbitrator which regulates the economy to reduce trusts and foreign ownership, legislate into existence a corporatist framework, and force companies to conform to better labour legislation. The state should also to reduce poverty through providing funding to the Church which would then operate medical and educational institutions and charities. Catholic women’s groups, farm organizations, unions, and youth movements even went as far as to bypass the state completely through the funding and organizing their own health and social assistance services. The thrust behind these activities was a private collectivism as opposed to a state collectivism. Social Catholic thought held that people were to collectively act in order to solve social and economic inequalities instead of looking to the state to do it for them. The family, aided by ecclesiastical institutions and co-operatives, was to be the main source of assistance to the weakest in society instead of the state.

Even though the Communist Party of Canada counted only about 231 members in Québec during the 1930s, of which only 20 were Francophone, social Catholic groups were fanatically and obsessively anti-communist believing it to one of the greatest threats to French Canadian nation. They rarely made the distinction between socialism and
communism and believed that any state intervention in the private or public sphere could lead in the direction of the tyranny of the state. These social Catholic groups argued that communism would destroy private property, the family, the Catholic religion, and institute a dictatorship of the state founded on terror, assassination, and property theft.  

Social Catholic thought was clearly sexist in that it argued against suffrage, divorce, equal rights for men and women, and insisted on the authority of father in the family. It saw as one of the primary dangers of urbanization that women started had smaller families, worked outside the home, and were exposed to subversive feminist ideas. Social Catholics saw the erosion of the traditional family as a threat to the Church and the French Canadian nation. The solution was to return urban workers to rural areas through colonization and put in place Catholic unions and minimum wage legislation to provide high enough salaries for male workers so that their wives would stay where they belonged- in their “foyer [the home]”. As ethno-religious nationalists, these groups stressed the need to perpetuate the ethnic basis of the nation leading them to argue that women’s fertility was required to ensure the vitality of the nation and therefore women needed to stay in their traditional roles as wives and mothers. Women were praised as transmitters of the Catholic faith and the French language to their numerous children and therefore were the saviours of the nation. Thus, social Catholic thought both put women on a pedestal and oppressed them.

For their part, the Québécois Francophone Catholic women’s groups in this time period displayed a maternal feminism which saw the traditional family as the basic unit of society and emphasized women’s roles as mothers, spouses, teachers, homemakers, patriots, Catholics, and social regenerators. The Fédération Nationale Saint Jean-Baptiste
(FNSJB) had a more progressive maternal feminism which demanded reforms to the civil code and the right to higher education in order for women to better accomplish their maternal functions and family responsibilities. The Cercles de fermières had a more conservative maternal feminism which did not call for extended rights for women but concentrated on strengthening the French Canadian nation and improving women's daily lives through the more effective performance of their profession as farmwives.

The ideas of these social Catholic groups were also frequently nativist and xenophobic which confirms that they also adhered to a white-settler construct and espoused a Whites-only nationalism similar to early Saskatchewan social democrats. At the turn of the 20th century, the Ligue nationaliste contended that the survival of the French half of the Canadian nation, who had its ethnic origins in the great Latin race of Europe, was being threatened by an influx of English-speaking immigration and unwelcome Jewish and East European immigrants who were not easily assimilated and not loyal to Canada. Groulx, and others, insisted on the superiority of the French Canadian race as an elected people who were to become the Israel of the New World. All of these Catholic groups advocated strict restrictions on non-French immigration to Canada due to the fear of the demographic survival of the French Canadian nation, the suggestion that immigrants would take jobs away from French Canadians and the belief that since these new immigrants were not Catholic they were prone to materialistic and immoral behaviour. In tandem with such restrictions on future immigration, these groups also argued that non-Catholic immigrants should be converted to Catholicism and assimilated into the French Canadian nation.
Jewish immigrants who settled in Montréal during the first half of the 20th century were especially regarded with suspicion by social Catholic thinkers. Bourassa insisted that Jews were justifiably disliked because they refused to assimilate and that they had immigrated to Canada for the sole purpose of making money. The Action Française published articles claiming that Jews sought financial control of the world and produced American films which portrayed such immoral practices as deception, divorce, free love, crime, socialism, and feminism. Desjardins and his collaborators claimed that Caisse Populaires would liberate French Canadians from Jewish usury and financial control. The ÉSP argued that Jewish immigrants in Québec were often sources of subversive communism ideas. In the 1940s, the Bloc Populaire Canadien was strongly opposed to ‘invasion’ of Québec by Jewish refugees from World War II. While many researchers have insisted that we should not over-state anti-Semitism in Québec in this time period, it is clear that there was general xenophobia in the ideas of these social Catholic groups. This xenophobia dovetailed with their insistence on the superiority of the French Canadian nation and its messianic mission to set an example for all of North America.

Taking all of the above considerations into account, it is evident that these eleven social Catholic groups were not social democrats but ethno-religious nationalist corporatists who believed in a collectivist vision of society. Anti-communism, as well as papal teachings against socialism led these groups to strongly resist the label ‘social democrat’. They were all firmly against the CCF which was denounced by the Québec clergy when it appeared in 1933 because its program excessively suppressed private property, advocated “la lutte des classes [class struggle]”, espoused an overly materialist conception of the social order, and gave the state too much power to control society.
What these social Catholic groups did was to take the ideas of the conservative Québécois clerical nationalist tradition of the 19th century and added a strong social dimension to them. These groups' ideas of collectivism, corporatism, anti-party sentiment, anti-imperialism, economic nationalism, a condemnation of excessive wealth inequality, and a critique of economic liberalism and monopoly capitalism prepared the soil in which a more genuine social democracy would eventually take root.

**Explaining the Rise of Social Catholic Thought**

Similar to Saskatchewan agrarian protest movements, social Catholic thought in Quebec arose as a result of the interplay of Québec's political economy, political culture, institutional setting, and political agents. The most important causal factor in explaining the rise of social Catholic thought in Québec was the province's political economy. Throughout most the 19th century, Québec had a predominantly rural economy with a small manufacturing sector centralized in Montreal and Québec City. Encouraged by the National Policy, the time period from 1890 to 1940 saw the maturation of Québec economy into an industrial capitalist mode of production driven by the continued expansion of its manufacturing sector along with new exploitation of the province's considerable natural resources in regions outside of Montreal and Quebec City. All of these industries were predominately owned by English Canadian and American capital and were linked to the North American continental market through a growing network of railways.

Québec's industrialization was accompanied by the rapid urbanization of the province. The urban percentage of Québec's population increased from 36% in 1901 to 63% in 1931. In Québec cities, a Francophone working class developed alongside the
Anglophone managerial class and the Anglophone financial elite centered in Montreal became more powerful. The emerging Francophone working class had to deal with their managers in a language not their own and English came to seen as the sole language of business and therefore a necessity for economic success and class mobility. The Francophone working class also experienced low wages, unsafe working conditions, and long working hours while its communities had high infant and adult morality rates because of the poor quality of their milk, water, housing, and sewer facilities. Rural areas experienced depopulation as their inhabitants moved to Québec's cities or immigrated to the northern United States. The agricultural mode of production also went into a period of transition as it moved away from mixed farming and self-sustaining production to specializing in dairy products for emerging urban markets. Farmers struggled to find the credit to modernize their operations to fit this new reality and update their peasant farming techniques. Small artisan production in rural and urban areas also disappeared as consumer products from Québec's urban areas and other jurisdictions flowed throughout the province.

Given the political economy of Québec in first half of the 20th century, social Catholic thought emerged as a reaction against the industrialization and urbanization of Québec under an industrial capitalist mode of production. Social Catholic thought condemned the laissez faire economic system and monopolies which had created the low wages and poor living conditions of the Francophone working classes in the new industrial cities of Québec, the depopulation of the rural areas, the disorientation of farmers, and the disappearance of small artisan producers. It also wanted to protect the French Canadian nation against assimilation and ensure its economic independence in the
face of growing foreign investment. Social Catholic groups feared that the amusement parks, cinemas, radio, restaurants, and consumer products of urban life would distract Catholics from their religious observance and reduce their respect for religious authority. Further, social Catholic thinkers were afraid that the economic misery of the Francophone working class could lead them away from the Church, perhaps toward revolutionary and communist ideas. Thus, industrialization and urbanization was perceived as a threat to the clergy since it simultaneously undermined workers' obedience to the Church while decreasing the number of small Francophone artisan producers and farmers which formed the base of the Catholic Church in traditional French Canadian rural society.

In terms of political culture, social Catholic thought reflected the ethno-religious nationalism of the 19th century, particularly the social consciousness of this ethno-religious nationalism. Indeed, social Catholic thought inherited ethno-religious nationalism's idea that the Church must help the weakest members of the nation. Therefore, the importance of social Catholic thought to the emergence of social democracy in Québec was that it established certain collectivist, if not social democratic, ideas in the province's political culture.

Social Catholic thought was also stimulated by the institutions of federalism which linked Québec to English Canada. For instance, the demands of the British Empire for Canadian participation in the Boer War and World War I intensified nationalist sentiment in Québec and encouraged the anti-imperialist stances of social Catholic thought. In Canada, the wave of immigration in the Western Canada, mostly of non-French, made French Canadians in Québec feel like the minority. This minority sentiment
was only deepened by the denial of Francophone scholastic rights in Ontario and the prairie provinces and the non-French character of immigration into Québec throughout the first half of the 20th century. This sense of being a minority engendered calls in social Catholic thought for increased autonomy for the provincial state to protect French Canadian identity while still allowing the Catholic Church to play an important role in corporatist and welfare state institutions.

It should be noted that the ideas of social Catholic thought were re-enforced by a number of influences external to Québec. Since there was very little francophone immigration into Québec in the first 50 years of the 20th century, the political agents who propagated social Catholic thought were influenced foreign ideas that they sought out through newspapers, correspondence, and travel. In particular, social Catholic groups actively interacted with the social Catholic organizations of France and Belgium on which they were modelled.388

**Rattrapage Thinking (1950-1960)**

In the 1950s, new forms of thinking emerged in Québec which displaced social Catholic thought. Particularly important in this intellectual transformation were four groups whose thinking could be characterized by the French term “rattrapage [catch-up]”. These four rattrapage groups were the 1.) neo-nationalists of the *Le Devoir* and *L’Action Nationale*, 2.) *Cité Libre*, 3.) Parti Libéral du Québec (PLQ) and, 4.) the Fédération des unions industrielles du Québec (FUIQ).

These groups argued that social Catholic thought, with its emphasis on an agricultural society and anti-statist viewpoint, was outmoded in the industrial economy of Québec in the 1950s.389 Particularly, social Catholic thought was not able to reflect the
concerns' of the growing urban working class which now made up the large majority of Québec's Francophone population. They criticized the Duplessis regime and argued that an autonomous provincial Québec state should use its full jurisdiction under the BNA Act in order to build social housing, ensure local development of natural resources, nationalize hydro-electricity, and hire economic and social planners to create a coherent set of policies to guarantee the development of the French Canadian collectivity and reduce foreign dominance of the Québec economy. However, these rattrapage groups did not completely break with the anti-statism of social Catholic thought. They did not support free and compulsory schools, a department of education, or a universal and comprehensive and tax-supported scheme of health care and social assistance since such reforms would undermine the traditional role of the Church.

A good example of rattrapage thinking is the manifesto of the Fédération des unions industrielles du Québec (FUIQ) which was created in 1952 as the provincial wing of the Canadian Congress of Labour (CCL). The 1955 FUIQ manifesto entitled *Le Manifeste au peuple du Québec* represents the first attempt to formulate a modern social democratic ideology adapted to the context of Québec. Instead of capitalism or communism, the FUIQ “precisions une social-démocratie. Nous voulons un socialisme démocratique qui respectera la propriété personnelle, les traditions et la foi des masses canadiennes françaises [advocates social democracy. We want a democratic socialism that respects the personal property, traditions, and faith of the French Canadian masses]”

390 The manifesto displayed a territorial nationalism which strongly affirmed the FUIQ’s support for the civil and human rights outlined in the United Nations' *Universal
Declaration of Human Rights such as freedom from discrimination based on race, sex, language, and religion.

The manifesto argued for provincial autonomy for Québec in a Canada independent of Great Britain. Specifically, it called for the repatriation of Canada's constitution to allow for the creation of new constitution respecting provincial rights through giving provinces a veto over constitutional amendments and a greater voice in a "Conseil de la Confédération ou sénat federalize [Council of Confederation or federalized senate]" which would replace the present senate and exercise some control over the Supreme Court. The manifesto asserted that social security should be considered a right and that all citizens should accept responsibility for those among them who cannot fulfill their own needs. Thus, the manifesto advocated a complete program of social security for the aged, handicapped, and widows and their dependents which would include provincial health insurance. In terms of the education, the manifesto demanded free and mandatory schooling to the age of 16 and suggested that secondary and university education be free for all. However, the manifesto was firm that the Church should continue to administer health, education, or social services because the government has shown a "manque de comprehension lamentable [lamentable lack of understanding]" in regard to the provision of these services.

In addition to social programs, the FUIQ saw taxation as means to an equitable wealth distribution as evidence by its calls for progressive taxation and a tax on excessive profits. Since the Duplessis government gives away Québec's natural resources for "une bouchée du pain [a bite of bread]" and resource companies disrespect the rights of unions, the manifesto called for all of Québec's natural resources to be nationalized with
compensation to shareholders. As we can see, the FUIQ married a social democratic ideology advocating nationalization and generous social programs with the protection of Québec’s provincial autonomy and a territorial nationalism which respected the human rights and fundamental equality of all citizens. The only criteria on which the FUIQ’s manifesto fell short of definition of traditional social democracy outlined in Chapter 2 of this dissertation was its insistence that social security be provided by the Church as opposed to the state.

The FUIQ did pledge its formal support to the CCF in 1952 but it was never officially affiliated to the party and it contained a significant element within it that was unsupportive of the party. As the power of the Catholic Church in Quebec began to wane and progressive Francophones began to disregard social Catholic thought and critique traditional French Canadian nationalism, there was a renewed interest in the CCF as a possible vehicle with which to combat Duplessis during the 1950s. Thérèse Casgrain took over as leader of the Quebec CCF in 1951 and the party began to attract a number of prominent Francophone unionists and young intellectuals, many of whom were also contributors to *Cité Libre*. At various times throughout the 1950s, the CCF attracted such well-known Francophone activists as Michel Chartrand, Gérard Picard, Pierre Vadenboncoeur, Gérard Pelletier, Romuald Lamoureux, Marcel Rioux, and Roger Provost. However, the involvement of these high-profile Francophones was often short-lived and marginal. Nonetheless, the CCF campaigned for free access to all levels of education, a ministry of education, a universal and free medical and dental insurance, the creation of publicly-run hospitals, financial support for parents with children over the age of 16 who are studying, centralization of schools within isolated regions, economic
planning, the establishment of a Ministry of Co-operatives, improvements to the labour code, Canadian independence from Great Britain, electoral reform, and equal pay for equal work for women.\textsuperscript{395} While the National CCF was completely against provinces exercising power over income taxes, the Quebec CCF was divided over the issue and eventually came out in favour of provincial income taxes.\textsuperscript{396} Despite Casgrain’s hard work and the involvement of a number of prominent Francophones within the party, the CCF continued to field candidates in only a quarter of the ridings and failed to get over 1% of the total vote in the 1952 and 1956 provincial elections while never having more than 900 members in Quebec, only a quarter of which were Francophone.

There were a number of interrelated reasons why the CCF did not succeed during elections and did not become a vehicle for social democratic Québécois nationalism in the 1950s. First, despite the clearance given by Canadian Bishops to Catholics in 1943 to vote for any party that did not contradict the Catholic doctrine, Catholic Bishops in Quebec never explicitly stated that Catholics could vote CCF. Thus, Quebec’s Catholics continued to be suspicious of the CCF in the 1950s and many within the clergy and Catholic newspapers insisted that the Bishop’s 1943 decree should not be interpreted to declare that Catholics were allowed to vote CCF.\textsuperscript{397} The Quebec Bishops did nothing to clear up this confusion.

Second, the Quebec CCF was too closely identified with English Canada and was dominated by Anglophone Quebecers. The name of the party was not translated into French until 1955 and meetings of the Quebec wing of the CCF were conducted in English until the same year. Further, the CCF supported conscription, opposed bilingual currency, and its MPs and Anglophone representatives in Quebec made a number of
inappropriate comments about French Canadians during the first 30 years of its existence.\textsuperscript{398}

Third, the CCF had a very centralist view of federalism. The Regina Manifesto called for a national labour code, a national economic planning commission, and amendment of the BNA Act to give the federal government more powers in the areas of taxation, economic policy, and social programs. Until its transformation into the NDP in 1961, the CCF continued to adhere to the centralist propositions contained in the Regina Manifesto even though it consistently claimed to respect the constitutional rights of the provinces (particularly in education and natural resources) and to support the equal status of Canada’s two official languages.\textsuperscript{399}

Fourth, the CCF never came to terms with the existence and aspirations of French Canadian nationalism. The National CCF was generally against the compact theory of confederation that was considered self-evident by most Francophones within Quebec. For French Canadian nationalists, Quebec needed provincial autonomy in order to protect the existence of the French Canadian nation and Quebec’s autonomy was enshrined in Confederation due to French Canadians’ status as a founding people of Canada. Conversely, in its 1956 Statement of Principles, the National CCF insisted on a centralist federal framework to “equalize opportunities for the citizens of every province in Canada. True national unity will be achieved only when every person from the Atlantic to the Pacific is able to enjoy an adequate standard of living.”\textsuperscript{400} The National CCF made it clear that the goals of economic prosperity and universal social programs for all Canadians trumped the autonomy or claims to specificity of any particular province including Quebec. By the time the Quebec CCF was re-named the Parti social-démocrate
in 1955, it was beginning to endorse Bourassa’s idea of Canada being a partnership between two nations; but as the episode with provincial income tax illustrated, the National CCF contested this new direction of its Quebec wing. 401

Finally, the solutions of the CCF, such as government-run health care and education, were too statist for Quebec society in the 1950s. With the exception of *Cité Libre*, none of the rattrapage or social Catholic groups described above advocated state-run medicine and education. It is clear that the Quebec CCF had no roots in the social Catholic thought which was the direct or indirect inspiration of rattrapage and social democratic ideas in Quebec in the 1950s. Thus, neither Francophone voters nor Francophone political activists felt at home within a party which blatantly went against the progressive and nationalist intellectual tradition in Quebec.

Several of these reasons were pointed out by Francophones who were sympathetic to the CCF during the 1950s but ultimately believed that it could not succeed as a vehicle for change within Quebec society. Neo-nationalists such as Laurendeau characterized the CCF’s social democracy as excessively centralist and completely insensitive to French Canadian nationalism. He argued that French Canadian workers are more a product of their culture than of their class and therefore do not accept extensive federal initiatives in the areas of social security or economic development. 402 Most Citélibistes felt that the CCF’s Quebec wing had little chance of electoral success due to its identification with the English Canada majority and its centralist view of federalism. 403 Trudeau argued that because the CCF was formed without French Canadians it will always have “l’air anglais [an English air]” and French Canadian voters will not support it because of religious
reasons and because, due to the strength of social Catholic thought, Francophones search for nationalist solutions to social problems.404

Explaining the Emergence of Rattrapage Thinking

The interrelated process of the demise of social Catholic thought and the rise of rattrapage thinking took place over two decades from 1940 to 1960 involved changes in Quebec’s political economy, political culture, and the dynamics of Canadian federalism as well as activity by certain political agents. Again, changes to Quebec’s political economy were the paramount in explaining the rise of rattrapage thinking. World War II stimulated production and increased employment throughout Quebec due to the growth of military demand for aluminium, nickel, foodstuffs, chemicals, aircraft, ships, and armaments from the industrial cities of Quebec. As part of the world-wide postwar boom, Quebec continued to experience significant economic growth in the 1950s, especially in the areas of mining, forestry products, hydro-electricity, and manufacturing. This increased industrial production created another wave of urbanization and the population of Quebec grew due to higher birth rates, lower infant and child morality rates, longer life expectancy, and increased immigration.405

An important effect of urbanization in a period of economic and population growth was the emergence of a large service sector to support a growing industrial workforce, the population boom, and the expansion of necessary government services. The growth of the service sector was also necessitated by the enlargement of the retail sector to support Quebec’s emerging consumer society and the fact that more services are consumed in urban settings as opposed to rural settings. The result of this growing service sector was the emergence of what Kenneth McRoberts and others have termed the
“new middle class” in Québec. Unlike the traditional French Canadian liberal professionals, this new middle class was not self-employed yet its professional qualifications put it in a different social and economic position than the working class. The new middle class was more acutely aware of the ethnic hierarchy in the Québec economy than farmers or the working class because, with seemingly the same qualifications, Anglophones continued to get better jobs in Quebec’s Anglophone-owned companies.

In addition to the growth of the new middle class, the education, health, and social welfare systems of Québec in the 1950s were becoming blatantly inadequate for the demands of an urbanized and industrial society. In the education system, the curriculum was outdated, there were not enough priests, monks, or nuns to teach and run the institutions, the physical state of schools was deteriorating, and there were simply not enough schools to handle the growth in population. The teaching of science and administration was still not widespread enough to support the industrial Québec economy. Similarly, social assistance services were still ran as charities and were slow to employ modern techniques of social work and hospitals were not equipped with the latest technology and frequently lacked infrastructure. Due to the lack of religious personnel, educated lay people were employed by these Church operated institutions but management positions or positions of power remained reserved for religious personnel. Thus, the career paths of the new middle class were blocked by the clerical dominance of the administration of public services.
The new Francophone middle class was still in the process of formation in the 1950s and therefore did not have very much influence in Québec society or have very many spokespersons for its desires except rattrapage groups. *Cité Libre* expressed the new middle class' desire for state-run public services while neo-nationalists at *Le Devoir* argued for the creation of modern welfare state and the intervention of the provincial state to reduce foreign dominance of the economy. The PLQ's emphasis on social justice and an expanded system of social security during the 1950s could also be seen as appealing to the new middle class.

Besides the new middle class, the working class and the small and medium sized Francophone business class were also unhappy with their status within Québec's political economy. The wages of the French Canadian working class were still lower than in Ontario, working conditions were unsafe, unions' rights were endangered by anti-labour policies of the Duplessis government, and there was an acute shortage of housing, particularly in the Montreal. Moreover, the Anglophone American and English Canadian business owners were supportive of Duplessis' laissez-faire economic policies which gave them cheap labour and low royalties on natural resources and allowed them to avoid paying the high taxes associated with a modern welfare state. The result of this situation was a number of long and bitter strikes as the number of days lost to strike in the 1950s was over four times greater than the 1940s. The rattrapage ideas of the FUIQ, *Cité Libre*, the neo-nationalists and the PLQ represented the desires of the Francophone working class in their calls for an expanded provincial welfare state, legislation to ensure local transformation of resources, a better labour code, economic planning by the state and possibly even nationalization of certain industries such as hydro-electricity. In the
post-war period, the success of small and medium sized Francophone business was being undermined by competition with American and English-Canadian firms in Québec. Thus, in the 1950s, groups representing Francophone business interests began to call for state intervention in the economy through government programs to provide capital to Francophone enterprises, an economic development council, and the establishment of government laboratories to develop technologies for natural resource extraction. In response to these desires of the Francophone business class, the neo-nationalists and PLQ called for economic planning through the establishment of an economic council, technical assistance to resource companies, and the regulation electricity prices to promote industrialization.

The cross-class appeal of rattrapage groups illustrates that Québécois nationalism cannot be conflated with class struggle but is an autonomous political and ideological force on its own that cuts across class lines. Similar to the populism of early Saskatchewan social democracy which made appeals to all the 'people' of Saskatchewan, rattrapage groups made appeals to the entire French Canadian nation in their quest to invoke the modernization of Québec. This cross-class appeal would become an enduring characteristic of the PQ's social democracy.

The 1940s and 1950s also saw the waning of the power of the Catholic Church in Québec within the political culture of Quebec. The conscription referendum of 1942 not only heightened nationalist sentiment but eroded the popularity of the Church as the Bishops decided to support conscription even though 72% of Québec population voted against it. Moreover, parish organization did not have as much power over Francophone Catholics' lives in an urban setting as it was unable to direct all social and recreational
activities and many of its members worked in places outside of the parish boundaries. In Québec’s cities, the parish was no longer the center of community life and attendance at mass in working class areas declined. Agency was also important in the decline of the influence of the Catholic Church in Québec as it refused to modernize its activities, discourse, or structure in the light of the changes in the society and economy of Québec and gradually became discredited in the eyes of the population.

The low unemployment and increasing wages due to unionization made modern consumer products available to a growing number of people in Québec as per capita income substantially increased. The growth of television was particularly rapid. Television stations first appeared in Québec in 1952 and by 1960 over 90% of Québec homes had a television. Television opened Quebec Francophone political culture to new values and ideas as news and images from the around the globe flooded into Québec living rooms and televised advertising deepened consumer society. Simultaneously, television also cemented the national ties of the Francophone population of Québec with programming which featured new French Canadian artists and sports stars as well as re-enforcing the unique character of French Canadian rural life through programming such as Les belles histoires des pays d’en haut. Most importantly, like the printing press and the radio of early Saskatchewan social democrats, television created a forum for rattrapage intellectuals and journalists (such as René Lévesque) who were calling for the modernization of Québec. Television allowed the new ideas of rattrapage thinking of the 1950s to be transmitted to the broader Québec population living in both rural and urban areas.
The increase in immigration in Québec also caused changes in the province’s political culture. From 1946 to 1960, Québec welcomed over 400,000 new immigrants mostly from Italy and Great Britain but also from France, Austria, Hungary, Poland, Greece and Germany. As Québec became a more ethnically diverse society, social Catholic thought’s on emphasis ethno-religious nationalism became antiquated. An urban setting, such as Montreal, with a number of different cultures living and interacting in it demanded tolerance, the separation of church and state, and secular public and civil society institutions. Québec unions, Cité Libre, neo-nationalists and PLQ stressed the importance of freedom from discrimination based on race, sex or religion, and the right to association, expression, and even social security. Thus, these groups displayed a territorial nationalism which entailed of the creation of a legal and territorially bound French Canadian nation with uniform rights and freedoms for all of its citizens which was much more in tune with the ethnically diverse nature of Québec society in the 1950s than social Catholic thought’s xenophobia.

The dynamics of federalism also played a role in the rise of rattrapage thinking as the federal government moved away from classical federalism in order to mobilize for the war and then to begin to create a pan-Canadian welfare state once the war was over. In reaction to the federal government’s moves towards centralization these rattrapage groups arose to support the ‘autonomy’ of the Quebec provincial government. However, there was some definite disagreement on how complete that provincial autonomy should be.

Ultimately, the downfall of social Catholic thought was caused by its agents continuing to adhere to anti-statism and ethno-religious nationalism when such ideas were increasingly at odds with the social and economic realities of Québec. The agents of
rattrapage groups arose to propagate ideas that were reflective of the new political economy, political culture, and institutional framework of Québec in the 1940s and 1950s. We can see an interesting mixture of quasi-social democracy and calls for provincial autonomy that was beginning to emerge during the 1950s in rattrapage thinking. In many ways, rattrapage thinking depicted the inter-play and competition between ethno-religious and territorial nationalism in Québec political culture. Following ethno-religious nationalism, there was still a general suspicion of nationalization and a rejection of state administered public services in these rattrapage groups which makes it impossible to classify any of these groups as social democratic. However, the hold of an anti-statist bias on these groups was starting to wane as they merged the collectivist impulses of social Catholic thought with the secularization and respect for liberal rights of territorial nationalism.

**Nationalist Social Democracy (1960-1967)**

Rattrapage thinking provided the inspiration for the emergence of a nationalist social democracy in the 1960s in the Lesage government and the Rassemblement pour l’indépendance du Québec (RIN). The Lesage Liberal government, who was in office from 1960 to 1966, signalled the beginning of the Quiet Revolution. The PLQ under Lesage’s leadership did not identify itself as a social democratic party preferring to talk of a “néo-libéralisme” that promoted social justice and situated itself between laissez-faire and socialist economic policies. Nonetheless, the Lesage government did enact several social democratic policies in pursue of its goal of modernizing Québec and bringing its standard of living and political structures in line with other Canadian provinces. For instance, it passed a new labour code, created free primary and secondary
education, instituted a program of student loans and bursaries, offered free and public hospitalization insurance, created a number of new public enterprises, and completed the nationalization of electricity. The Lesage government also successfully lobbied Ottawa to allow it to opt out of 29 federal-provincial cost-shared programs with compensation, create its own pension plan, and receive more of the personal income tax, corporate income tax, and succession tax fields. The Lesage government also created a Ministry of Education that controlled the structure and curriculum of primary and secondary schools with the advice of Catholic and Protestant advisory committees. Finally, the PLQ proposed to enshrine a bill of rights in Québec’s legislation in the 1966 election.\textsuperscript{416}

As we can see, on top of its social democratic tendencies, the Lesage government grafted a territorial nationalism which aimed provincial autonomy, a special status for Québec in Canadian confederation, separation of church and state and the protection of human rights. It is important to note that the concept of the French Canadian nation made up of all Francophones in Canada was definitively jettisoned by the Lesage government in favour of a the concept of a territorial Québécois nation protected by the apparatus of the Québec provincial government.\textsuperscript{417} The use of the state to achieve the objectives of the Québécois nation was an important part of the Lesage government’s nationalism. For instance, the PLQ’s 1966 election platform stated “Le Parti liberal du Québec croit que l’État québécois est l’instrument principal de l’émancipation et du progrès de notre peuple. C’est à lui de mettre en marche et de coordonner les indispensables politiques de développement économique et social [The Liberal Party of Québec believes that the Québec state is the principal instrument of the emancipation and progress of our people.
Its task is to formulate and coordinate the indispensable policies of social and economic development].\footnote{418}

For my purposes, it is interesting to note two interrelated elements about this quotation. First, reflecting the PLQ’s territorial nationalist stance and rejection of ethno-religious nationalism, the state replaces the Church as the cement of the Québécois nation. Second, it is evident that the PLQ had begun to merge statism with nationalism. The use of the state to achieve social democratic goals such as the expansion of public enterprise, the growth of the provincial welfare state, and greater government intervention in the economy are linked to the progress and emancipation of the Québécois nation. This merging of social democracy and Québécois nationalism would eventually find its fullest expression in Parti Québécois.

While it would be inappropriate to classify the PLQ in the early 1960s as a traditional social democratic political party, it would be suitable to categorize it as a liberal reformist party which enacted a number of social democratic measures. The social democratic initiatives of the Lesage government were led by a reformist minority of bureaucrats and cabinet ministers such as René Levesque, Paul Gérin-Lajoie, Eric Kierans, Jacques Parizeau, Claude Morin, Bernard Landry, André Marier, and Michel Bélanger who struggled against the more conservative elements in the Lesage administration.\footnote{419} Several of these reformers went on to become important leaders of the Parti Québécois after the PLQ was defeated in the 1966 provincial election.

The Rassemblement pour l’indépendance nationale (RIN) was created in 1960 as an education movement supporting the independence of Québec and became a political party in 1963. It ran 76 out of a possible 108 candidates in the 1966 provincial election.
and received 8.8% of the popular vote. The RIN was the first genuine social democratic political party in Québec and certainly the most social democratic precursor of the PQ. It qualified its ideological position as left-wing or social democratic in the mould of the British Labour Party or Swedish Social Democratic Party. Its ideas started from that premise that Confederation, which was the outcome of the Conquest and British Imperialism, created a situation where the Québécois nation was alienated, dispossessed, colonized, and made strangers in their own country. If left unchecked, the RIN believed that the dominance of Québec by American and English Canadian corporations and by an increasingly centralist federal government would eventually lead to the complete assimilation of the Québécois nation. The solution to this situation was to follow the example of colonized African nations and make an immediate declaration of a Republic of Québec upon the election of a RIN government.

At the heart of the RIN’s social democracy was the concept of state planning which was partially inspired by the Swedish example. For the RIN, only an independent Québec state could ‘plan’ the economic, political, social, and cultural “épanouissement [blossoming]” of the Québécois nation. In its 1965 program, which is the fullest expression of its social democratic ideology, the RIN argued that the Québec government needed the full powers of an independent state in order to embark on true and effective economic planning. For the RIN, economic planning in an independent Québec would involve state subsidies to co-operatives, planning commissions for each economic sector, the negotiation free trade agreements with Canada and the United States, targeted tax incentives to attract new business, forcing of companies to hire Francophones to managerial and technical positions, and the nationalization of certain
key industries. Further, the RIN contended that a sovereign Québec state would create state-funded and state-administered pensions, maternity leave, and unemployment insurance, workers compensation.

In the area of political planning, the RIN stated that it would aim to increase democratic participation by making an independent Québec a federal state with regional governments, regional capitals, and regional economic councils. Like social Catholic thought, the RIN did not emphasize class struggle as part of its ideology instead stressing national consensus and collectivism. Therefore, political planning in an independent Québec would have a corporatist flavour as the RIN proposed to replace the provincial senate with a second legislative chamber made up of elected representatives from unspecified “groupes socio-économiques [socio-economic groups]” and regional economic councils. The RIN also wanted to improve Québec’s democracy through disclosure of political donations, spending limits during campaigns, and proportional representation. Such positions were natural because, like the Bloc Populaire Canadien before it, the RIN was financed by its own members instead of large corporations and it had a democratic structure which placed ultimate authority in annual general assemblies.

The RIN strongly rejected social Catholic thought’s ethno-religious nationalism in favour of a secular territorial nationalism. The RIN called for the secularization of the administration of schools, health services, and social assistance. The RIN was adamant that the civil rights contained in United Nations’ Universal Declaration of Human Rights should be enshrined in Québec’s legislation. Further, it stated that, in an independent Québec, Aboriginals would be considered nations in their own right, be given aid to
protect their way of life and culture, be allowed to vote and be given representation in the National Assembly and state planning commissions.\textsuperscript{427}

The RIN rejected religious conformity as a characteristic of the national collectivity and substituted it with linguistic and cultural homogeneity.\textsuperscript{428} The RIN replaced Catholic social thought’s emphasis on race and religion with membership to the Québécois nation being determined by one’s willingness to integrate into Québécois culture and learn the French language. For the RIN, the Québécois nation found its national identity in its culture and language to which anyone who wanted to become part of the nation could integrate. Thus, RIN urged the Québécois to reject their minority status in Canada and argued that the Francophone Québécois needed to become a “majorité assimilatrice [assimilative majority]” in their own country.\textsuperscript{429}

**Explaining the Emergence of Nationalist Social Democracy**

As we can see, the agents of the Lesage government and the RIN dropped the rattrapage groups’ suspicions of nationalization and a state administered welfare state in order to lead the emergence of a genuine traditional social democracy in Québec. The social democratic ideas of rattrapage groups which had been inspired by social Catholic thought were finally realized in the 1960s by these social democratic organizations due to a favourable evolution of social, political, and economic conditions. This confluence of ideas, agents, and material circumstances illustrates how long held ideas can eventually become forces of social change. The dramatic changes of the 1960s also illustrate how Quebec society had reached a critical juncture and the old path of dominance by the Catholic Church and laissez faire government was replaced a new path which emphasized state intervention in the economy and the building of advanced social programs.
The crucial driver of the rise of nationalist social democracy was the political economy of Québec. Manufacturing jobs in Québec grew from 452,543 in 1961 to 524,688 in 1967 while Québec's population grew by almost 800,000 from 1961 to 1971 and its urbanization rate increased by 6%. The growth of an industrial and urban population which needed adequate educational and health services to ensure economic growth could simply no longer be supported by the church administered welfare state. Therefore, pushed by the RIN, the Lesage government created a comprehensive and state administered welfare state included free and public hospitalization insurance, program of student loans and bursaries, Cégeps and free primary and secondary schools. Moreover, due to increased industrialization and the decision of the Lesage government to allow public sector employees to unionize, the number of unionized employees in Québec more than doubled from 353,044 in 1961 to 728,263 in 1971. This growing labour movement not only encouraged the expansion of the provincial welfare state, it also forced the Lesage to bring in substantive reforms to the province's labour code which were supported by the RIN.

Québec's service sector continued to enlarge during the 1960s as the province's new middle class grew in both numbers and importance and many of its members ascended to places of influence in the Lesage government's cabinet and bureaucracy. The new middle class was an important benefactor of the expansion and secularization of the provincial welfare state as they took over management positions in enlarged public and para-public bureaucratic structures. Higher rates of unionization and the growing power of the new middle class is the primary explanation for the development of public enterprise under the Lesage government and the promotion of state economic planning by
the RIN. Organized labour supported nationalization because public enterprises would provide stable and unionized jobs for their members and increase the government revenues to spend on social programs. As the new middle class grew in importance, action to ensure the advancement of Francophones in management structures and Francophone control over the Québec economy became imperative. Such an imperative necessitated the growth of public enterprise and state intervention to provide the new middle class with management positions which matched their education and the provincial government a greater measure of economic control. Thus, the social democratic goals of nationalization and state intervention were intimately connected to Québécois nationalism. The replacement of the Catholic Church by the provincial state as the protector of the Québécois nation justified greater government intervention in the provincial economy in order to prevent the economic domination of Québec society by external owners.

In terms of political culture, the Catholic Church generally accepted the inevitably of the secularization of health, education and social services and decided to concentrate more intently on pastoral activities in response to the decline of mass attendance and difficulty of recruiting religious personnel. The willingness of the Catholic Church to step out of the sphere of the welfare state removed a long-standing obstacle to the development of social democratic ideas in Québec as the RIN and PLQ could advocate a state administered welfare state without fear of attack from the Church. Continued immigration to Québec throughout the 1960s led to a greater demand for the protection of human rights which was reflected in the RIN, union and Liberal party policies calling for provincial human rights legislation. The influx of non-French speaking immigrants also
stimulated the creation of programs by the Lesage government to integrate newcomers into the Québec society and the RIN’s ideas of the Québécois nation being an assimilative majority.

Federalism is the key institutional framework which allowed the emergence of social democracy in Québec in the 1960s. As mentioned in Chapter 1, the division of powers gives social policy (health, social assistance, education etc.) and broad taxing powers to the provinces. The Lesage government as the representatives of the ‘region-province’ or ‘nation-province’ of Québec was very inclined to take full advantage of the power afforded to provinces under Canadian federalism and even was able to attain more power than other provinces during the 1960s. The Lesage government’s motivation in pursuing advanced social programs and nationalization under this asymmetrical federal model was to create an enhanced sense of belonging and collectivity among members of the Québécois nation. The RIN wanted to go even further towards social democracy than the Lesage government was willing to go and saw that only a complete break with federalism could give the Québec state the power to achieve social democracy. As such, from the beginning of its emergence in Québec, social democracy was connected with the goal of sovereignty and the quest to break out of the constraints of the institutional framework of Canadian federalism.

The continued rise in the number of women in the Québec workforce provided a stimulus to the creation of a universal and free primary and school system and led the Lesage government to improve married women’s control over their property. With regards to agency, the 1960s also witnessed the rise a modern women’s movement in Québec. In 1966, the Fédération des Femmes du Québec (FFQ) was created which...
grouped together representatives from several women’s associations as well as individual members into a multi-ethnic, non-denominational, and non-partisan organization. While the FFQ did not take a position on abortion, it did advocate pay equity, public daycare, a provincial human rights charter, a divorce tribunal, better female education, improved property laws for married women, and a government commission on the status of women. As we can see, the FFQ displayed a secular territorial nationalism combined with a large role for the state to promote the liberation of women in the Québécois nation. By the mid-1960s, the RIN recognized the growing women’s movement in Québec by calling for judicial equality between men and women, equal pay for equal work legislation and state-funded maternity leave.

**Early Parti Québécois (1967-1976)**

The progressive wing of the PLQ split after the party’s 1966 defeat between followers of René Lévesque who wanted the party to commit to negotiating the sovereignty of Québec including an economic union with the rest of Canada and supporters of Paul Gérin-Lajoie and Eric Kierans who put forward a report calling for special status and new provincial powers for Québec in Canadian confederation. The 1967 Liberal party convention opted for the Gérin-Lajoie/Kierans option and Lévesque immediately resigned from the Liberal party to form his own political party called the Mouvement Souveraineté-Association (MSA).

The MSA’s program was exemplary of traditional social democracy. It saw the state as the “grande moteur [big motor]” and “coordonnateur supreme [supreme coordinator]” of economic development. As such, it advocated that the state should intervene in the economy through promoting co-operatives, subsidizing private
companies, creating better forestry regulation, establishing economic planning, and funding of industrial research. The MSA proposed majority public ownership of airlines and railways, the expansion of mining exploration in the province’s north by SOQUEM, and the nationalization of a certain portion of the banking sector in order to eventually transfer it to Québécois private owners. The program declared that a true democratic society must meet the demands of “la justice distributive [distributive justice]”. Therefore, an independent Québec would have an indexed minimum wage and indexed social assistance to provide a guaranteed annual income, a regime of family allowances, progressive taxation, universal and free Medicare, regulation of drug manufacturing to assure low cost drugs, state administration of hospitals, free education at all levels, a system of bursaries for leading eventually to “pre-salaire [pre-salary]” system, and public housing for low-income families. The MSA followed the RIN’s lead on awareness of women’s issues. Its platform called for increased access post-secondary education for women, equal pay for equal work regardless of sex, salaries for homemakers, allowances for single mothers, promotion of family planning, public daycare centers, and programs to take into account the particularities of females in the workforce. Finally, the Manifesto states that Québec must realize that unionism is “un élément normal et indispensable de sa vitalité économique, sociale et politique et qu’il doit faire disparaître les restrictions désuètes qui gênent encore son expansion [a normal and indispensable element of its economic, social and political vitality and that outdated restrictions which still hamper its expansion must disappear].” Thus, the program advocates the removal of bans on strikes in essential service sectors, better health and safety standards, more holidays, and reduced work hours.
In 1968, the MSA merged with a small, conservative independentist movement called the Ralliement national (RN) to create the Parti Québécois (PQ) with Lévesque as the president and the head of the RN, a former Créditiste MP, as the vice-president. After seeing the similarities between the program of the PQ and its own, the RIN decided that it was superfluous to have two parties with such compatible ideas aiming for the independence of Québec. Therefore, the RIN dissolved itself and encourage all of its members to join the PQ. However, the RIN did experience a serious schism over the merger. A group of radical left-wing members of the RIN, who favoured a revolutionary party aiming at the liberation of the proletariat through the accomplishment of an independent Québec, split off to form their own non-electoral group to study and agitate towards the overthrow of the established order.

The founding of the PQ represented the unification of the previously fractionalized independentist movement under a social democratic banner. The fact that the social democratic MSA Manifesto was adopted as the first PQ program illustrates that the right-wing independentist groups were absorbed into the PQ as a small minority with little influence over policy. The split of the RIN over merging with the MSA also meant that the radical, socialist independentist left was effectively excluded from the new PQ party while the remaining social democratic RIN members joined it. The result of this unification of the independentist movement in the PQ was a social democratic party which contained a coalition of social democratic elements with a small conservative wing.

Reflecting the diversity in the ideas of its founding organizations, the PQ contained a variety of ideological fractures throughout its early years. Ultimately, the
ideological tensions in the PQ converged into a divergence between a moderate and radical wing of the party over several issues. The radical wing, led by people such as Robert Burns and Pierre Bourgault, held that there must be a strong social component to the project of sovereignty and thought that the PQ should have a close affiliation with the union movement. In the early 1970s, Québec's labour centrals replaced their social democracy with a more radical socialism that was based, at least partly, on Marxism. Starting from a clear class analysis and the rejection of the present capitalist system, the Québec unions argued for large scale workers' participation in management, nationalization of the important sectors of the economy, vigorous promotion of cooperatives, and a greatly enlarged welfare state. However, the unions generally did not support the sovereignty project believing that accomplishment of socialism was more important.

The moderate wing of the PQ, led by Jacques Parizeau and Rene Lévesque, was more concerned with the economic rather than the social potential of the sovereignty project and resisted a close association with trade unions because they wanted the PQ to maintain an air of respectability which would boost its electoral chances. Parizeau and other moderate péquistes saw the PQ as the party that represented all parts of the Québécois nation not just a single class. Further, the radical wing wanted to attain sovereignty solely through an election, restrict Anglophone rights, and expand democratic decision-making in the party and citizen participation in government decisions whereas the moderate wing insisted on achieving sovereignty through a referendum, respect for Anglophone rights, a centralized election campaigns ran according to polling and the strategy of a small group around the leader, and a
presidential-style governance system for an independent Quebec (similar to France) where power was concentrated in the office of the president and his or her immediate advisors.

The ideas of the PQ in 1969 to 1976 can be traced through their various party programs which illustrate that a consensus between the moderate and radical wings of the party formed to give the PQ a distinctively social democratic orientation. In many ways, the radical wing took a step to the right and away from the socialist policies of Québec’s labour centrals while the moderate wing took a step to the left away from their liberal reformist roots in the Liberal party in order for both wings to arrive at a social democratic consensus. While the words social democracy do not appear in the documents, many PQ members and leaders did identify themselves as social democrats during this period.447

The ideas of the PQ in the period before they won power were quite similar to those of the RIN and MSA. Indeed, ideas concerning a presidential republic, pacifist foreign policy, maintenance of Anglophone rights, disclosure of political donations, support of free trade, proportional representation, encouraging Francophone immigration and obliging immigrant children to attend French schools were exactly the same. Further, similar to the RIN and MSA, the PQ was financed by members’ contributions, publicly disclosed all of its donations, and did not accept donations over $250 from businesses or unions.448 The PQ also displayed a territorial nationalism which saw language and culture as the defining features of the Québécois nation and supported constitutional guarantees for human rights, a human rights commission, and a Supreme Court to review legislation to assure its accordance with the individual and group rights contained in the constitution of an independent Québec.
In the area of economic policy, the PQ stressed that sovereignty would give the Québec state the full powers that it needed to effectively intervene in the economy in order to accelerate economic growth, achieve full employment, encourage technological and industrial modernization, promote regional development, and liberate Québec from economic colonization. State intervention in the economy in an independent Québec would take several forms: public enterprise, technical and financial aid to businesses and co-operatives, restrictions on foreign ownership, regulation, and economic planning. The PQ envisioned mixed ownership of the government and private or co-operative companies through either the creation of new public enterprises or joint ventures in several sectors such as mining, saw mills, airlines, railways, telephones, cable television, gasoline retail, oil, natural gas, and consumer credit. In contrast to the openness of the RIN and MSA to foreign investment, a large portion of the PQ platform was dedicated to the restriction of foreign ownership of the Québec economy. The PQ held that ownership should be exclusively Québécois in the media and steel sectors and that ownership should be majority Québécois in the financial sector and in sectors such as the manufacturing of electronics where enough capacity existed to achieve majority ownership by Québec residents. However, the PQ’s suspicions of foreign ownership did not hinder its enthusiasm for free trade. Starting in 1973, the PQ’s program recognized the importance of exports to Québec economy and called for the establishment largest possible zone of free trade and the reduction of tariffs of all countries in GATT.

While the PQ was not affiliated to the labour movement and certain parts of its leadership were hesitant to be too closely associated with unions, the ideas of the PQ had a decidedly pro-union flavour. The PQ initially insisted that the government should make
unionization mandatory for all workers. However, it later moderated its stance to endorse a system of sectoral certification where if a certain portion of an industry became unionized then the whole industry would become unionized and could bargain as a sector in a corporatist framework where the state would play the role of arbitrator. The premise of the PQ's social policy was the achievement of a more equal distribution of wealth and the elimination of poverty. However, the PQ argued that the goal of an equal society was thwarted by a federal-provincial wrangling which led to confusion and inaction as well as the lack of fiscal capacity and legislative powers on the part of a provincial Québec state. In an independent Québec, a PQ government would put in place a progressive taxation regime to finance the expansion of the welfare state. In the area of health, private medical institutions would be eliminated, doctors would be put on salaries, and medical services would be free, universal and exclusively financed and administered by the state. Further, Medicare would be expanded to include free drugs, artificial limbs, eye care and psychiatric treatment. In terms of social assistance, a sovereign Québec state would create a minimum guaranteed income indexed to the cost of living and national productivity under which the income of no citizen could fall. A sovereign Québec would also have an indexed regime of family allowances, free home care for seniors, low-cost public nursing homes, generous unemployment insurance and training allowance for unemployed. Like the MSA, the PQ supported free education at all levels supported by a system of bursaries eventually leading to a system of pre-salaries for students.

The 1973 PQ program created new party policies in the areas of women, Aboriginals, and the environment. The program committed a PQ government to "réaliser
l'égalité complète de l'homme et de la femme dans tous les domaines de la vie [realize the complete equality between men and women in all of the areas of life]. As such, the PQ called for homemaker salaries, changes to the civil code to make marriage an equal institution, equal pay for equal work, guaranteed access of women to all professions, paid maternity leave, public education campaigns to reduce sexism, free public daycare, and monetary awards for women on the birth of their children. Within an independent Quebec, the PQ would replace reserves with Aboriginal municipalities grouped into Aboriginal regional governments having powers over education, culture, municipal affairs, family policy, civil rights, private property, tourism, language, hunting, and fishing. These Aboriginal governments would administer socio-economic improvement programs to be financed by the Québec government. Finally, the PQ began to display an embryonic environmental consciousness by calling for mines to protect the environment which surrounds them, the creation of ecological reserves, public environmental education campaigns, the reduction of pollution, and environmental assessment of public projects.

In the 1976 provincial election campaign, the PQ refused to talk about sovereignty insisting that the question would be decided in a future referendum. Instead of focusing on independence, the PQ campaign concentrated on denouncing the Bourassa government’s record of poor labour relations, scandals, cost overruns and high deficits, taxes and unemployment. The PQ also differentiated itself from the Liberals by drawing attention to its “caisse propre [clean bank account]” by which it meant that it was financed by its members instead of large corporation like the Liberals. Establishing a practice that would endure until the present, the PQ executive selected a small number
of commitments from the party program to form a platform for the election that would indicate to voters the specific policies that a PQ government would adopt during its four year mandate. The other commitments included in the party program would be then considered long-term goals to be achieved at an unspecified time in the future.

As such, the PQ chose several modest commitments from its program to be included in the platform which it presented as a pragmatic and realizable plan for governing Québec as a provincial government. In particular, the PQ promised public, universal and mandatory no-fault auto insurance, a $50 million extension of Medicare (free ambulance, drugs for people over 65, dental care for children under 18 and chiropractic services), the construction of 7,000 subsidized homes a year, a tax on real estate speculation similar to that of Ontario, indexation of municipal grants, reform of municipal tax structure, $50 million aid program to farmers, free milk in schools, obliging only future immigrant children to attend French schools, government purchasing from Québec businesses and technical and financial aid to small businesses.\textsuperscript{462} The PQ's strategy of moderate social democratic policies and downplaying sovereignty worked as the PQ took 41% of the popular vote and formed government with 71 seats while the Liberals were reduced to only 26 seats.

\textbf{Explaining the PQ's Victory in 1976}

Contrary to most literature on the PQ which ignores its deep roots within the intellectual currents of Québec society from the beginning of the 20\textsuperscript{th} century to the early 1970s, it is my argument that there were several proto-social democratic or social democratic precursors to the PQ. Indeed, the creation of the PQ in 1968 was the culmination of the ideas of the Lesage government and the RIN as well as their
antecedents in rattrapage and social Catholic thought. The PQ was also a reflection of a strong social democratic strain in Québec's political culture that been built up since the turn of century. The accomplishment of the political agents of the PQ was that they synthesized the collectivism of the 'social' aspect of social Catholic thought of first half of the 20th century with the secularizing and modernizing discourse of the Quiet Revolution into a territorial nationalist social democracy. In doing so, they synthesized components of what had been the two dominant ideological currents in Québécois society from 1759 to 1950: liberal nationalism and clerical nationalism. Thus, the PQ retained the collectivist and corporatist underpinnings of social Catholic ideas but was able to divorce these ideas from their ethno-religious nationalist context and present them in a secular and territorial nationalist framework. In similar fashion, the PQ accepted the emphasis on liberty, civil rights, and secular social justice of liberal nationalism while dropping its individualism, emphasis on protection of the private property, and laissez afaire doctrine. In the PQ, the double allegiance between a federal Canada and the Québécois or French Canadian nation which had characterized both clerical and liberal nationalism was finally removed as it was asserted that social democratic goals only be achieved through the sovereignty of Québec.

There were multiple social, economic, and political factors which led to the victory of the PQ in 1976. First, the Québec economy went through substantial restructuring in the 1970s. Gagnon and Montcalm argue that Québec went through an "economic peripheralization" during the postwar era because of the economic decline of the Northeastern American states and the definitive replacement of Great Britain by the United States as the primary destination of Canadian exports. The restructuring of the
Canadian economy along a north-south as opposed to east-west axis and the westward shift of the American economy firmly established Toronto and southern Ontario as the industrial and financial centre of Canada over Montreal and southern Québec. In addition to this long-term peripheralization, the Québec economy experienced numerous shocks in the early 1970s including the OPEC crisis, agricultural overproduction, and the decline of traditional textile and leather industries due to cheap imports from Third World countries. The combination of economic restructuring and these shocks culminated in a recession in the mid-1970s. High unemployment was accompanied by high inflation and high interest rates which only increased the financial instability of the population and decreased the growth in personal income.

The economic recession combined with a variety of political developments which were also favourable to the PQ. The Liberals had moved considerably to the right since Lévesque and his group of progressives had departed from the party in 1968. During its time power, the Bourassa government did enact some policies which could be considered social democratic such as enacting Medicare, increasing government spending, and increasing social assistance. However, with the exception of Société québécois d’initiatives agro-alimentaire (SOQUIA) and the Société de développement de la Baie James, the Bourassa government did not create any new public enterprises. In contrast to the PQ, the Liberals made very modest proposals for expansion of welfare state in the 1976 provincial election and argued for a more limited role for the state in the economy while attacking the province’s labour unions. Therefore, while the PLQ had flirted with social democracy during the Lesage era, it was clearly a liberal reform party by the 1970s.
that was committed to the slow expansion of the welfare state but saw a very limited role for the state in the economy and generally eschewed nationalization.

The radicalization of Québec's unions along with the rightward shift of the Bourassa government made the labour relations climate tumultuous in Quebec. During the 1976 election, the CEQ and the CSN ran campaigns against the governing Liberals while the FTQ went as far as support the PQ even though it made it clear that it did not support sovereignty. The Bourassa government also had several specific problems which hurt its popularity such as cost overruns on the James Bay power station and the 1976 Olympics, a variety of scandals and Bill 22 which was an unpopular language policy which went too far for Anglophones and Allophones but did not go far enough for nationalist Francophones. Additionally, the Liberals' 1976 provincial budget was unpopular as it reacted to economic recession through spending controls, raising taxes, increasing hospitalization premiums, and running a larger deficit.

Changes in Canadian federalism were also important to the PQ's success. Since the election of Pierre Trudeau in 1968, the federal government had pushed toward a more centralized federalism and abstained from the asymmetrical administrative arrangements of the Pearson years. A series of events in 1976 confirmed the Trudeau government's inflexibility With regards to Québec's specificity within Confederation. The air traffic controllers strike raised concerns about the imposition of English as the language of work for federal employees and a milk quota policy that was particularly disliked in rural areas of Québec illustrated federal insensitivity to the needs of the province's agricultural economy. Further, at the time of the 1976 provincial election, negotiations over the repatriation of the constitution were at impasse because the unwillingness of the federal
government and certain provinces to cede more powers to Québec. To make matters worse, the federal government had begun to openly speculate that it may attempt to unilaterally patriate the constitution which was universally unpopular in Québec. These developments in Canadian federalism were used by the PQ to illustrate the intransigency of English Canada and the federal government in recognizing the specificity of Québec and to discredit federalism as a vehicle for the advancement of the Québécois nation.

Finally, the PQ benefited from the first past the post electoral system in 1976 in two important ways. First, the PQ was able to form a majority government with only 41% of the popular vote. Second, the resurgence of the UN took away votes from the Liberals in several ridings which allowed PQ candidates to win with significantly less than 50% of the popular vote. In particular, due to its opposition to Bill 22, the UN was able to take away non-Francophone votes from the Liberals which greatly helped the PQ on the island of Montreal.

As with the case of the emergence of Saskatchewan social democracy, it is important to note the role played by political agents. It was the agents of the PQ that articulated the ideas suitable to the economic, political, and social circumstances of mid-1970s and borrowed ideas from social Catholic thought and rattrapage which resonated with the social democratic strain in Québec's political culture. Further, the moderate wing of the PQ had been able to disassociate itself from radical parts of the independence movement such as the FLQ and convince voters that a PQ government and a referendum on independence did not mean insecurity that would adversely affect their quality of life. On the contrary, the PQ effectively presented itself to voters as a moderate social democratic party with an honest and dynamic leadership which would bring security
through state intervention in the midst of an economic recession. Voters were clearly impressed by this indigenous and nationalist social democracy and saw voting PQ as a way to extend the gains made during the Quiet Revolution which had levelled off under successive UN and Liberal governments and register their discontent with the centralization of the federal Liberal government.

**Conclusion**

The chapter has illustrated the limitations of interpretations of the early Saskatchewan CCF that argue that it was the expression of a petit bourgeois class of farmers similar to the Social Credit Party in Alberta, that it transformed from a socialist to liberal reformist party in its attempt to form government and that it gradually changed from a movement into a party. In contrast to most literature on the PQ which does not discuss the historical background of the PQ’s ideas, this chapter showed how the social democratic ideas of the PQ before 1976 had deep roots in the intellectual currents of Québec society going back social Catholic thought of the first half of the 20th century, rattrapage thinking of the 1950s and the Lesage government and RIN of the 1960s.

The theoretical importance of the chapter is that it depicts how a similar interaction of political economies, political culture, institutions, and the political agents of Saskatchewan and Québec combined to create viable social democratic parties which rose to government. The PQ was a product of the demand for a modern welfare state emanating from industrialization and the post-war boom, the secularization of Québec society which undermined the anti-statist influence of Catholicism, the growth of a powerful labour movement, the reaction against Trudeau’s centralizing federalism in Québec society and the emergence of a new Francophone middle class ready to challenge
the prevailing ethnic division of labour. The agents of the PQ were able to synthesize the collectivism of the ‘social’ aspect of social Catholic thought with the secularizing and modernizing discourse of the Quiet Revolution to respond to the need for both social programs to increase the security of the working class and government intervention in the economy to ensure that new Francophone middle class could access management positions which were commensurate to their qualifications. The Saskatchewan CCF emerged during the depression which generated demands for both state intervention in the economy and the construction of a welfare state. The agents of the CCF’s espoused social democratic ideas which interacted favourably with the need for welfare state services, government regulation, and state intervention created by the inherently unstable nature of Saskatchewan’s wheat economy and the feeling of western alienation engendered by the application of the National Policy. Therefore, this chapter depicts the historical processes which led to the emergence of a social democratic strain in the political cultures of Québec and Saskatchewan which will be shown to be an important factor in creating various continuities between traditional and third way social democracy in these two provinces. The next chapter explores the traditional social democratic ideas of these first CCF-NDP and PQ governments.
Chapter 4: Traditional Social Democracy in Saskatchewan and Québec

This chapter will explore the ideas of what I refer to as traditional social democratic governments in Saskatchewan and Québec. In spite of obvious differences related to language and nationalism, this chapter illustrates that the traditional social democratic ideas adopted in these two provinces were strikingly similar. Further, the explanations as to why these governments adopted these traditional social democratic ideas are also similar. It is argued that rate of economic growth, path dependency created by the political cultures of Saskatchewan and Québec, changes to the dynamics of Canadian federalism, the first-past-the-post electoral system, Westminster-style government, and adjustments made to the ideas of the CCF-NDP and the PQ by political agents were crucial explanatory factors in the evolution of traditional social democratic ideas in these governments. As such, the theoretical importance of this chapter is that the evolution of traditional social democracy can be explained in reference to the political economies, political cultures, the institutional frameworks, and agents of these two provinces. The description of traditional social democratic ideas and how they evolved will be contrasted to the emergence of third way ideas in Saskatchewan and Québec in the final chapter.

The traditional social democratic governments that will be examined are the CCF government in Saskatchewan from 1944 to 1964 under the leadership of T.C. Douglas and Woodrow Lloyd, the NDP government in Saskatchewan from 1971 to 1982 under the leadership of Allan Blakeney and the PQ government in Québec from 1976 to 1985 under the leadership of René Lévesque and Pierre-Marc Johnson. As outlined in the section on research design, I will be examining the ideas of these three traditional social democratic
governments under the two general themes of state intervention in the economy and equality. The final section of this chapter attempts to explain the evolution of the ideas of these traditional social democratic governments in Québec and Saskatchewan based upon my theoretical model.

State Intervention in the Economy and Traditional Social Democratic Governments in Québec and Saskatchewan

Traditional social democratic governments in Québec and Saskatchewan actively intervened in the economy through the expansion of public enterprise and the use of public investment. The goal of economic policy of these governments was clearly the mixture of public, private and co-operative ownership and state intervention in the provincial economy to promote economic growth, create jobs, encourage local control, and reduce economic inequality by providing essential services at a reasonable cost. The state was intended to be the key vehicle to achieve this transformation from an unfettered free market economy to a mixed economy where the state played a large role. The following table summarizes the key ideas of the traditional social democratic governments in Saskatchewan and Québec in regard to state intervention in the economy.

Table 4.1: State Intervention in the Economy in Traditional Social Democratic Governments

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<tbody>
<tr>
<td><strong>Job Creation</strong></td>
<td>Public investment to promote economic growth and create new employment</td>
<td>Public investment to promote economic growth and create new employment</td>
<td>Public investment to promote economic growth and create new employment</td>
</tr>
<tr>
<td><strong>Public Corporations</strong></td>
<td>Creation of public utilities</td>
<td>Creation of several new public corporations in area of natural resources</td>
<td>Creation of new public utilities and new public corporations in area of natural resources</td>
</tr>
<tr>
<td><strong>Natural Resources</strong></td>
<td>Private development under higher royalties</td>
<td>Public development and raised royalties in all areas</td>
<td>Public development, subsidies and raised royalties in certain areas</td>
</tr>
<tr>
<td><strong>Manufacturing</strong></td>
<td>Direct subsidies to private manufacturing companies</td>
<td>Direct subsidies to private manufacturing companies</td>
<td>Direct subsidies to private manufacturing companies</td>
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Table 4.1: State Intervention in the Economy in Traditional Social Democratic Governments Continued

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<tbody>
<tr>
<td><strong>Small Business</strong></td>
<td>Non-interference</td>
<td>Extensive financial and technical assistance</td>
<td>Extensive financial and technical assistance</td>
</tr>
<tr>
<td><strong>Co-operatives</strong></td>
<td>Limited technical assistance</td>
<td>Limited technical assistance</td>
<td>Subsidies for the creation and development of co-operatives</td>
</tr>
<tr>
<td><strong>Economic Nationalism</strong></td>
<td>The creation of public utilities to ensure that profits were locally re-invested</td>
<td>Nationalization of oil and potash to promote local control of natural resources and restrictions on the foreign and corporate ownership of Saskatchewan farmland</td>
<td>Use of public enterprise to increase Francophone control of the provincial economy, limits placed on the distribution of movies by foreign-owned companies, restrictions on the ownership of farmland by non-Québec residents and support for free trade</td>
</tr>
<tr>
<td><strong>Corporatism</strong></td>
<td>No corporatist arrangements</td>
<td>No corporatist arrangements</td>
<td>Tripartite (government, business, labour) summits</td>
</tr>
<tr>
<td><strong>Agriculture</strong></td>
<td>Support of marketing boards, guarantee security of tenure through anti-foreclosure laws and enhancement of rural infrastructure</td>
<td>Creation of new marketing boards, guarantee security of tenure through a land bank, reduction of input costs, provision of free or low cost capital for expansion and support for the Crow Rate</td>
<td>Promotion of food self-sufficiency, protection of Québec’s remaining arable land, encouragement of new marketing boards, the financing of large Francophone-owned food processors and retailers and the expansion of income stabilization, infrastructure construction, agricultural credit and crop insurance program</td>
</tr>
<tr>
<td><strong>Labour</strong></td>
<td>Imposed labour code reform favourable to unions without the consent of the business community and did not implement programs to allow worker participation in management</td>
<td>Imposed labour code reform favourable to unions without the consent of the business community and legislated private, did not implement programs to allow worker participation in management, and public sector employees back to work</td>
<td>Imposed labour code reform favourable to unions without the consent of the business community, did not implement programs to allow worker participation in management, and legislated public sector employees back to work</td>
</tr>
<tr>
<td><strong>Environment</strong></td>
<td>Balance of economic and environmental objectives</td>
<td>Balance of economic and environmental objectives and the use of moratoriums</td>
<td>Balance of economic and environmental objectives and the use of moratoriums</td>
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**Job Creation**

A key idea of traditional social democratic governments in Saskatchewan and Québec was the use of public investment to encourage economic growth and job creation.
The annual budgets of these governments were filled with numerous investments in new highways, new public parks and sectoral and youth employment programs. In 1973, the NDP Finance Minister explained that public investment was chosen over tax reductions to stimulate the economy because if tax reductions were to increase the sale of goods then the benefits of those increased sales would be mainly be accrued by Eastern Canada where most of Saskatchewan’s goods are produced. Further, he noted that public works projects not only create employment in Saskatchewan but provided much needed community facilities to improve citizens’ quality of life, particularly in the rural parts of the province. Similarly, the PQ’s Finance Minister affirmed that public investment was “an important tool for job creation” which was important to maintaining the vitality of the Québécois nation.

**Public Corporations and Natural Resources**

The expansion of public enterprise was an integral part of traditional social democratic governments’ economic strategy in Québec and Saskatchewan. During its first mandate from 1944 to 1948, the Douglas CCF government moved quickly to establish a several new public utilities (electricity, natural gas, telephones, auto insurance, northern air service, inter-city bus service) to provide essential services for Saskatchewan’s population at a reasonable cost. Despite the commitment to place natural resources under public ownership in the 1944 CCF platform, the cabinet and bureaucracy of the Douglas government felt that it had no alternative to the private development of natural resources because the government lacked the necessary capital, did not have the technical or managerial expertise, did not want to undertake the risk associated with investments in these areas and it would have to fight its way into markets already
controlled by multinational companies.\textsuperscript{476} Thus, it was decided that private companies would pay substantial royalties to the provincial government in exchange for exploiting the 'people's' resources and that a quarter of the land adjacent any mineral or oil discovery was to be kept as a crown reserve for future development.

The only exception to the government's policy of private ownership of natural resources in the south of the province was natural gas. Despite opposition from the oil industry, the CCF government decided that natural gas would be extracted, sold, and distributed by the Saskatchewan Power Corporation because it was used by Saskatchewan residents to heat their homes and the government could decide to sell the gas cheaply in order to encourage the development of manufacturing.\textsuperscript{477} In contrast to its timidity in the south of the province, the Douglas government was more aggressive with its public ownership of natural resources sparsely populated north of the province where created public enterprises without monopolies in the fur, timber and fishing industries. The Douglas government was more willing to experiment with public enterprise in northern Saskatchewan because events in that part of the province were not frequently reported in the southern media and because the provincial government had exclusive administrative control over the north since municipal governments did not exist in that part of the province during this time period.

The Blakeney government, while maintaining the Crown corporations that the Douglas CCF government had created and increasing natural resource royalties to ensure "fair return for the people of Saskatchewan"\textsuperscript{478}, dramatically expanded public enterprise in the oil, potash, forestry, and uranium sectors.\textsuperscript{479} Public ownership of the uranium industry was opposed by many activists within the NDP and the several civil society
groups. The opponents of public ownership of uranium mines argued that Saskatchewan uranium could be used to produce nuclear weapons, uranium mining would produce hazardous waste which would be harmful to the province’s environment and the workers involved in the industry, the production of uranium encourages the use of unsafe nuclear energy, and there were outstanding Aboriginal land claims in the north that needed to be dealt with before such development could take place. For its part, the Blakeney government argued that nuclear energy was a safe source of energy needed by Third World countries, that satisfactory methods of disposal of nuclear waste would be found shortly, and that the Saskatchewan government had put in place the toughest safety and environmental standards in North America to ensure that uranium mining would not pose a risk to workers within the industry or the Saskatchewan population as a whole. Further, the government argued that withholding Saskatchewan uranium would be irrelevant to the future stockpiling of nuclear weapons since the uranium needed would only be found elsewhere and a sufficient number of nuclear weapons already exist to destroy the world many times over. Finally, the government estimated that high future demand for uranium would ensure that it would be making in the range of $112 to $224 million a year by 1983 from the uranium royalties and SMDC profits. This money could be used to further expand the province’s welfare state, creating a more just and equitable society.

The expansion of public ownership in these sectors was precipitated by considerable federal-provincial wrangling over resource royalties. In the autumn of 1973, the federal Liberal government introduced a freeze on the price of domestic oil and a tax on exported oil in reaction to the emerging OPEC crisis- a move which Alberta and
Saskatchewan regarded as direct interference in provincial jurisdiction over resources. The federal government's actions prompted Blakeney to become a defender of provincial rights and autonomy using Western alienation rhetoric. Soon after the federal policy was announced, Blakeney wrote an article in the *Globe and Mail* arguing that Canada was facing a "crisis of regional inequality" in which the comfort of residents of Eastern provinces was prioritized over the prosperity of Saskatchewan.\textsuperscript{483} Aside from rhetoric, the Blakeney government responded to the federal government's proposal with legislation which nationalized, with compensation, oil and gas freehold rights of 25 companies under a newly created Crown corporation called Saskoil and placed a royalty surcharge on oil to recoup royalties going to the federal government.

During its first term, the Blakeney government was also sued by a potash company and the federal government on the grounds that its potash royalties were unconstitutional. Just five days before the 1975 provincial election, a Saskatchewan judge ruled in favour of the potash company and the federal government. Blakeney promised that Saskatchewan would appeal the ruling and said that the federal government's intervention in the case was part of a "federal campaign to obtain control over Saskatchewan resources."\textsuperscript{484} During its second term, the Blakeney NDP government made the boldest move of its time in power. After a variety of legal battles had made it clear that the collection of potash royalties in the future was becoming uncertain, the NDP government introduced a law allowing it acquire by purchase or expropriation any relevant potash assets in Saskatchewan. With all parties concerned anxious to avoid expropriation, the Blakeney government offered generous compensation levels and acquired 40% of the province's potash production capacity through voluntary sales.\textsuperscript{485}
The remaining potash companies reached an agreement with both levels of government to set royalty rates until 1984.

In both the oil and potash cases, Western alienation arguments of unjust intrusion of the federal government into provincial jurisdiction were used to justify the social democratic policy of nationalizing certain parts of the province's resource extraction industry. Moreover, the Saskatchewan NDP argued that increased resources royalties would be used pay for the expansion of Saskatchewan's welfare state and therefore federal government's intrusion into provincial jurisdiction was standing in the way of creating a more equal society in Saskatchewan. Thus, for the Blakeney government, the assertion of provincial autonomy became necessary for the achievement of the social democratic goals of achieving a more equal society and nationalization.

Like the Douglas and Blakeney governments in Saskatchewan, a core part of the economy strategy of the Lévesque PQ government was the creation and expansion of public enterprise. The total assets and number of employees of Québec's state enterprises grew substantially during the PQ's time in power. Indeed, the PQ passed laws to increase the funding and scope of the activities of nearly every existing government-owned corporation. With greater financing and more control by the PQ cabinet, these state-owned corporations considerably expanded their operations and adopted more aggressive strategies to further the specific policy goals of increasing Francophone control of the Québec economy and promoting economic growth. In particular, the Caisse de dépôt bought 10% to 30% of the shares in a number of large Francophone businesses in order to help them expand and consolidate their operations. These expansions and consolidations often entailed aiding Francophone-owned companies to takeover.
Anglophone-owned companies. The Caisse also began to insist on having representation on the boards of directors of non-Francophone corporations in which it owned a significant number of shares. The Caisse then used its enhanced influence to persuade these companies to hire more Francophones in top management positions.

The Lévesque government created several new state enterprises during its time in power in the areas of culture, auto insurance, fish processing, provincial parks, trucking, asbestos, forestry and natural gas. While it is hard to pinpoint one precise reason for the Lévesque’s government creation of new public enterprises, these new state enterprises were established for a number of different purposes such as increasing the number of opportunities for advancement of Francophone administrators, promoting Québécois culture, aiding a specific region, preventing the closing down of an important company, administrative consolidation, reducing foreign ownership of the Québec economy and providing essential services to the Québec population at reasonable rates.

Manufacturing

Besides public utilities and natural resources, public ownership in other sectors of the economy by traditional social democratic governments was rare. With the exception of some unsuccessful wholly publicly owned manufacturing ventures in the first term of the CCF government, traditional social democratic governments made only small equity investments in private companies in the manufacturing sector to ensure that they stayed in the province in the case of Saskatchewan or to encourage Francophone ownership in the case of Québec. Rather than public ownership in the manufacturing sector, traditional social democratic government offered extensive financial and technical aid to private manufacturing companies. The Douglas government established the
Industrial Development Office (IDO) in 1950 to provide loans and grants to industry to entice it to come to Saskatchewan. The Blakeney government instituted a number of programs to give loans and grants to secondary industry, promote the local transformation of agricultural products, and give technical aid to exporters. Similarly, the Lévesque government expanded the scope and funding of the Société de développement industrielle (SDI) to provide loans to industrial companies experiencing difficulties and promote international trade for Québec products. The Lévesque government further created several state subsidies to boost the struggling mining and forestry sectors.492

Small Business

While the Douglas government adopted a policy of non-interference in the activities of small businesses whose owners were generally hostile to the CCF philosophy, the Blakeney government continually expressed the belief that the province’s small business community was a crucial part of the provincial economy and needed government assistance to ensure the vitality of small towns and create jobs.493 As such, the Blakeney government established the Business Assistance Branch in the Department of Industry and Commerce to provide technical assistance, management advice, and direct grants and loans to small businesses as well as establishing consultative services for small business throughout the province on a regional basis. Similarly, the Lévesque government put in place numerous specific initiatives to promote the expansion what are referred to in French as “petites et moyennes entreprises (PME) [small businesses and medium sized businesses]”. The PQ wanted to expand the PME sector because it was in the sector where most of the indigenous Francophone businesses were situated and because credited PMEs with creating “most of the new jobs in our economy needs, very
close to 60 per cent in 1984". Therefore, the PQ created a number of programs which provided loan guarantees and tax reductions to PMEs while reconfiguring the provincial government’s purchasing policy to favour local business.

Co-operatives

The early Saskatchewan CCF always committed in its platforms to the promotion of co-operatives and therefore it created a Department of Co-operatives immediately upon its election in 1944. However, the department did little more than provide research and training and administer loan guarantees for Saskatchewan co-operatives under the provisions of the Co-operative Guarantee Act of 1947. The CCF’s Minister of Reconstruction did establish a very small number of co-operative farms for veterans returning from World War II. However, these farms were quite unsuccessful due to disagreements among the participants and criticisms by the opposition that the government was trying to introduce Soviet-style collective farming.

Similar to its predecessor, the Blakeney government stated that the new NDP government was strongly committed to co-operatives as way to defend the provincial economy against foreign takeover, enable citizens to exercise power over the institutions that affect them, and improve the quality of life in Saskatchewan. However, despite its rhetorical commitment to co-operatives, the NDP government did little dramatic in support of co-operatives during its time in power. Under the NDP, the province’s co-operatives were relieved of the audit fees that had been levied by the former Liberal government and the Department of Co-operation and Co-operative Development was expanded. While the government made it clear as early as 1973 that co-operatives “would
be our preferred partner in any joint venture,” there is only one example from the Blakeney era of a government-co-operative joint venture.

Lévesque praised the co-operative movement as “étant parmi les plus authentiquement et indéracinablement québécois que nous ayons [being among the most authentic and deeply rooted Québécois institutions that we have].” Therefore, the PQ established the Société du développement coopératif which was a state enterprise that distributed direct subsidies for the creation and development of co-operatives. The PQ also provided tax credits for Québec residents who invested in co-operatives as way to improve the capitalization of the province’s co-operatives and propped up a number of caisses populaires who were close to bankruptcy.

_Economic Nationalism_

The Douglas/Lloyd government put little emphasis on economic nationalism. However, part of the justification for the creation of public utilities was that they would be controlled by the provincial government and therefore profits could be locally re-invested. For instance, a 1955 government document stated that auto insurance had been created because “90% of insurance in the province was being written in Eastern Canada, so the profits all went back East.” Both the Blakeney and Lévesque governments displayed broader sentiments of economic nationalism. In its 1971 election platform, the Saskatchewan NDP expressed concern over foreign ownership of farmland and “giving away” the province’s resources to foreign multinational companies. As such, the promotion of local control over natural resources was used as an argument by the Blakeney government in favour of public ownership in the oil and potash sectors and increasing resource royalties. In 1976, the Blakeney government created foreign
investment policy guidelines for the assessment of take-overs and business projects. These guidelines stated that the Saskatchewan government welcomed foreign investment in the manufacturing and mining sectors, opposed foreign control in the oil, agricultural and forestry sectors and preferred Canadian control in the service sector.⁵⁰⁴ Therefore, the Blakeney government placed stringent restrictions on the foreign and corporate ownership of Saskatchewan farmland.⁵⁰⁵ On the other hand, the Blakeney government sought to attract multinational uranium companies to the province and attempted to entice foreign firms to develop manufacturing projects such a tractor plant.

In Québec, the increased activity of the state enterprises in important sectors of the provincial economy and a higher percentage of Francophones or representatives of the Québec provincial government on Boards of Directors of companies operating in the province can be seen as an attempt to “repatriate” the decision-making centres of the Québec economy which was an often-repeated goal of the PQ when it was in opposition.⁵⁰⁶ In general, the Lévesque government displayed an economic nationalism which tried to increase Francophone control of the Québec economy and ensure that Francophone-owned businesses played the largest possible role in the Québec, Canadian and continental economy. However, with the exception of the limits that it placed on the distribution of movies by foreign-owned companies and the ownership of farmland by non-Québec residents, the PQ government did not place any restrictions on foreign ownership or foreign investment in the Québec economy. Indeed, Lévesque denounced the federal government’s Foreign Investment Review Agency on trip to Washington in 1982 and the PQ government provided incentives for several large foreign corporations to start operations in Québec including Bell Helicopters (American), Hyundai (Japanese)
and Pichiney (French). Finally, in 1983, the PQ’s newly created Minister of International Trade declared that his government was in favour of the establishment of a Common Market between Québec and the United States and, a year later, Lévesque stated that he was in favour of a Canada-United States free trade agreement when the idea began to circulate after the report of the MacDonald Commission.

Corporatism

The only clear difference between traditional social democratic governments in Saskatchewan and Québec in the area of economic policy was corporatism. Neither the Douglas, Lloyd nor the Blakeney governments set up any corporatist structures. On the other hand, similar to social Catholic thought, the Lévesque government argued that national consensus was to be achieved through the meeting of all societal partners in an environment of cooperation and mutual trust where the state plays the role of leader and neutral arbitrator. As such, the PQ organized three ‘grand summits’ which were concerned with economic matters of national interest and numerous mini-summits which dealt with a specific issue, region or sector of the economy. Reflecting the corporatist nature of the exercise, the vast majority of the participants in these summits were representatives of business, unions, and the provincial government while there were only a limited number of participants representing co-operatives, consumers, and women’s groups.

Clinton Archibald has argued that the PQ’s version of corporatism was minimalist because no binding decisions were made at these summits, the summit participants were chosen by the government, the summits were not regular and their timing was chosen by the government, and the summits were not institutionalized in any way into the state.
Brian Tanguay argues the effectiveness of the summits was limited because of PQ government's attempts to control the outcome and dominate discussion, an unwieldy number of participants, the exclusion of the federal government and a lack of ability on the part of labour centrals or employers associations to guarantee that their affiliates would follow their decisions. Nonetheless, several specific initiatives did come out of these summits such as a new agricultural strategy, a fisheries advisory board, a crown corporation to promote cultural products, a number of economic stimulation programs, and a joint commitment to pressure Ottawa to maintain import quotas on textiles, clothing, and footwear.

**Agriculture**

Agriculture was also an area of extensive state intervention by traditional social democratic governments. The Douglas government passed the Farm Security Act which prevented the eviction of a farmer in the event of a crop failure and considerably expanded rural infrastructure. Reminiscent of the Douglas government's Farm Security Act, the Blakeney government's first act in office was to pass the Family Farm Protection Act which stipulated that a creditor could only seize the farm machinery and land of an indebted farm if they obtained a court order from a judge. Further, the government created the Land Bank which purchased farm land which was available on the open market and then leased it back to young farmers guaranteeing them tenure until the age of 65. While the Land Bank was similar to the use-lease policy that had been advocated by the CCF in the 1940s, a crucial difference was that the Land Bank included an option to purchase the land after five years of leasing it which meant that the government would be temporary instead of permanent landholders. Whereas the CCF government had been
unsuccessful in convincing non-grain producers to adopt orderly marketing practices, the Blakeney government increased marketing boards for hogs and cattle. Finally, the Blakeney government created agricultural Crown Corporations to provide loans to young farmers who were unable to obtain credit, reduce input costs, market Saskatchewan agricultural products to world markets, and administer crop insurance.

The most important agricultural issue for the NDP government in its second and third terms was undoubtedly grain transportation. In 1975, the federal Minister of Transport established the Snavely Commission to investigate the costs incurred by the railways in transporting grain under the Crow rate system. The Blakeney government claimed that the Crow rate was part of the fabric of Canadian confederation. Blakeney argued that “We have always thought it was one of the bargains of confederation, that we would accept tariff protection of Eastern industry in return for fair freight rates and good rail service”.

He emphasized that deregulation and the user-pay principle in place of the Crow rate would “effectively wipe out our side of the confederation bargain”.

In its third term, the Saskatchewan NDP continued its struggle with the federal government over the issue of grain transportation. In March 1980, the Liberal transport minister Jean-Luc Pepin launched another major federal drive to change the Crow Rate. The Saskatchewan NDP vigorously opposed the so-called ‘Pepin Plan’. In language which closely resembled the sentiments of Western alienation of early Saskatchewan social democrats, a widely distributed government pamphlet in February of 1982 stated:

The railways hold a powerful monopoly position over the movement of grain to port from Canada’s land-locked prairies. What is needed is a national transportation policy which looks beyond the interests of the railway companies, to the national interest. What we need is a transportation policy which recognizes that the crucial question is not whether the CPR can afford the Crow Rate, but whether Canada can any longer afford the CPR.
Besides just rhetorical opposition to the federal government’s proposed changes to the Crow Rate the NDP government also acted on its own to ensure fair and equitable grain transportation. Due to the railways and the federal government “not doing their job” to move western grain, the Blakeney government purchased 1,000 hopper cars which were used by the railway companies free of charge to move grain in their western division. The NDP argued that greater public investment in railways would give governments equity in the railway system and “should ultimately lead to a total public utility rail system, where the only goal would be to increase Canadian exports, not to fatten the pocketbooks of corporate shareholders.” Therefore, much like early Saskatchewan social democrats, the Blakeney government used arguments of Western alienation were used to justify the social democratic goal of nationalization of a major utility.

The PQ government argued that Québec’s agricultural sector could be expanded if producers moved away from traditional sectors and into commodities where Québec was not self-sufficient and domestic demand was active such as pork, beef, livestock feed, fruits, and vegetables. The goal of self-sufficiency was justified on both economic and nationalist grounds. At the summit on agriculture organized early in the PQ’s first mandate, Lévesque stated that agricultural self-sufficiency was essential for both the “economic well-being” and the “basic dignity” of Québécois society. The PQ set up income stabilization plans for the non-traditional sectors of the agricultural economy such beef, pork, potatoes, and livestock feed which were not covered by federal income stabilization plans and quota systems. At the same time, the government established programs to subsidize the construction of drainage systems and create grain drying and storage centres which were essential components to livestock feed production. Essentially, the PQ government ensured farmers who entered these
new sectors a guaranteed income in cases of price fluctuations and natural disasters and financial support for the creation of infrastructure. The PQ also actively supported the expansion of marketing boards into these new areas of Québec's agriculture economy through a number of successful producer referendums during the 1970s. Indeed, by 1980, 90% of Québec farmers sold their production through marketing boards.\textsuperscript{521}

In addition to state intervention to help individual producers, the PQ invested in the expansion of Francophone-owned food retailers and food processors. During its first mandate, the Lévesque government increased funding and broadened the scope of activities of the Société québécois d'initiatives agro-alimentaire (SOQUIA). SOQUIA became primarily involved in giving loans and grants to Francophone-owned abattoirs and food processors in order for them to expand and achieve dominant positions in the Québec market. Public funding was also used to entrench the position of large Francophone co-operatives in the food processing and retail industry such as Agropur and the Coopérative fédérée.\textsuperscript{522} The Caisse de dépôt, SOQUIA and SDI also invested in Provigo and other Francophone-owned supermarket chains to encourage their expansion both inside and outside of the Québec market. Finally, the PQ provided funding for the expansion of the RSQ, the government-owned sugar refinery at St-Hilaire, in order to keep the regional sugar industry intact after it had been undercut by cheap imports of foreign sugar.

\textit{Labour}

The commonality of traditional social democratic governments in Saskatchewan and Québec in the field of labour was that they imposed changes to labour legislation, that were favourable to labour unions, on businesses with little consultation. Early in its
first mandate and against the opposition of business, the Douglas CCF government created a Department of Labour, allowed public sector employees to unionize, legislated two weeks of paid holidays, increased workers’ compensation rates, raised the minimum wage, appointed labour representatives to the minimum wage board, imposed a 44 hour work week, and passed the Trade Union Act which entrenched collective bargaining rights, made union certification easier, established a labour relations board, and created penalties for unfair labour practices. It should be noted that rural element of the CCF caucus succeeded in excluding farm workers from the definition of employee under this labour legislation and therefore these standards did not apply to farm workers. While there was some pressure from in the party to examine workplace democracy initiatives in Crown corporations, these suggestions were never taken up by the government or Saskatchewan’s trade union leadership. Except for periodic increases in the minimum wage and workers’ compensation benefits, there were no major changes to the Saskatchewan labour legislation after the CCF’s first term until 1958 when the government legislated an increase from two to three weeks of paid holidays for employees who worked for their employer for more than five years.

Similar to the Douglas government, the Blakeney government made a large number of substantial amendments to labour legislation early in its first mandate. These amendments included enshrining the right of an employee to obtain a leave of absence to run as a candidate for public office, three to four weeks annual paid vacation depending on the number years of service with the same employer, reduction of the work week to 40 hours, mandatory ‘time and a half’ pay for overtime work, an extra statutory holiday, and rules which made it easier for the labour movement to strike, organize new unions and
In its second and third terms, the government introduced amendments to the Labour Standards Act which included voluntary overtime after 44 hours of work in a week, 18 weeks of unpaid maternity leave, unpaid bereavement leave, 6 weeks unpaid paternity leave, and a guaranteed two consecutive days off.

The Blakeney government also made it mandatory for companies with over ten employees to establish joint employee-management health and safety committees. The joint committee approach was intended to use workers as detectors of workplace hazards, allow workers to participate in the promotion of their own safety, and improve labour-management co-operation. Further amendments to the Labour Standards Act gave employees the right to refuse what they believed to unusually dangerous work and the right to know the dangers associated with the chemicals they handled. Late in its third term, the NDP government attempted to create a worker-employer co-management board in the government-owned Potash Corporation of Saskatchewan but the program ran into considerable resistance from the management of the Crown Corporation and was unsuccessful.

Like traditional social democratic governments in Saskatchewan, one of the first major legislative moves of the Lévesque government was the reform of the provincial labour code in such a way as to make it easier for unions to bargain, strike, and organize. Undoubtedly, the Lévesque government’s most important reforms to the labour code were provisions prohibiting the hiring of scab workers during a strike or lock-out and the requirement that all employers with unionized workers follow the Rand formula whereby the employer takes off union dues from the pay cheques of all workers in a bargaining unit regardless of whether they are a member of the union or not. In 1979, the PQ
government legislated major revisions to provincial labour standards to create St-Jean Baptiste Day as a new statutory holiday, reduce the work week to 44 hours and ensure that all workers received at least six paid holidays a year and three weeks vacation after working ten years with the same employer. In the same year, inspired by legislation passed by the Blakeney government in Saskatchewan and against the wishes of Québec’s employers, the PQ passed a new health and safety act which gave employees the right to refuse what they believed to be dangerous work and created joint employer-worker committees to establish safe working conditions.\textsuperscript{530}

While there were tensions at certain times between the labour movement and the Douglas government, there was only one public sector strike during the CCF’s 20 years in power which ended in negotiated settlement.\textsuperscript{531} One of the Blakeney government’s first actions once in power had been to repeal the Liberals’ Essential Services Emergency Act which gave the cabinet the power to end strikes through imposing compulsory arbitration and even decertify any union if it felt that the union had not made a sufficient effort to reach an agreement. However, the repealing of the Essential Services Act was not intended to signal that a NDP government would never legislate employees back to work if it felt that the public interest was in danger. Rather, the Blakeney government’s idea was that back to work legislation should be done on a case-by-case basis and any back-to-work legislation would be a “one shot affair” relating only to the specific strike that it was intended to finish.\textsuperscript{532} The NDP implemented back-to-work legislation when it legislated Saskatchewan Power Corporation employees back to work in January 1975 out of fear of power outages during the winter. The NDP also legislated private sector dairy workers back to work after two days of strike in May 1980 because of the public’s need
for a continuous supply of milk and the financial losses incurred by dairy producers forced to dispose of milk to prevent spoilage. Finally, only days before the 1982 Saskatchewan provincial election, the NDP government legislated CUPE health workers back to work and passed legislation to ban strikes in essential services during provincial election campaigns to “ensure the maintenance of public health and safety”.$^{533}$ The NDP government felt that it was unfair for unions to use strikes to blackmail governments during elections.

The Lévesque government experienced even greater friction with public sector unions than the Blakeney government. During its first mandate, the PQ government passed a law to suspend the right to strike of public sector workers for 15 days which was followed by an illegal health workers strike. Further, the government legislated Hydro-Québec workers, municipal workers in Montreal, and teachers in Mauricie and Sorel back to work. The PQ’s relationship with public sector workers further deteriorated during its second mandate as it passed legislation imposing contracts on the entire public sector which cut their salaries by 21% for the first three months of 1983, modified public pension plans to save the government $700 million over three years, and required public sector unions to negotiate the provision of essential services with the government before going on strike. Thus, similar to the NDP in Saskatchewan, the PQ government believed that the right to strike in the public sector should be maintained but that such a right could be restricted on a case-by-case basis where the government judges that the strike endangers public safety or that the union demands are unreasonable given the fiscal framework of the government.

Environment
In terms of the environment, the primary idea of traditional social democratic governments was the balancing of environmental protection and economic development. We can detect very small traces of environmentalism in Douglas government's stated goal of using public enterprises to conserve the fur and timber resources in the north of the province. Further, the Lloyd CCF government lobbied the federal government to take steps towards water conservation. However, besides these two examples, environmental protection was simply not on the radar screen of the CCF government.

Due to the importance of resource extraction to the province's economy, the Blakeney government's main idea in terms of the environment was that government action should be taken to ensure that economic development would not have unreasonable environmental risks. The first environmental initiative of the NDP was the creation of a Department of the Environment in 1972. A major initiative of the new department was to ban the sale of beverages in non-returnable cans and bottles which was met with opposition from retailers who were upset about their increased responsibility to handle returned containers. During the government's second term, regulations concerning the environmental assessment of industrial development were finalized culminating in the adoption of an assessment process for each new industrial project. In response to public concerns and concern in the NDP over the environmental hazards associated with uranium mining, the Blakeney government made significant moves in its final term to ensure that resource extraction was as environmentally safe as possible such as establishing statutory requirements for reporting and cleaning up spills of hazardous materials and implementing programs to ensure the safety of workers in uranium mines.
The central ideas of the Lévesque government in environmental policy were increasing citizen participation in environmental protection and the creation of the legislative and administrative structures for the state to be able to impose environmental protection measures. Upon achieving power, Lévesque appointed the province’s first full-time Minister of the Environment and the Ministry of the Environment was established in 1979. Further, the government passed amendments to the Loi sur la qualité de l’environnement which created ‘environmental’ rights and allowed citizens to sue companies or the government if their rights were violated. The law also established the Bureau d’audiences publiques sur l’environnement (BAPE) which made public hearings mandatory in order to approve new industrial projects. While the Lévesque government declared a moratorium on the construction of nuclear power plants in Québec, it did support the construction of a heavy water plant at La Prade which would export heavy water for use in nuclear reactors in other jurisdictions. In response to the growth of hog production, the PQ government made sealed manure storage facilities with a 200 day capacity mandatory in order to reduce the seepage of manure into the water table.

The issue of acid rain dominated the PQ’s environmental policy during its second mandate. The government began by concluding agreements with northeastern American states on joint research, exchange of information, and a common strategy on influencing United States Congress to adopted stricter laws. Québec also was active in negotiating an agreement between Ottawa and the Eastern Canadian provinces to reduce their emissions of sulphur dioxide to 1980 levels. In light of this commitment, the Lévesque government adopted regulations to force its industries to reduce their sulphur dioxide emissions under the Loi sur la qualité de l’environnement. These regulations forced
Noranda Mines, who was responsible for half of the province's sulphur dioxide emissions and hostile towards emissions reduction, to enter into negotiations with the province over how to lower its emissions.

**Equality and Traditional Social Democratic Governments in Québec and Saskatchewan**

One of the primary problems that traditional social democratic governments saw with society was the lack of access to quality health and education services for all citizens. As such, traditional social democratic governments' primary idea to increase equality in society was universal social programs which guaranteed benefits to all provincial residents regardless of their need or merit. Further, traditional social democratic governments implemented progressive taxation based on the ability to pay. However, these traditional social democratic governments had problems with accommodating difference and ensuring substantive equality - i.e. treating citizens differently when appropriate to guarantee that all citizens enjoy equal results from their citizenship. These three governments frequently re-enforced the male breadwinner model of the economy on women and made only small steps towards greater equality between Aboriginals and the white population. The following table summarizes the ideas of traditional social democratic governments in the area of equality.
### Table 4.2: Equality and Traditional Social Democratic Governments

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<tr>
<td><strong>Taxation and Expenditures</strong></td>
<td>Created hospital premiums, raised personal income taxes and business taxes, increased consumption taxes but exempted them from essential items, did not run a deficit, eliminated net debt and increased spending</td>
<td>Did not run deficit, increased spending, raised business taxes and mixed across the board cuts to personal income taxes with progressive tax reductions</td>
<td>Deficit limit of $3 billion a year, increased spending in the context of cost containment measures, raised consumption taxes but exempted them from essential items, mix of across the board cuts to personal income taxes and progressive tax reductions, raised taxes of high income earners and raised business taxes</td>
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<tr>
<td><strong>Welfare State</strong></td>
<td>Expanded universal social programs</td>
<td>Expanded universal social programs and focused on encouraging social assistance recipients to find jobs through training and monetary incentives</td>
<td>Expanded universal social programs and focused on encouraging social assistance recipients to find jobs through training and monetary incentives</td>
</tr>
<tr>
<td><strong>Women</strong></td>
<td>Protection from discrimination based on sex in a Bill of Human Rights, 'equal pay for equal work' for women working in the civil service and allowing women to drink in bars</td>
<td>Improved property rights for married women, programs to upgrade the skills of women in the public service, family planning to reduce need for abortions, opposition to stand alone abortion clinics, 'equal pay for equal work' extended to the private sector, unpaid maternity and parental leave, daycare subsidies to low-income families</td>
<td>Natalist family policy including generous maternity leave and allowances to women with children who did not work, daycare subsidies for low-income parents, universal system of after school daycare, reform of civil code, creation of abortion clinics in every region,</td>
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<tr>
<td><strong>First Nations</strong></td>
<td>The creation of 'colonies' for Métis and the integration of Aboriginals into mainstream society through abolishing reserves, enrolling Aboriginal children in white schools, giving Aboriginals the right to vote in provincial elections</td>
<td>Creation of First Nations education institutions, negotiation of land claims, accommodation initiatives in the justice system and economic development measures for First Nations communities</td>
<td>Formal recognition of nationhood and limited self-government in the areas of health, social services, education and policing</td>
</tr>
<tr>
<td><strong>Democratic Reform</strong></td>
<td>Cabinet dominated</td>
<td>Cabinet dominated</td>
<td>Cabinet dominated and banned corporate and union donations to political parties</td>
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Taxation and Expenditures

While the traditional social democratic governments in Saskatchewan and Québec were characterized by increased spending, there were differences in terms of revenue generation and managing deficit and debt. The Douglas CCF government increased expenditures in every area of its budget compared to the previous Liberal government. Indeed, the CCF doubled the total expenditures of the provincial government during its first term in office and had quadrupled spending by the time it left office.\textsuperscript{541} However, the CCF government did not borrow money to finance its spending increases. Depicting the antipathy towards debt that had been a hallmark of Saskatchewan social democracy since the No Party League in 1913, the CCF government ran a deficit only once during its time in power. Moreover, the government dedicated approximately 10\% of its total expenditures every year towards debt reduction and by 1963 it had eliminated the province’s net debt (gross debt minus financial assets).\textsuperscript{542}

Therefore, the spending increases of the CCF government on social programs were completely financed out of revenue growth in a number of areas. It is important to note that the federal government decided on the rates of all personal and corporate income taxes from Saskatchewan for most of the CCF period. Therefore, while the Douglas government stated that it preferred “a graduated tax or some other tax based on the ability to pay”, it did not have sufficient control over its tax system to pay for social programs through the institution of a progressive income tax system.\textsuperscript{543} Thus, the CCF government in its first term created hospitalization premiums and kept the Liberals’ 2\% sales taxes while eliminating it from food, drugs, and other essentials.\textsuperscript{544} The CCF government subsequently increased sales taxes and hospital premiums on several
occasions during its time in power. When the federal government finally gave Saskatchewan the power to set income tax rates for the 1962-1963 fiscal year, the Lloyd government decided to increase corporate and personal income taxes each by 1% and increased the sales tax by 2% in order to pay for the costs of the new Medicare system.\textsuperscript{545}

As private development of natural resources accelerated, the Douglas government began to enjoy increased resource royalties. Revenues from resource royalties averaged $8 million per year in the CCF’s third term and $23 million per year in its fourth term compared to only $3 million in the first and second terms of the government.\textsuperscript{546} It should also be noted that all of the CCF government’s revenues grew ‘naturally’ during the 1950s due to increased economic growth. Finally, the CCF government received increased revenues from the federal government transfers (particularly in the later part of its mandate from 1959 to 1964) and from the rising profits from its Crown corporations.

The Blakeney government’s central idea concerning taxation policy was that “taxation should be based upon ability to pay” in order to increase government revenues and create more economic equality in society.\textsuperscript{547} It put this principle into practice through what I term ‘progressive tax reductions’ which are tax reductions which are targeted to low and middle income earners. Ideally, progressive tax reductions would lower the tax burden on low and middle income earners while the taxes of corporations and high income earners would remain at the same level or increase. Thus, the NDP’s first change in the tax structure was the reduction of property taxes, which it argued were a regressive form of taxation. In order to compensate for the reduction in provincial government revenues caused by this drop in property taxes, the government increased the corporate income tax rate by 1% and raised the personal income tax rate by 3% which it considered
to be more progressive methods of taxation. In subsequent budgets, the government implemented another progressive income tax reduction by introducing a $100-$160 cut in the personal income taxes of every Saskatchewan resident.\textsuperscript{548} Obviously, as a percentage of income $100-$160 was a much larger sum to a modest income earner than to a high income earner. The NDP government also instituted a capital tax on large corporations (excluding co-operatives and credit unions) with over $10 million in capital. The result of these moves was a tax cut targeted to the lower and middle classes and a modest tax increase for the wealthy and large companies.

Two regressive tax measures still made it into the budgets the Blakeney government. First, the NDP removed the capital gains tax on homes, small business, and farms.\textsuperscript{549} The elimination of capital gains tax on the sale of property is undoubtedly a regressive tax measure since higher income earners are more likely to receive large profits from the sale of their assets than low income earners. Second, during its second and third mandates, the NDP reduced the personal income tax rate of all taxpayers by 8.5\% which was advantageous to high income earners because 8.5\% of $60,000 is considerably more than 8.5\% of $10,000.\textsuperscript{550} However, these two regressive tax initiatives were more than offset by the progressive tax reductions measures outlined above.

Like the Douglas government, the Blakeney government increased it public spending while not running a single deficit during its time in power. As we can see in Appendix A, the augmentation in spending without posting a deficit can be attributed to increased economic growth in the provincial economy, the actions of the provincial government to secure greater revenues from the extraction of its natural resources
through either higher resource royalties or profits from its nationalized companies, and rising transfer payments.

However, with the creation of Established Program Financing by the federal government in 1977, the Blakeney government saw its transfer payments drastically decreased. Indeed, the Blakeney government strongly opposed to the federal government movement away from 50-50 cost-shared arrangements towards unconditional block funding and objected to the creation of the five province standard in the equalization formula. Nonetheless, the NDP was able to compensate for falling transfer payments after 1977 with increased resource revenues. As such, this fortuitous combination of these factors allowed the Blakeney government to reduce taxes, spend more on social programs, and maintained balanced budgets.

Jacques Parizeau, the PQ's Finance Minister for all but one year of the PQ's time in power, stated in his 1978 budget that "every citizen should contribute to government financing according to his ability to pay." However, Parizeau was equally convinced that increases in real purchasing power of citizens during the Liberals' time in power had been absorbed by increases to provincial and municipal taxation. Therefore, similar to the Blakeney government, he sought to implement progressive tax reductions which he claimed corresponded "to the objectives of a social democratic government".

The PQ expanded the number of tax brackets from 8 to 21 and made the personal income tax table more progressive. Further, loopholes used by high income earners for tax evasion purposes were closed, the basic tax exemption was raised annually, tax credits were used to reduce property taxes while the municipalities experienced no loss of funding, and succession taxes were maintained despite the fact that all other Canadian
provinces had abandoned them. However, in order to reduce the complaints of high
income earners and to pacify businesses who claimed that high personal income rates
were hindering their recruitment of executives and specialists, the PQ reduced all
personal income rates by 3% in 1979 and 2% in 1981 and introduced the Régime
d' épargne actions or Québec Stock Saving Plan whereby residents of Québec could
deduct a certain amount of purchases of new shares in Québec firms from their taxable
income. Parizeau stated that he hoped that these tax changes would defuse the "revolt of
the rich" and the Stock Saving Plan would stimulate the economy by increasing the
capitalization of Québec's companies.\textsuperscript{556}

Like the Douglas government, the PQ government raised consumption taxes
considerably during its time in power.\textsuperscript{557} During its time in office, the PQ also increased
corporate taxes in a number of ways: higher capital taxes, 1% increase in taxes of profits
of corporations not considered small businesses, increased fees for licensing of
commercial vehicles, an increase of health premiums paid by employers from 1.5% to
3% of their payroll, and an increase of special taxes paid by the telephone, insurance,
advertising, and oil refinery sectors. However, these higher corporate taxes were partially
offset by a decrease in the tax on corporate profits from 13% to 5.5% in 1981.

Due to slow economic growth, modest increases in transfer payments, and
decreases to the tax rates of lower and middle income earners, the PQ experience weak
revenue growth during its time in power. As illustrated in Appendix C, the PQ's annual
rate of expenditure growth of 2.3% was lower than that of the Douglas and Blakeney
governments. Further, while the PQ practiced restraint in its spending to keep its deficit
under $3 billion a year, Québec's overall debt which grew from 7.7% of GDP to 31.5%
of GDP during the PQ’s time in power and the province’s credit rating was downgraded in 1982.

Welfare state (Health, Education, Social Assistance and Housing)

The main idea of traditional social democratic governments in Saskatchewan and Québec in the area of the welfare state was the expansion of universal social programs. In 1946, the Douglas government passed the Saskatchewan Hospitalization Act which provided free hospital services to all Saskatchewan citizens upon payment of an annual premium. The government also created an air ambulance service which charged $25 a trip regardless of the distance traveled and established free mental health institutions. The CCF government’s most famous innovation in the area of health care came at the end of its fourth term of government. In 1957, the federal government under Diefenbaker committed to sharing the costs of any provincial hospitalization plan that offered universal coverage. The CCF had stated in its 1944 election platform that socialized medicine would take “considerable time” to implement and this increased federal support finally freed up the fiscal resources for the CCF government to proceed with Medicare. Therefore, on December 16th, 1959, Douglas announced in a province-wide radio broadcast that the Saskatchewan government intended to introduce a comprehensive and universal Medicare program in which the government would provide insurance, after the payment of a premium, for hospitalization and all visits to a doctor. After a provincial election on the topic won by the CCF, considerable negotiation with doctors and a doctors’ strike in the summer of 1962, the CCF government finally passed the legislation for the establishment of Medicare in late 1962.\textsuperscript{558}
One of the first actions of the Blakeney government was to abolish health premiums making Medicare universal and free in Saskatchewan. The government also moved to provide free hearing tests, sell hearing aids at cost, include chiropractic services under Medicare, and provide free prostheses, orthotics, wheelchairs, canes, crutches and walkers to disabled people. The two largest and most expensive programs added by the NDP to the provincial welfare state were the Dental Plan and Drug Plan. The Saskatchewan Dental Plan provided free dental care in schools to children under the age of 12 through the use of teams of dental therapists who were qualified to perform basic procedures while more complex cases were sent to dentists. The Saskatchewan Drug Plan provided approved prescription drugs to all Saskatchewan residents for a dispensing fee.

In the area of health, the Lévesque government’s main ideas were the extension of universal benefits to certain age groups and the containment of costs. The Lévesque government introduced a plan to provide free drugs and free ambulance services for persons over the age of 65. Hearing aids were also provided free of charge for people under the age of 35. Further, the Lévesque government expanded the free dental care plan, started in 1974 by Liberals, from 10 to 15 years olds. In tandem with the children’s dental program, the PQ also created a program of preventative dental care offered in schools for children aged 5 to 12. In order to improve accessibility to health care, the PQ abolished individual premiums for the financing of health programs while retaining employer premiums.

On the other hand, the PQ government made it clear from its first budget that cost containment in the health sector was one of its priorities. Most of the cost reduction in the health sector was achieved through reducing base budgets, not replacing personnel who quit or retired, decreasing administration, and imposing cutbacks in wages. After
building 30 new Centre locaux de services communautaires (CLSCs), the Lévesque government declared that the CLSC network was finished even though several groups expressed disappointment that the final number of CLSCs was well below what the report that recommended the creation of CLSCs in 1969 had envisioned. At the same time, the government froze the budgets of CLSCs. Further, many of functions of the province’s CLSCs were eliminated in order to reduce overlap with services being offered by other government organizations. Homecare services for senior citizens were also expanded because they were more cost-efficient and provided better care.

Despite resistance from many rural municipalities, the CCF government re-organized Saskatchewan’s 5000 school districts into 60 larger school units in order to standardize and equalize the quality of schooling during its first mandate. At the same time, the government also raised teacher’s salaries, provided free textbooks to all students, and created a free adult education program which was accused of promoting left-wing values by the opposition. Declaring that the CCF intended to keep politics out of the classroom, the government soon changed the curriculum of the adult education program and the bureaucrat in charge of the program was dismissed. The CCF put no controls on tuition and allowed universities to raise tuition as they felt was necessary.

The Blakeney government’s initiatives in primary and elementary education included the removal the previous Liberal government’s minimum pupil-teacher ratio, grants to ensure that kindergarten was offered on a province-wide basis, expansion of the province’s regional library system to cover the entire province and a crown corporation to provide audio-visual materials for schools. Fulfilling a promise made by the CCF in 1944, the NDP government placed course materials on co-operatives in primary and secondary
schools which it stressed helped students to understand a key part of Saskatchewan history. The NDP government also embarked the expansion of post-secondary and adult education in the province but did not make this system universally free due to cost considerations. Instead, the government created a system of loans and grants to ensure access to post-secondary education for low-income students. In the 1973 budget, the government announced that tuition fees would be increasing and the Finance Minister hoped that the bursary program would offset any detrimental effects that fee increases would have on the access of low-income students. The increase in tuition fees was justified by the statement that “it is our philosophy that those persons who benefit directly from the services which the University and post-secondary institutions offer ought to bear some of the financial responsibility for these services, in direct relationship to their ability to pay”. The major expansion of the Blakeney government in area of post-secondary education during its first term was the creation of a province-wide network of community colleges in urban centres and small rural cities. In order to keep costs to a minimum, these colleges were institutions ‘without walls’ which rented space during the evening in local schools and municipal buildings. The colleges, which charged tuition, taught personal development courses, adult basic education, and programs in trades.

The Lévesque government’s most expensive initiatives in education were aimed at better educating Québec’s youth to prepare them for a highly competitive job market. As such, the PQ increased the number of hours of instruction for primary school, added another year of study to secondary school, and created a $150 million program to introduce computers into all schools. In order to improve the performance of the school
system for the province’s poor, the PQ instituted a plan to guarantee free textbooks for all students and almost completely replaced the funding of school boards by property taxes with funding through the provincial government in order to ensure more equitable funding for schools located in low-income areas.\textsuperscript{576} The Lévesque government placed a moratorium on the creation of new private schools and froze the enrolment of existing private schools. At the same time as implementing these moderately expensive reforms, the PQ government saved money in the education system through constraining wages and ensuring very little growth or decreases in the base budget of the Department of Education. The PQ government made few major reforms in the area of post-secondary education. During the PQ’s time in office, university funding was cut to bring annual spending growth down to 8\% and tuition fees for international students were tripled.\textsuperscript{577} However, after a student strike in 1978, a freeze on tuition for domestic students was maintained through the PQ’s time in power.

During its first mandate, the Douglas CCF government established a new Department of Social Welfare, replaced the word “relief” with “social aid” in a new Social Aid Act, increased mother’s allowances, and raised old-age pension amounts in addition to giving recipients of these programs free hospitalization which was not available in any other province at the time.\textsuperscript{578} It should be noted that, even with the CCF increases, old age pensions and mother’s allowances were more forms of income support and were in no way sufficient to live on.\textsuperscript{579} Overall, the CCF government kept the structure of social aid similar to what it had been under previous governments. Municipalities were still responsible for the determination of who received social aid in their area and how much that social aid would be. Increased federal financial support led
the CCF government to revise the Social Aid Act in 1959 which modernized social assistance in Saskatchewan. The new act still left the administration of social aid to the municipalities but it introduced a comprehensive and integrated social assistance structure whereby the provincial government set social aid rates and eligibility requirements and created a standardized application and appeals process for all municipalities to follow. There were complaints from the opposition and other groups that the Act made social assistance too easy to get and that recipients should have to perform work for their assistance. However, the CCF government refused to modify the Act.

Similar to the Douglas government, the Blakeney government’s first action in the area of social assistance was to change the name of the Department of Welfare to the Department of Social Services and to adopt a new set of principles for the provision of income assistance. This set of principles, contained in the 1972 Annual Report of the Department of Social Services, formally acknowledged social assistance as a right instead of charity, prohibited tests of moral worthiness, guaranteed recipients the freedom to spend their assistance how they saw fit, enshrined the right to appeal, and declared that the social assistance is founded on “the recognition that members of society are dependent upon one another and that the welfare of all is dependent on the well-being of each”.

In accordance with the new principles, the government implemented more generous social assistance payments, allowed greater earning and assets without a loss of benefits, and provided subsidies to chronically disabled people in special care homes.

Unlike the CCF government, the NDP government went beyond just providing generous assistance rates to actively attempting to help people get off social assistance.
The Employment Support Program was created in 1973 to employ recipients in short-term community works projects in order to provide them training and allow them to improve their employability.\(^{581}\) The program was voluntary for social assistance recipients and provided special features to facilitate participation such as counselling, daycare, and transportation. The Family Income Plan was introduced in 1974 to give income supplements to low-income families depending upon their number of children.\(^{582}\) This program targeted the working poor who were not on social assistance and was intended to "give these people a chance to break out of the recurring cycle of poverty and at the same time provide an incentive to work rather than receiving Social Assistance."\(^{583}\)

The Lévesque government made several moves to expand social services during its first mandate. In order to aid all of the province's families, the PQ increased the provincial family allowance three times and created a program which offered free milk to all children in primary schools. Despite the efforts of the more left-wing cabinet ministers to make the indexation of social assistance statutory, annual increases to social assistance rates at the rate of inflation were made at the digression of the cabinet.\(^{584}\) Similar to the Blakeney government, the PQ created an income supplement for the working poor. This income supplement was hailed by the government as the first step towards a guaranteed minimum income, a mechanism to ensure a more equal distribution of wealth, and a tool for economic stimulation.\(^{585}\) Moreover, and also similar to the Blakeney government, the Lévesque government increased funding to voluntary programs which subsidized the employment of social assistance recipients in community projects and on farms.\(^{586}\)

In its second mandate, the Lévesque government concentrated its policy changes in the area of social services area on youth. In 1984, there were a number of protests of young
social assistance recipients who objected to regulations which gave benefits of $152 a month to those between the ages of 18 and 30 and $418 to those over the age of 30. Instead of equalizing the benefit structure, the Lévesque passed amendments to the Loi de l’assistance sociale which provided increases in welfare benefits for young people who went back to school, participated in vocational training, or worked in community projects. The government expressed the opinion that this program was better than equalizing benefits because it provided incentives for young people to upgrade their skills, education, and work experience to meet the new demands of the competitive job market.587

Unlike the Douglas government who only provided housing programs for war veterans, the Blakeney government believed that the provincial government should be actively involved in all citizens’ housing. The Saskatchewan Housing Corporation was established in 1973 to construct and renovate housing for low-income groups and give loans for mortgages. Further, the Housing Corporation provided grants to low-income seniors and families to make house repairs and created a land assembly to curb real estate speculation and reserve urban land for future development at affordable prices.588 In its second term, the NDP introduced a number of new initiatives in the area of housing such as a regime of rent control and programs to encourage co-operative housing developments. In its final term, the NDP government responded to extremely high mortgage rates through grants for homeowners whose mortgage rates exceed 15% annual interest, shelter allowances for seniors, and increase funding for public housing construction.589 Further, the government passed the Saskatchewan Homeowners Security Act which prevented foreclosures on homes due to non-payment of mortgages for a one year period.590 The Royal Bank denounced the Act and stated that financial institutions may withdraw supplies of mortgage money from the
province and could challenge the constitutionality of the law but never followed through on either of these threats.591

Similar to the Blakeney government, the Lévesque government was very active in the area of housing. It increased the powers of Rental Boards and gave property tax rebates to renters. The PQ’s time in power also saw a growth in the activity of the Société d’habitation du Québec as the number of public housing units more than doubled from 1976 to 1980.592 However, less costly measures were adopted after 1980 such as housing allowances for low-income seniors, a renovation program of existing public housing, and the doubling of the basic allowance for co-operative housing. In 1982, the PQ established the Corvée-Habitation program which was financed by a combination of funds from the governments, unions, contractors, and certain financial institutions. The basic goal of the program was to insure mortgage rates on new homes would not go above 13.5% for three years in order to give relief to new home-owners and stimulate the housing construction industry. The government even passed legislation which allowed for penalties to be levied against banks that refused to participate in Corvée Habitation.

Women

The Douglas-Lloyd CCF government did not have very impressive record in terms of women’s issues. Throughout its time in government, CCF platforms never contained promises for the advancement of women. In 1947, it passed the Saskatchewan Bill Rights which guaranteed freedom of religion, speech, and assembly and protected citizens from discrimination based race or religion. However, the CCF’s original Bill of Rights did not contain rights for women although this was added a couple of years later at the behest of women in the party. Further, during its first term of the government, the CCF passed
legislation prohibiting married women from being hired by the Saskatchewan government in order to provide more employment for returning veterans which also was eliminated a couple of years later in response to opposition in the party.\textsuperscript{593} The only real advances that the CCF government made for women after its first term was the passing of legislation securing "equal pay for equal work irrespective of sex" for women working in the civil service and allowing women to drink in bars.

The most significant movement that the Blakeney government made on women's issues in its first term was to pass an amendment to the Labour Standards Act ensuring an employer could not pay men and women different rates for "similar work performed in the same establishment under similar working conditions which require similar skills, similar effort and similar responsibility".\textsuperscript{594} The government also gave the Women's Bureau in the Department of Labour the power to initiate its own investigations concerning pay inequities leading to compensation for a number of women in the province. Despite calls from women's groups and the trade union movement for the adoption of an "equal pay for work of equal value" approach, the government did not move in this direction because it claimed that it was unable "to identify in a practical administrative way how to evaluate and measure work of equal value".\textsuperscript{595}

In its final two terms, the government established a career development office to upgrade the skills of women already employed in the public sector, created an affirmative action program to ensure that more women were hired to senior positions in government, and appointed more women to government boards.\textsuperscript{596} In 1977, the government responded to calls from the province's women's groups and the United Church to fulfill a recommendation in the 1969 Royal Commission on the Status of Women for the establishment of unified family
courts. As such, a three year pilot project was announced to lay the groundwork for the creation of a unified family court in the province.\textsuperscript{597} The government further introduced the Matrimonial Homes Act which improved married women’s control over their couple’s farmland and property. The NDP government was also forced to deal with the growing demand for abortions resulting from the federal government’s easing of restrictions on abortion in 1969. Throughout its mandate, the Blakeney government did not call for the further liberalization of abortion laws nor did it set up clinics which would facilitate access to abortion. Instead, the government simplified and rationalized the procedures for obtaining an abortion in Saskatchewan hospitals but maintained that “Our basic goal for abortions policy should be to reduce the demand for abortions by an active family planning program”.\textsuperscript{598} Thus, the basic policy consensus which formed in government was that abortions should be allowed but that the need for abortions should be reduced through an adequate family planning program.

After pressure from the NDP and citizen groups such as the Saskatoon Day Care Development Committee, the government did implement a program to subsidize the use of non-profit daycare centres or private home daycares with a limited number of children by low-income parents.\textsuperscript{599} It is important to note that, under this daycare policy, day care centres would not be operated or constructed by the government but that onus of the development of daycare was left up to low-income parents who had to create non-profit centres or have private home daycares licensed in order to receive subsidies. Of course, low-income parents lacked the administrative skills to set up new non-profit daycare centres or insure the licensing of the home daycares which they used. The placing of responsibility for the creation of new daycare spaces on individual parents and a restrictive means test in order to
qualify for daycare subsidies meant that the government was only able to spend only $345,068 out of the $1.7 million budgeted for daycare during the first year its new daycare policy. This problem continued throughout the government’s mandate. As such, in spite of NDP’s promise to provide 13,500 daycare spaces by 1979, there were only 3914 licensed daycare spaces in Saskatchewan by the end of the Blakeney’s government’s time in power.

The Blakeney government’s stance was that, unlike the provision of Medicare, education, prescription drugs, or children’s dental care, daycare was primarily a private family matter and the government should not own or operate daycare centres with the goal of providing universal access. Further, childcare for the Blakeney government was clearly a benefit for women and not parents (i.e. men and women). The government’s logic was made clear in a debate over a motion presented by John Richards, the Waffle MLA, to the Saskatchewan Legislature calling for the establishment of a public, universal, and free daycare system in 1974. No NDP member spoke in favour of Richards’ resolution and the Education Minister made it clear that the first priority for the government’s daycare program were single parents or parents whose income is “low and the other spouse must work to make ends meet” and went on to state “in all possible cases people who have children should raise them too”.

For its part, the Lévesque government mixed a natalist discourse, which harkened back to the era when social Catholic thought saw women as reproducers of the Québec nation, with a discourse emphasizing the role that the state needed to play to allow women to balance work and family. The PQ government adopted a series of measures to encourage working women to have children such as an allocation of $240 for the first two weeks of maternity leave that were not covered by the federal unemployment insurance program,
doubling the tax credit for daycare costs, and giving pension credits for women who temporarily left the workforce to look after children ages 0 to 6. The PQ also extended the minimum legal maternity leave from 15 weeks to 18 weeks at 60% of the women’s salary. In the public sector, maternity leave was increased to 20 weeks at 93% of one’s salary. As part of the PQ’s health and safety legislation, pregnant women had to be given paid leave during the complete duration of their pregnancy if their tasks were determined to be harmful to their pregnancy. However, in order to not be seen as discriminating against women who chose not to work, the PQ adopted measures to encourage non-working women to have children as well. In 1981, the Levesque government established a system of allowances paid to women with children under six regardless of whether they worked or not. The PQ also increased the personal tax exemptions of married women who did not work outside the home by 85% which aided mothers who decided to stay at home and raise their children.

In the area of daycare, the Levesque government passed Bill 77 which gave low-income families subsidies of up to ¾ of daycare fees, enlarged the number of low-income families eligible for subsidies, increased start-up grants, and created a direct subsidy to daycares of $2 per day per child as well as subsidies to cover new equipment, development of the daycare, and additional staff. In this sense, the PQ government had an approach to daycare which was similar to the Blakeney government in Saskatchewan in that it believed that the daycare remained essentially a private responsibility and that the government should only provide financial assistance to low-income parents and subsidize the existence of a network of daycare centres for those parents to use. However, Bill 77 also stipulated that state-administered daycare services at a reasonable fee had to be offered in primary schools for a certain number of hours before and after classes where numbers warranted. This part...
of the law offered a nearly universal daycare service for school-aged children to working mothers that greatly promoted the substantive equality between men and women. These school daycares can also be seen as a way of encouraging working mothers to have more children.

The Lévesque government also made a number of legal reforms in order to reduce discrimination against women and ensure that men and women enjoyed similar rights under the law. In 1981, the PQ made revisions to the Civil Code to recognize the equality of men and women in marriages thereby improving women's property rights and their parental authority over their children. Further, the revisions specified that a women could not legally take on the last name of her husband and that a couple's children could be given the name of either spouse or a name not made up of more than two parts derived from the names of each parent. The Lévesque government also made changes to the Québec human rights charter to prohibit discrimination based on pregnancy and age, include freedom from sexual harassment as a human right, and allow the institution of affirmative action programs. In the area of divorce and the break up common law relationships, the PQ government made a divorce easier to achieve, allowed sensitive family matters in courts to be handled in camera, created better rules for equally dividing property upon divorce, and improved collection mechanisms for alimony and child support. However, the Lévesque government was constrained in going further in this area since marriage and divorce are in federal jurisdiction.

In response to the lobbying of women's groups and women's activists in the PQ, the Lévesque government made significant movement in the areas of abortions and violence against women. Up until the election of the PQ, provincial Québec governments had done very little on the issue of violence against women. In 1977, the PQ took the
important step of providing subsidies for transition houses for battered women and centres for victims of rape and sexual harassment. In spite of the change of federal law in 1969 to authorize limited therapeutic abortions, it remained very difficult and often expensive to obtain an abortion in Québec in the early 1970s. Further, the Bourassa government arrested Doctor Henry Morgentaler and brought charges against other doctors who practiced abortion in their clinics. Immediately upon coming to power, the PQ dropped the charges against Morgentaler and the other doctors who had been charged. In 1978, the Lévesque government adopted a policy which stipulated that at least one hospital in each of the administrative regions of Québec must create a clinic to offer abortions free of charge and that CLSCs may also offer abortions.610

Aboriginals

Unlike previous provincial governments in Saskatchewan, Douglas and many in the CCF party and government bureaucracy recognized the plight of Aboriginal and Métis communities and illustrated a genuine interest in improving the conditions in which these communities lived.611 Speeches of CCF politicians generally displayed a sense of “white man’s guilt” over the deplorable living conditions of Saskatchewan’s Aboriginal and Métis and cited the social democratic ideal that a society should be judged by how it treats its neediest citizens.612 Starting in 1956, the CCF government unsuccessfully attempted to negotiate the transfer of jurisdiction over Aboriginals from the federal government to the provincial government. It argued for this jurisdictional transfer for many reasons: the federal bureaucracy in Ottawa was too far away, Aboriginals needed provincial social services, and the distinction between Métis as provincial jurisdiction and Aboriginals as federal jurisdiction caused costly duplication.613 For the CCF, the solution
to First Nations’ problems was the integration of Aboriginals into Saskatchewan society as citizens enjoying full political and civil liberties and entitled to provincial social programs. Indeed, the Douglas government envisioned the elimination of reserves and hoped that Aboriginals would eventually integrate into white society to the point of voluntarily giving up their treaty rights thereby rendering treaties obsolete. Douglas made CCF philosophy towards Aboriginals clear when he stated that “Reservations are becoming insufficient to hold the increasing Indian population. The solution is for the Indians to integrate into white society.”

However, such a genuine interest in improving the living conditions of Aboriginals or Métis did not make them a priority for the CCF government or party. Despite the CCF’s philosophy of aiding those in society most in need, the CCF government never enacted legislation on Métis or Aboriginal issues nor did CCF platforms during the Douglas and Lloyd era even mention the words “Métis”, “Half-Breed” or “Indian”. Instead of creating a department of Aboriginal affairs, the CCF policies concerning Aboriginal and Métis people were carried out in a haphazard manner under existing legislation and departments.

During its first term, the CCF worked with Aboriginals to establish a single organization, financed by the provincial government and eventually named the Union of Saskatchewan Indians, through which Aboriginal concerns could be voiced. The CCF also opposed residential schools and lobbied the federal government to enrol Aboriginal children in white public schools to further their integration with broader Saskatchewan society. In mid-1950s, the CCF government decided that Aboriginals needed full citizen’s rights in order to be integrated into Saskatchewan society. Therefore, amidst
considerable controversy, the government proposed to give Aboriginals the right to vote in provincial elections (this had already been done in five other provinces) and the right to freely consume and buy alcohol. However, these demands had not emanated from the Aboriginal community and many Aboriginals were opposed to the measures because they believed that such citizenship rights would lead to a loss of their treaty rights and the demand that they pay taxes. Despite considerable pressure put on them by the cabinet, Aboriginal leaders did not agree to support these reforms and the reforms were imposed on them in 1960 without their consent.

Unlike Liberal provincial governments in Saskatchewan, the CCF government did accept constitutional responsibility for Métis people. Some of the province’s 12,000 Métis were given social assistance under a clause in the 1944 Social Aid Act which allowed the provincial government to take 100% control of social aid cases if permitted by the municipalities. Roughly 2,500 Métis were placed in colonies by the CCF government which were to be temporary “rehabilitation” projects under existing welfare legislation and intended to serve as stepping stone towards the integration of the Métis into mainstream Saskatchewan society. These colonies were operated like co-operative farms and were suppose to turn the Métis into farmers operating under a set of co-operative institutions. Each colony also included a school teaching an assimilationist curriculum to Métis children. These colonies were failures and nearly all were abandoned by the end of the CCF’s 20 years in power due to the low wages paid to Métis workers, marginal land, disallowance of elected councils to provide Métis control of the colony, prohibition of individual business ventures by Métis in the colony, and the simple fact that few Métis people wanted to be farmers.
The Blakeney government abandoned the explicit integrationist thrust of the Douglas/Lloyd government's policy towards Aboriginals. Instead, the Blakeney attempted to build institutional arrangements to encourage the participation of Métis and Aboriginal peoples, through their own self-administered organizations, in the economic and social development of the province.\textsuperscript{620} The new NDP government developed a close working relationship with the Federation of Saskatchewan Indians (FSI) and the FSI was very influential on the government's thinking concerning First Nations policy. One of the NDP's first actions in office was to increase the FSI's financial grant from the province and provided funding for it to conduct research on Saskatchewan land claims. The NDP government also financed a number of FSI administered programs such as family services, cross-cultural awareness courses for Aboriginal employees to adapt to the workforce outside reserves, and housing construction.\textsuperscript{621} Partly as a backlash to the legacy of residential schools, the FSI had been concerned with the issue of 'Indian Control of Indian Education' since 1970 and mandated a taskforce to analyze the issue during the NDP's first term in government.\textsuperscript{622} A major breakthrough on this front came in the second term of the Blakeney government with the establishment of the Saskatchewan Indian Community College (SICC) and the Saskatchewan Indian Federated College (SIFC). SICC provided community college services such as Adult Basic Education and vocational training to Aboriginals on their reserves and the FSI appointed all the members of the SICC Board of Directors. SIFC was the first Aboriginal controlled, degree granting institution in Canada and ran academic programs in all areas in partnership with the University of Regina.
The 1975 NDP platform promised to co-operate with Aboriginal bands and the federal government to settle land claims. Due to the research funding received from the NDP government, the FSI had begun to get a grasp on the magnitude of Aboriginal land claims in Saskatchewan by the mid-1970s. Instead of pursuing settlement of the land claims through litigation as other provincial governments had done, the NDP government decided to negotiate an agreement acceptable to Aboriginal bands. After negotiations with the FSI and the federal government, the NDP government came up with the ‘Saskatchewan formula’ which was much more generous than anything that the Manitoba and Alberta governments were willing to accept in their land claims and equalled 1.3 million acres. The FSI praised the “good faith and commitment” evident in the Saskatchewan formula and immediately accepted it.623

While the federal government took over a year to respond, it finally did endorse the Saskatchewan formula in August of 1977. However, there was considerable disagreement between the federal government and Blakeney government in the land selection process and the FSI accused the federal government of purposefully obstructing the settlement of their land claims in order to avoid the costs associated with provision of land under the Saskatchewan formula. The land selection process also began to be contested in the NDP government as certain departments and ministers opposed the transfer of mineral-bearing lands and provincial park land to Aboriginals. Further, private forest companies resisted the transfer of commercial forest land and the Saskatchewan Wildlife Federation and rural municipal politicians argued against the transfer of pasture lands.

In 1981, the Blakeney government committed to the transfer of 18 parcels of land compromising of 200,000 acres but the opposition of rural municipalities, patrons of
community pastures, and the Saskatchewan Wildlife Federation caused considerable delays in the land transfers process. Further, there continued to be unresolved issues in the NDP government’s negotiations with the federal government over how the purchase of land would be cost-shared and how to compensate rural municipalities for the erosion of their tax base. Impatience with the lack of progress and a change of leadership of the FSI caused an escalation of their demands as they called for more land than allowed by the Saskatchewan formula and broader hunting and trapping rights. By the time Blakeney left power, only one band had received its full entitlement and less than 10% of the total acres under the application of the Saskatchewan formula were in the process of being transferred.624

While the CCF-NDP governments in Saskatchewan rejected the ideas of Aboriginal nationalism and self-government, the main idea behind the Aboriginal policy of the Levesque government was the recognition that Aboriginal groups living in Québec were nations possessing specific cultural, linguistic, and historical identities. Therefore, the Québec provincial government, as a representative of the Québécois nation, should attempt to conclude legal agreements which would permit these nations to exercise their right to self-determination and nationhood and to preserve their unique culture and language. Statements outlining these principles of the PQ’s Aboriginal policy were adopted by the cabinet in 1983 and the National Assembly in 1985 despite opposition from the Liberals.625

While it would be difficult to argue that Levesque government completely lived up to these lofty principles that it claimed to hold, the government did nonetheless make small steps in the direction of improving the control of Aboriginal peoples over their own lives. One of the first actions of the PQ government was to recognize the right of Aboriginals to maintain and develop their own language and culture in the Charte de la
langue française. Therefore, the Lévesque government provided funds for the teaching of Aboriginal languages and encouraged the creation of Aboriginal controlled schools and school boards. Further, education on reservations was exempted from the French language provisions of Bill 101. The PQ also legislated the structures of the James Bay Agreement into existence which gave Inuit and Cree control over their own land-holding corporations, school boards, regional and local governments, health and social services boards, and regional police forces. Despite dissatisfaction on the part of Aboriginal groups, James O'Reilly characterized the PQ's implementation of the James Bay Agreement as "probably the best existing model of Indian-Provincial co-operation".

Importantly, the Lévesque government decided to offer services and programs similar to those contained in the James Bay Agreement to all Aboriginal people in Québec and not just to the beneficiaries of agreement. As such, it created the Secrétariat des Activités Gouvernementales en Milieu Amérindien et Inuit (SAGMAI) in order to coordinate the Québec government's Aboriginal policy. Under the SAGMAI, the Lévesque government negotiated a land claims settlement with the small Naskapis band that had been left out of the James Bay agreement and negotiated an agreement to build a hospital to be administered by the Kahnawake Mohawks. SAGMAI also began negotiations over land claims with Attikameks and Montagnais which, in contradiction to the policy of the federal government and previous Québec government, did not make the extinguishment of ancestral rights and land title a precondition of beginning negotiations. Despite such an innovative starting point, the PQ was not successful in reaching an agreement with these two bands or any additional Aboriginal groups over land claims during its time in office in part because of the federal government's insistence on the extinguishment of ancestral
rights as a starting point for negotiations and in part because the PQ government was in no hurry to settle these land claims and therefore offered Aboriginals only a faction of the land that they were asking for.

*Democratic Reform*

Traditional social democratic governments in Québec and Saskatchewan were characterized by cabinet-dominated governance in which the executive, aided by the bureaucracy, had complete control over policy formulation. Upon its election in 1944, the new CCF government embarked on an ambitious program of bureaucratic innovation and reform of Saskatchewan’s public service. First, the government passed the Public Service Act in 1947 which established an independent public service commission and aimed at ending patronage, entrenching merit-based hiring, giving civil servants political freedom, and allowed the unionization of the public servants for the first time in Canada.629 Second, the Douglas government was the first provincial government in Canada to move towards the implementation what Christopher Dunn refers to as the “institutionalized cabinet”.630 In an institutionalized cabinet, the cabinet decision-making process is formalized through the creation of cabinet committees and the establishment of central agencies to provide expert policy advice to the cabinet. The CCF government was able to attract many highly qualified and experienced bureaucrats from outside of Saskatchewan to staff these central agencies. These newcomers were attracted to the isolated and rural setting of Saskatchewan by the opportunity to work for the first social democratic government in North America.

Therefore, contrary to the anti-party sentiment in early agrarian movements, the Douglas/Lloyd government took the approach that an appropriate social democratic goal
was the perfection of the British tradition of cabinet rule and the creation of a competent non-partisan bureaucracy. Further, the CCF legislative caucus did not play an integral part in the policy making process and provided little more than an intermediary between the cabinet and the voters concerning for local projects and issues. The last vestige of anti-partyism in the Saskatchewan CCF was eliminated when the clause in the CCF constitution authorizing the recall of CCF MLAs by their constituency association was abolished in 1945.

These moves to technocratic decision-making and cabinet-dominated governance resulted in a shift in ideas concerning the relationship between party and government in the CCF. This shift of ideas caused considerable tension in the party during the CCF's first years in government. A number of party activists were angry that top bureaucratic jobs were not given to long-time CCF supporters from Saskatchewan. Further, party members disapproved of the shift in policy-making from party conventions and councils to bureaucratic central agencies. Principally, these members felt that bureaucrats, often imported from outside of Saskatchewan, were acting as a brake on the implementation of some of the more radical points in the CCF program. Indeed, the party members were correct in feeling this way. Cabinet records from the time illustrate that bureaucrats had convinced the cabinet to promote private instead of public development of natural resources, limit the generosity of the social aid program, and pursue hospitalization over Medicare.

Eventually, there was accommodation from both the government and the party on the question of policy formulation. The cabinet began to consult with permanent party committees on its policy direction and cabinet ministers attended panels during party
conventions to respond to resolutions concerning their departments.\footnote{636} Douglas and Lloyd also continued to stand before the annual convention every year to be re-elected as leader and if they were to lose they would supposedly have to resign as leader of the party and Premier. For its part, the party accepted that its role was to set the general direction for the government and not to set specific government policy.\footnote{637} As such, the party played a secondary role, rather primary role, in the policy formulation process by being a sounding board for cabinet's policies and providing criticism.

The Blakeney government followed the same model of cabinet-dominated government as the Douglas/Lloyd government. The Blakeney government introduced a number of initiatives to make government more accountable.\footnote{638} While these actions made government more transparent and easier to access, they did not involve citizens in the policy making process. Following the technocratic tendencies of the previous CCF government, the Blakeney government recruited top graduate students from across North America and renewed the CCF tradition of an institutionalized cabinet with a number of structured cabinet committees and powerful central planning agencies.\footnote{639} In the Blakeney government it was the role of the highly trained and professional bureaucracy to provide a variety of options and recommendations which cabinet would use to make the appropriate decision based upon what it perceived to be the public interest and the promises that it made during the last election campaign.\footnote{640} Further, there was the growth of a powerful mandarin class of 'entrepreneurial' bureaucrats in the new resource extraction Crown corporations of the Blakeney administration.\footnote{641} These mandarins were dedicated to state-led economic growth through publicly-owned resource extraction corporations and had saw no need for worker participation schemes in the Crowns or the
involvement of the NDP or the public in the decision-making processes of public enterprises.\textsuperscript{642}

Like the CCF era, the government caucus under Blakeney’s leadership did not play a large role in policy making as the NDP embarked on only minor reforms to the province’s legislative process such as the institutionalization of question period and the establishment of a Board of Internal Economy.\textsuperscript{643} In the first term, the government did establish several special committees of the Legislature to travel the province and report back to the Legislature.\textsuperscript{644} However, this method of consultation seemed to fall out of favour in the second and third terms.\textsuperscript{645} Besides the question of uranium mining, the Blakeney government did not hold broad consultations with either the public or the NDP. Blakeney later admitted this in an interview in 1993: “We didn’t anticipate the new demands, beginning in the 1970s and becoming even more prevalent in the 1980s and 1990s, for involvement in policy formulation by the stakeholders in the eventual outcomes of policy. We just weren’t in the vanguard of developing public consultative mechanisms for participatory policy formulation— we weren’t 20 years ahead in many of these kinds of areas.”\textsuperscript{646}

Much like when the CCF took power for the first time in Saskatchewan, the PQ leadership decided that the government’s decisions could not be blocked by the party nor could the party impose decisions on the government after the PQ’s victory in 1976.\textsuperscript{647} Instead, National Councils and Bi-annual conventions of the PQ would act as watchdogs on the government and provide a forum for party members to critically question cabinet ministers. In an effort to perfect the Westminster style of government, Lévesque created the positions of “Minister of State” in his cabinet to co-ordinate initiatives involving
multiple departments which had the effect of further increasing the power of cabinet. However, conflict between these ‘super-ministers’ and line departments eventually led to their abandonment at the beginning of the PQ’s second mandate. A more long lasting reform to cabinet that was introduced by the PQ was the creation of ‘ministres délégue’ who were responsible for the development of policy around a certain issue such as parliamentary affairs, international trade, energy, or electoral reform but were not in control of a particular department. In order to partially offset this growing power of cabinet, the PQ did increase the power of parliamentary standing committees, some of which were chaired by opposition, in order to give members of the National Assembly greater control over legislation. However, with the new cabinet structures that were introduced, the Lévesque government remained very much dominated by cabinet and there was little effort to include citizens or party activists in the policy making process.

While the CCF-NDP in Saskatchewan had always claimed to be a party that was not financed by big business, there were never any clauses in the party constitution to prevent the acceptance of business donations. While there is little evidence of the CCF taking corporate donations during the Douglas-Lloyd era, the Blakeney government started canvassing the province’s businesses for donations in the mid-1970s. In contrast to Saskatchewan CCF-NDP, PQ government extended its practice of not accepting corporate and union donations to all other provincial political parties in Québec. In 1977, the PQ government passed a law to ban donations to provincial parties from all associations, corporations, or unions. Instead, only individuals listed on the Québec provincial voters list could contribute to provincial political parties up to a maximum of $3000 a year and all donations over $100 had to be publicly reported. Tax
deductions for political contributions were introduced and all parties with 12 seats in the National Assembly or 20% of the vote were given the same public subsidy of 25 cents per name on the provincial voters list. The PQ justified this law by claiming that it would make Québec society more democratic, increase the creditability of political parties in the eyes of the population by eliminating any possibility of undue influence of corporations or unions on government policy, and finally bring to an end the tradition of secret slush funds that had dominated Québec politics for so long. The Liberals and the Québec Chamber of Commerce were against the limiting of individual contributions and the unions protested against limiting union contributions because they feared that it would eliminate the financing of a future labour party.

Despite the proposals for proportional representation that were prominent in early Saskatchewan social democracy and a promise to institute the single transferable vote for all ridings in the 1944 Saskatchewan CCF platform, the CCF-NDP pursued no alterations to the province’s first-past-the-post system. The Bloc Populaire Canadien, RIN, MSA, and the PQ during it time in opposition had all called for proportional representation. Late in its mandate, the Lévesque government discussed the possibility of implementing some proportional representation through either adding a certain number of seats to be based on parties’ popular vote or a single transferable vote system using multiple members in larger ridings. However, a combination of uneasiness in the PQ caucus itself and the opposition from the Liberals once Bourassa took over the party’s leadership stalled the process of electoral reform.

Explaining the Evolution of Traditional Social Democracy in Québec and Saskatchewan
The following section explains the form that traditional social democratic ideas took across the three governments that I examined above. Applying my theoretical model, it is argued that the evolution of traditional social democracy in Québec and Saskatchewan was the result of these provinces’ political economies, political cultures, political agents, and the institutional frameworks of federalism, the first-past-post electoral system, and Westminster-style government.

**Political Economy**

In Saskatchewan, the CCF ruled during a period of strong economic growth in the province’s economy. The federal Department of Trade and Commerce found that Saskatchewan demonstrated the highest rate of growth for private plus public investment per capita of any province from 1948 to 1960. Stable demand for grain in the post-war era combined with the orderly marketing practices of co-operatives and the Canadian Wheat Board to provide high and steady wheat prices. The discovery of oil, uranium, and potash and its development by private capital diversified Saskatchewan’s economy, provided employment, increased government revenues, and had positive economic spin-off effects. The expansion of Saskatchewan’s public sector, welfare state, and infrastructure also provided employment and positive economic growth. In tandem with this economic growth, the increase in Saskatchewan’s population during the 1950s caused by a postwar baby-boom created a demand for the better education, health care, and infrastructure provided by the CCF government.

Similarly, all sectors of the Saskatchewan economy experienced strong growth during the 1970s when Blakeney was in power. After adjustment for inflation, Saskatchewan’s GDP rose from $8.3 billion in 1971 to $14.8 billion in 1981 and the
province’s unemployment rate was consistently 3% to 4% lower than Canadian unemployment rate.\textsuperscript{656} The natural resource sector of the Saskatchewan economy boomed during the 1970s due to the combination of growing world demand for the province’s natural resources, high world prices, and enhanced technology which made the extraction of potash and heavy oil more economically viable.\textsuperscript{657} Due to good crop yields and high world prices for wheat, the 1970s was a time of economic boom for Saskatchewan farmers who were able to consolidate their operations and increase their farm size.\textsuperscript{658} In addition to strength in the resource and agricultural sectors, there was considerable growth in manufacturing and retail sales as these industries began to represent greater portions of the provincial GDP and workforce.\textsuperscript{659} Similar to the CCF era, Saskatchewan experienced the echo of the post-war baby-boom during the 1970s as baby-boomers reached child-bearing age and the number of births in the province increased.\textsuperscript{660} This echo of the baby boom created a demand the NDP’s dental and housing programs. In general, Saskatchewan’s economic growth during the Douglas, Lloyd, and Blakeney’s time in power created increased revenues for these traditional social democratic governments which enabled them to afford universal social programs, use public investment as means of job creation, and expand of public enterprise.

Certainly, we can see the influence of the structural power of capital over the Douglas government. As opposed to pursuing the nationalization of natural resources, the Douglas government developed a cordial relationship with the multinational uranium, potash, and oil companies operating in the province and consulted them regularly on the regulation of their industries and the level of their royalties.\textsuperscript{661} Like the Douglas government, the Blakeney government also responded to pressure from the business
community. It did not pursue the manufacturing of generic drugs due to lack of support from large drug companies and was unable to follow through on plans to create a universal sickness and accident plan and provincial pensions due to opposition from the province's business community.

However, due to its small manufacturing sector, Saskatchewan's economy was primarily dependent on independent farmers and not big business therefore the CCF-NDP governments were able to pass advanced labour legislation and institute social programs and public ownership with little consequence in the form of a backlash from business. Saskatchewan small business, organized in the Saskatchewan Chamber of Commerce, and urban upper class professionals (particularly doctors, dentists, pharmacists, and bankers) were generally not supportive of the CCF-NDP but they did not have economic power in a predominantly rural province to topple the CCF-NDP. In any event, the Douglas government made efforts not interfere with small business and the Blakeney government actively cultivated small business support. As such, while the CCF-NDP in Saskatchewan could not count a large number of small businessmen among their supporters, there was only a low-level hostility on the part small businessmen towards the Douglas/Lloyd and Blakeney governments.662

During the CCF's time in power, business opposition to government policies came mostly from companies external to Saskatchewan- insurance and mortgage companies, Canadian Bankers Association, Canadian Manufacturing Association, CPR, Canadian Chamber of Commerce and Canadian and American Medical Associations. The Douglas government was effectively able to face these companies down because they were not primary employers in Saskatchewan. Opposition to Blakeney government
policies came from multinational resource companies who were important for economic growth and job creation in the province. However, the Blakeney government was able to overcome their opposition through either nationalization or the threat of nationalization. The NDP-CCF’s firm stances in these matters proved that it was willing to forego cooperation with business in instances where it felt the public good was at stake.

Alterations in the political economy of Saskatchewan were important in stimulating the renewal of Western alienation as a part of Saskatchewan social democracy during the 1970s. The Blakeney government faced two phenomena in the Saskatchewan political economy that the Douglas government did not face which accounted for Blakeney’s heightened sense of Western alienation: world economic depression and sustained federal intrusion in the jurisdiction of natural resources. The world economic depression in the 1970s created the impetus for the federal government’s modest steps towards monetarism and subsequently opened it up to criticism from the Saskatchewan government who still followed a more Keynesian outlook. The increasing reliance of the Saskatchewan economy on mineral extraction combined with the threat of federal intrusion on provincial control of resources and rising world oil and potash prices to make the Blakeney government very protective of the natural resources it believed were the key to the province’s future prosperity. The Blakeney government saw resource revenue, not federal cash, as the means to expanding the province’s welfare state. It is notable that the additions to the Saskatchewan welfare state in Blakeney’s time period such as free dental care for children under 12 and a prescription drug plan were not cost shared with the federal government nor were they part of any Canada-wide initiative.
The political economy of Saskatchewan was also an important factor in the lack of progress on women’s issues made by the Douglas/Lloyd and Blakeney governments. Related to the newfound economic prosperity of Saskatchewan in the late 1940s and 1950s was the appearance of labour saving devices in Saskatchewan farm homes such as running water, electric stoves, washing machines, and refrigerators whose use was made possible by the CCF government’s rural electrification and plumbing programs. These modern household appliances made women’s lives easier on the province’s farms which made women’s farm organizations less militant and farm women more content. Further, unlike other Canadian provinces, Saskatchewan women did not find increased employment due to World War II because wartime factories were not located in the province and farmers were generally exempted from conscription. As such, Saskatchewan women were slow to enter the workforce in the 1950s and those who did work were generally concentrated in the traditional female profession of teaching as the baby-boom created a large demand for children’s education. Women’s entry into the workforce was further slowed by CCF policies such as hospitalization, reasonably priced utilities, and the promotion of unionization which encouraged the creation of a ‘family wage’ in Saskatchewan, i.e. a wage that would suffice to maintain a male worker and his dependent family without his wife having to work.663

However, by the time that Blakeney came into power, women’s participation in the workforce had increased dramatically compared to the CCF era. Indeed, by 1971, half of single women and 40% of married women in Saskatchewan were working outside of the home including a growing number of farm wives.664 The greater participation of women in the workforce created a necessity for the Blakeney government to reduce wage
discrimination based on gender, ensure maternity leave, entrench women’s property rights, and provide limited state support for daycares.

The economic slowdown that Québec had begun to experience during the final years of the Bourassa government accelerated during the PQ’s time in power. The PQ saw a growth in GDP of only 2% a year during its first term and then a drop in GDP at the beginning of their second mandate due to the recession of 1982 followed by a mild economic recovery during its last two years of power. Further, Québec experienced its worst unemployment since the 1930s as the annual unemployment rate reached nearly 14% in 1982 and 1983.

The primary reason for the recession was an economic downturn in the United States and Ontario which caused a reduction in demand for Québec exports in those key markets. Further, a drop in world demand for wood, newsprint, iron ore, aluminium, and asbestos caused low prices in these commodities which were important to Québec’s economy. High inflation and high interest rates, due at least in part to the monetarist fiscal policies followed by the federal government in the early 1980s, discouraged consumer purchasing and hurt business expansion in the province. Construction in the province also slowed due to the completion of the Olympics, the James Bay drainage basin, and the Mirabel Airport. The unemployment rate was made worse by the entry of the last cohort of the baby-boom (those born between 1955 and 1965) into the provincial workforce. Despite the fact that these newcomers to the job market were highly educated compared to their parents, the unemployment rate of the age group of 20 to 24 was as high as 20% during the recession. Further, the combination of obsolete and inefficient machinery with an influx of cheap imports from Asian countries led to weakness in
Québec’s so-called ‘soft’ sectors of clothing, textiles, shoes, and furniture. Québec’s tobacco industry also slumped because of growing awareness of the health hazards associated with tobacco use. Finally, the 1970s and early 1980s were a time of considerable re-structuring in the agricultural economy of Québec. Mechanization allowed fewer farmers to produce more on larger farms while the levelling off of population growth in Québec led to the stagnation of demand and overproduction in Québec’s traditional sectors of milk, poultry, and eggs. As such, the number of farms in Québec decreased as did the rural population and workforce while farm size correspondingly increased.

Québec’s economic weakness had a strong influence on the ideas adopted by the Lévesque government. Slow economic growth encouraged the PQ to use public investment, state intervention, the expansion of public enterprise, and corporatist plans of action as ways to stimulate the provincial economy. Similarly, weakness in the agricultural sector and natural resource sectors of Québec motivated the Lévesque government to provide considerable subsidies to the mining and forestry industries and to create incentives to encourage the diversification of agriculture and the modernization of the mining and forestry industries.

It is interesting to note that, unlike the Saskatchewan NDP who could increase government revenues by raising royalties on the province’s natural resources, the PQ government basically had to pay private companies to exploit Québec’s mining resources. The simple explanation for this asymmetry is that, unlike oil, potash, and uranium, the mineral resources that Québec possessed (with the exception of asbestos) were in abundant supply elsewhere in the world. Therefore, if the PQ government would not have
provided competitive royalty rates and incentives, these private companies would have simply shifted production elsewhere. Moreover, if the PQ would have moved to nationalize these minerals besides asbestos, it would have faced stiff competition from multinational companies with larger economies of scale and the advantage of cheap labour in Third World countries. In this sense, asbestos was a good candidate for nationalization because Québec contained 40% of the world’s known asbestos resources and dominated the non-Communist world markets. Unlike iron or copper, the supply of asbestos to the non-Communist world could not be fulfilled if Québec was not producing.

In forestry sector, the PQ did begin the process of revoking the royalty-free concessions of land that been granted by previous governments. However, due to legal action by the pulp and paper mills owning those concessions, the PQ was able to eliminate only 35% of the concessions.

Due to the weakness of the Québec economy and the inability of the PQ to raise natural resource royalties, the Lévesque government had very limited fiscal resources with which to expand universal social programs. At the same time, the high inflation and unemployment of this time period and the growing incidence of unstable, part-time work in the service sector combined with the tightening of eligibility for the federal unemployment program in the late 1970s to create to high poverty rates in Québec, especially among youth, single mothers, senior citizens, and those with only a secondary education or less than a secondary education. Moreover, language barriers hampered the inter-provincial migration of many of these unemployed persons outside of Québec which meant that the PQ government could not export their problems. The introduction of new technology into the economy and the disappearance of standardized
manufacturing jobs demanded that people be well-educated in order to be employable while the aging of the province’s population and new medical technology increased demand for health care. The challenge for the Lévesque government was to meet the growing need for the services of its welfare state and education at time when economic slowdown and recession had decreased its own revenue growth and raised its deficit. Therefore, the PQ attempted to introduce new programs while controlling the costs of public sector wages which created the considerable labour strife of its second mandate.

Several key transformations in Québec’s political economy also influenced the Lévesque government’s ideas. The growth of the generally non-unionized service sector was partially responsible for Lévesque government’s adoption of new and stricter labour legislation. In reaction to the rise of exports to the United States and the aeronautic sector, the PQ began to provide subsidies to the export-orientated areas of the economy. Further, François Rocher sees the PQ’s positive attitude towards free trade as a reflection of the dependency of Québec’s economy on exporting to international markets (particularly the Northeastern United States) and the maturation of Francophone business elites seeking further penetration into American markets. He also notes that PQ was attracted to free trade with the United States because the strengthening of north-south trade would make it easier for Québec to separate from Canada and reduce Québec’s dependency on federal economic policies which were seen by the PQ as inordinately favouring Ontario. Besides these important explanatory factors, it should also be noted that the PQ’s advocacy of free trade was in line the support the Québec independence movement had illustrated for the concept of free trade since the RIN. For both the RIN and the PQ, support for free trade was associated with breaking away from a older,
defensive, and isolationist French Canadian nationalism and the embracing of a Québécois nationalism which was open to the world and emphasized the role that Québec should play on the international scene.

The Lévesque government certainly bowed to the interests of capital in its only partial nationalization of auto insurance, support for free trade, a stock savings plan to lower the tax burden of high income earners and a decrease in the tax on corporate profits. However, McRoberts suggests that the new middle class make-up of the PQ leadership coupled with its financing by its own members and lack of formal affiliation to the labour movement allowed it to be free from control of unions or business and use the state as an institution autonomous from both labour and capital.\textsuperscript{675} Therefore, while seeking the collaboration of all socio-economic agents through corporatist arrangements, the Lévesque government was not scared to implement policies which business or other established interests in Québec society disagreed with. Indeed, actions by the Lévesque government angered feedlot owners and abattoirs over the imposition of a hog marketing board, American film companies over limits on distribution of movies by foreign-owned corporations, the CPR over the Caisse’s request to have representation on their board of directors, General Dynamics over the nationalization of asbestos, urban developers because of agricultural land zoning laws, and doctors due to the imposition of a rule cutting their pay if they did not practice in rural areas. The business community as a whole was displeased with PQ measures such as Bill 101, election financing laws, increases to the minimum wage, labour legislation reforms, and the institution of environmental evaluation of new industrial projects. Thus, like the Saskatchewan traditional social democratic governments that we are examining, the Lévesque
government was willing to stand up to business to enact policies which it felt benefited the province as a whole.

Political Culture

The political culture of Saskatchewan was an important explanatory factor in several of the ideas of CCF-NDP governments in that province. The social democratic strain in Saskatchewan political culture which stressed co-operation and state intervention to provide economic security engendered the CCF-NDP’s commitment to public enterprise, co-operatives, and the use of the state action in agriculture. The entrenched agrarian fear of debt that had been apparent in the social democratic strain of Saskatchewan political culture since Partridge and the No-Party League was responsible for the CCF-NDP’s strict fiscal responsibility under the leadership of Douglas, Lloyd, and Blakeney. The whites-only nationalism and the white-settler construct in Saskatchewan political culture was responsible for the CCF’s integrationist Aboriginal policies and the opposition to settling of land claims both inside and outside the Blakeney government. Moreover, it is apparent that the CCF’s achievement of becoming the natural governing party of Saskatchewan actually worked against its adoption of more progressive policies in terms of women because the party did not want to undermine its grip on power by upsetting social conservative voters.

Over the decades of CCF-NDP dominance in Saskatchewan, these values of the social democratic strain of Saskatchewan’s political culture had become legitimating ideas for the institutions of the Saskatchewan state creating path dependency. Bureaucrats and politicians within CCF-NDP administrations faced considerable political rewards for adhering to these values and backlash for veering away from them. As such, the forces of
path dependency and increasing returns re-enforced traditional social democracy within the era of the Douglas, Lloyd, and Blakeney governments.

However, I do not want to paint the picture that Saskatchewan political culture was completely stagnant from 1944 to 1982. Indeed, the growth of an environmental/peace movement in response to uranium mining was an important stimulus to the environmental protection introduced by the Blakeney government in the 1970s. Similarly, the Saskatchewan Action Committee on the Status of Women (SAC) was founded in 1973 and was a member of National Action Committee on the Status of Women. Several of SAC’s ideas were adopted by the Blakeney government including maternity leave, the Matrimonial Homes Act, the promotion of daycare co-operatives, appointment of more women to government boards, and a unified family court.676

The social democratic strain in the political culture of Québec was an important explanatory factor in several of the Lévesque government’s ideas. The sense of collectivism and social solidarity that the PQ inherited from social Catholic thought encouraged its embrace of corporatism and the expansion of social programs. Economic nationalism was another important idea that the Lévesque government inherited from social Catholic thought and rattrapage thinking. When the PQ took power, the Québec asbestos industry was heavily foreign controlled and exported 97% of the province’s asbestos to be processed outside of Québec.677 Nationalization of asbestos was a way to exert Francophone control over the industry and to ensure local transformation of minerals leading to job creation in Québec. Indeed, the PQ’s pursuit of public ownership was strongly motivated by nationalist considerations as much as considerations of boosting economic growth or promoting equality. Similarly, economic nationalism
motivated the Lévesque government's state intervention in agriculture to promote food self-sufficiency and it's buying of shares in private natural resource companies to promote Francophone control of this sector and to encourage Anglophone-owned companies to hire more Francophones managers.

By the late 1970s and early 1980s, the falling birth rate in Québec began to illicit concern about the demographic survival of Francophones into the 21st century. At the same time there was growing participation by women in the labour force, especially those who were married or in common law partnerships. In response to this situation, the PQ government adopted a natalist discourse, similar to that of social Catholic thought which saw women as reproducers of the Québécois nation, and introduced a number of programs designed to facilitate working women having babies and give benefits to stay-at-home mothers.

In adopting ideas similar to those of social Catholic thought and rattrapage thinking of the 1950s, the PQ was reacting to how the ideas of corporatism, economic nationalism, and natalism had become entrenched in the social democratic strain of the political culture of Québec. Similar to Saskatchewan, these values had come to serve as legitimating ideas for the institutions of the Québec state creating forces of path dependency and the economics of increasing returns. Therefore, in adopting these ideas, political actors in the PQ were both reflective of the social democratic strain of the political culture of their society and were seeking to obtain the political rewards associated with the espousal of long-held ideas and avoid the political costs of breaking with such ideas.
Nonetheless, as the membership and vitality of the women’s movement in Québec grew through the second half of the 1970s, the Lévesque government was intensely lobbied on women’s issues. In particular, the FFQ and women’s committees in Québec’s labour centrals pushed the government hard on demands such as generous maternity leave, universal and free daycare, free and accessible abortion, and the expansion of legal rights for women. However, the women’s movement in Québec lost momentum in the early 1980s as membership in women’s groups decreased and they became more professionalized and their activities were institutionalized into the state apparatus. The decline in strength and militancy of Québec women’s groups may have been partially responsible for slow down of reforms concerning women in the Lévesque government’s second mandate.

The nationalism in the social democratic strain of Québec’s political culture also had an important effect on the PQ’s policies towards aboriginals. Being nationalists themselves, it would have been inconsistent for the Lévesque government to deny Aboriginals their national aspirations. Therefore, for the PQ, both First Nations and the Québécois nation had the right to special status because they had survived despite colonial oppression and attempts at assimilation. This recognition of Aboriginal nationhood led the PQ to support, at least rhetorically, the increased self-governance of First Nations communities.

Institutional Framework

In terms of the institutions of federalism, when the CCF came to power, the general era of prosperity that followed World War II was accompanied by activist federal governments who were keen to give financial support for the expansion of provincial
welfare states. The CCF came into power just as the era of "province-building" financing by the federal government began and a number of Douglas government's initial expansions to social programs were partially financed by rising transfer payments. The above analysis also illustrated that the implementation of Medicare and a modern social assistance scheme by the CCF government near the end of its mandate took place only after the federal government put money into cost-sharing arrangements in these areas.

The delay in creating Medicare and modern social assistance in Saskatchewan illustrates the difficulty of implementing social democratic policies in such a small jurisdiction. Therefore, in many ways, the structures of federalism made social democracy viable in Saskatchewan because of the influx of financial resources from the federal government in the form of increased transfer payments and equalization in the late 1950s. Moreover, unlike some European federations, the division of power in the Canadian federation gives several important economic levers such as control over natural resources and the ability to create public enterprise to the provinces. The 'economic' powers of CCF provincial governments gave it crucial legislative ability to develop social democracy.

On the other hand, the federal government also constitutionally challenged CCF legislation in the area of agriculture and the taxation of mineral rights. Further, the federal government delayed the construction of the Gardiner Dam which was an essential state support for Saskatchewan farmers and the crucial levers of agricultural policy such as railroads, international trade, wheat marketing, and banking were in the hands of the federal government. Thus, in the case of the Douglas/Lloyd governments, the dynamics of federalism acted as a double-edged sword in that they worked to simultaneously
encourage innovation in the area of social programs while placing restrictions on the legislative ability of the CCF government and limiting the capacity of the CCF to intervene in the agricultural economy of the province.

Besides rising transfer payments before 1976, federalism constituted a constraint on the Blakeney government with the federal government's lawsuits over resource taxation, attempts to abandon the Crow Rate, and its monetarist economic policy that the NDP believed prevented economic growth in Western Canada. On the other hand, the federal government's intransigency on these issues forced the Blakeney government toward certain social democratic innovations. Indeed, years later, Blakeney argued that the partial nationalization of Saskatchewan's potash and oil industries was not a product of years of planning but was forced on the government by the actions of the potash companies and the federal government. Likewise, in response to threats to the Crow Rate, the Blakeney government purchased hopper cars which it believed would give it equity in railway companies leading to eventual nationalization of Canadian railways. In a similar vein, the Blakeney government attempted to counter-act the federal government's monetarist fiscal policies, which it thought favoured the Eastern Canadian banks and hurt the Western Canadian economy, with a more Keynesian policy of public investment to create jobs. In these cases, the Blakeney government used arguments of Western alienation to justify the social democratic goals of nationalization and public investment in the economy.

Like the Blakeney government, the constraints that federalism placed upon the Lévesque government encouraged it to adopt certain social democratic ideas. In particular, Simeon and Elkins' concept of competitive state building can be applied to the
Lévesque government to explain its social democratic tendencies. The PQ strongly believed that federalism, particularly Trudeau's centralist version of federalism, impeded social progress through draining the financial resources of the Québec state and not allowing the Québec state to possess the jurisdictional powers it needed to fully develop the Québécois nation. For the PQ, true social democracy could only be created in a single, homogenous jurisdiction. Thus, as much as possible within the limits Canadian federalism, the capacity of the Québec state needed to be built up in order to combat against the constraints put upon the development of the Québécois nation.

Therefore, the social democratic ideas of the PQ were meant to counteract the drive to increased centralization by the Liberal federal government of the 1970s. As such, the PQ built up a number of provincial social programs, gave special deals to Québec's First Nations, expanded provincial supports to agriculture, and aggressively used public enterprise in the area of natural resources. A strong social democratic Québec state would provide a counterbalance to Ottawa's centralization, make a strong Québécois nation that was resistant to assimilation, and give Québécois the confidence in themselves to vote yes in a referendum. Moreover, a strong state could stabilize Québec in the instability of the immediate aftermath of achievement of Québec sovereignty. As such, social democracy was a crucial component to the PQ's rejection of Canadian federalism and social democracy became a necessary pre-condition for the achievement of its project of sovereignty-association.

For the Blakeney and Lévesque governments, Canadian federalism acted as a double-edged sword both promoting and restricting social democratic innovation. The Blakeney and Lévesque governments were able to build new social programs on top of
existing federal programs and profited from rising transfer payments in the early part of their mandates. On the other hand, Trudeau government’s centralization and intrusions into provincial jurisdiction limited the range of activity open to these two governments. Ironically, such actions on the part of the federal government to limit provincial government activity actually backfired as governments in Saskatchewan and Québec built up their states in reaction to these federal offensives.

It is should be further noted that both the Blakeney and Lévesque governments were in competitive state-building races with the federal government which involved competition for voters in their respective provinces. Just as Levesque used Québécois nationalism and anger at the federal government to mobilize his electoral base, Blakeney used Western alienation and the promise to stand up to ‘unjust’ actions by the federal Liberal government to mobilize his voters. This electoral tactic was particularly effective since the main opposition to PQ was the provincial Liberals and the principal opposition to the Saskatchewan NDP until the 1978 election was also the provincial Liberal Party. However, after the Progressive Conservative party became the official opposition and the Liberals lost all of their seats in the provincial Legislature, the Saskatchewan NDP’s indignation at the federal Liberal government was a much less successful electoral tactic. Indeed, the ineffectiveness of the NDP’s strategy of focusing on condemning the federal Liberal government’s was cited as one of the reasons why it lost the 1982 election by some of the managers of the NDP’s campaign.686

As Suzanne Mettler points out, federalism can create uneven policy impacts on citizens depending on their race and gender. While federalism facilitated the adoption of hospitalization insurance, Medicare, and more generous social assistance during the
CCF’s time in power, it also denied benefits of these new social programs to Aboriginals in Saskatchewan because Aboriginals were considered a federal responsibility and therefore not eligible for these new provincial benefits.687 In the Blakeney era, the federal government moved to obstruct and slow down the land claims process in Saskatchewan and the new benefits brought in by the NDP such as free dental care for children and a drug plan were not available on First Nations reserves. While Saskatchewan men enjoyed federal unemployment insurance during the Douglas/Lloyd era, low-income Saskatchewan women were left on inadequate provincial ‘mother allowances’ until 1959. Further, federalism allowed the Blakeney government to intentionally ignore the need for more daycare facilities without the interference of the federal government (if the federal government indeed would have been inclined to build up a public daycare system during this time period). Thus, federalism created the effective denial of full citizenship benefits, promised as a way to promote equality by traditional social democrats, to First Nations and women in Saskatchewan during the Douglas/Lloyd and Blakeney governments.

In Québec, federalism played out in a slightly different way for women and Aboriginals. Renée Dupuis argues that the Lévesque government realized that signing long-term agreements with Aboriginal groups and recognizing them as nations in the provincial legislative framework would make it easier to deal with these groups upon the achievement of Québec’s independence.688 Similarly, the PQ’s moderate women’s policies in the area of daycare, reforms to the civil code, and abortions were intended to enhance Québec women’s attachment to the provincial government and encourage them to see sovereignty-association as promoting the liberation for women. Thus, the competition between federalism and sovereignty was responsible for the Lévesque
government's attempts to expand the citizenship rights of its First Nations and female citizens in order to make its independence project more viable. However, it should be noted that the Lévesque government was constrained in its efforts to improve the legal rights of women because marriage and divorce are in federal jurisdiction and the PQ's land claims negotiations were undermined by the federal government's insistence on the extinguishment of ancestral rights.

Traditional social democratic governments in both Québec and Saskatchewan were aided by the amplified effect of the fragmentation of opposition parties in a first-past-the-post system. The Conservatives and Social Credit combined took 23.5% and 26% of the total vote in the 1956 and 1960 Saskatchewan provincial elections effectively splitting the anti-CCF vote and ensuring CCF large majorities with much less than 50% of the popular vote. Similarly, the Blakeney government benefited from the fragmentation of the opposition vote between the Liberal and Progressive Conservative parties throughout the 1970s. Indeed, the CCF-NDP in Saskatchewan only lost elections when the anti-CCF-NDP vote was able to coalesce behind a single opposition party. While the PQ benefited from nearly 25% of the total vote going towards third parties in 1976, allowing it to win the election with only 41% of the total vote, Québec's party system started to polarize during the 1981 and the 1985 elections with approximately 95% of the total vote being split between the Liberals and the PQ. The polarization of the Québec party system allowed the Liberals to unite the entire anti-PQ vote behind it and topple the Lévesque government after only two mandates.

In Saskatchewan, the Westminster system of government worked against populist measures such as recall and referendum that were a part of early Saskatchewan social
democratic thinking and undermined citizen and party activist participation in the policy-making process. Once it achieved power, the CCF-NDP was pushed towards a cabinet-dominated style of government where decision-making power was concentrated in the executive supported by the bureaucracy. In Québec, the Westminster style of government similarly pushed PQ party activists and citizens into a very subordinate position in the policy-making process despite the 'participationist' discourse of certain elements of the PQ when it was in opposition. In both Québec and Saskatchewan, the Westminster style of government and the weak committee system allowed the marginalization of 'radical' members of the government caucus whether they be too left-wing, too feminist or too pur et dur for the tastes of the Premier. Indeed, the Westminster style of government may have encouraged self-censorship on the part of CCF-NDP and PQ government caucus members due to the demands of party discipline and the desire to get into cabinet.

The drive towards centralization, standardization, and technocracy in traditional social democratic governments hurt these governments' ability to deal with diversity, promote substantive equality, and include women. The ethos in these traditional social democratic governments was that everyone as a citizen must be treated the same but those who differed from the universal male white norm were excluded. In the Québec case, nationalism assisted in the denial of difference since nationalism’s basic response to difference is to repress it and assimilate it through creating national norms and standards. Therefore, in many ways, the Westminster style of government with its top-down power structure re-enforced these sexist and racist tendencies in traditional social democratic governments.

Agency

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Finally, the historical agents involved in the Douglas/Lloyd government adjusted their ideas to fit the economic, social, and political circumstances of the time period. The agency behind the adjustment of the CCF’s ideas was made up of the CCF cabinet, particularly leading ministers such as Douglas, Lloyd, Clarence Fines, and John Brockelbank. The central agencies of the bureaucracy, under the direction of George Cadbury, Tommy Shoyama, and T.H. McLeod, were also the source of adjustments during this period. Lack of female agency may have been partly responsible for the moderate women’s policies of the Douglas/Lloyd and Blakeney governments. The Douglas/Lloyd government only elected three female MLAs, none of whom became cabinet ministers, and the Blakeney elected no female MLAs.

In terms of specific adjustments to ideas, the CCF reneged on its commitment to place natural resources under public ownership instead allowing the private development of natural resources accompanied by high royalties to ensure that the ‘people’ of Saskatchewan received fair return on the exploitation of ‘their’ resources. The CCF sold its manufacturing Crown corporations because these businesses were unprofitable and not attaining their objectives. The Douglas/Lloyd government also held off on the implementation of Medicare and a modern and integrated social assistance program until the federal government came up with cost-shared financing in these areas. The need to receive federal government money may have also tempered the CCF’s pledge to use provincial powers to their fullest in order to move Saskatchewan towards a Co-operative Commonwealth. Rather than aggressively using their full provincial jurisdiction, the CCF government was actually willing to relinquish provincial jurisdiction in the areas of education and labour in return for increased federal transfer payments. Despite the
emphasis on graduated income taxes in Saskatchewan social democracy before 1944, the Douglas government instituted regressive consumption taxes and health premiums in order to pay for advances in Saskatchewan social programs because it did not have control over its corporate or personal income taxes. Notwithstanding such alterations, it should be noted that many of the ideas of the CCF were not altered during its time in government. The CCF’s commitment to advanced labour legislation, a Bill of Rights, fiscal responsibility, criticism of the federal government’s policy on agriculture and support for traditional gender roles remain unchanged between its electoral program of 1944 and the end of its time power.

During the CCF-NDP’s time in opposition from 1964 to 1971, it made a number of adjustments to its ideas such as a prescription drug plan, free dental care program for children, disavowal of an explicitly integrationist approach to Aboriginal policy, property tax reductions, banning corporate and foreign ownership of farmland, a Land Bank, low cost credit for young farmers, public ownership of potash, support for small business, and the elimination of health premiums. These new ideas were the product of a healthy competition between the agents of Left (represented by the Waffle), Right and Center of the NDP during party conventions and the leadership race of 1970 which was won by Blakeney. These adjustments were eventually embodied in the party’s comprehensive 1971 platform entitled New Deal for People which represented the convergence of the shifting and conflicting ideas of the various factions of the party during the CCF-NDP’s time in opposition.

The Blakeney government was remarkably successful in achieving the reforms that were envisioned in a New Deal for People. Indeed, there was not one major
commitment in the platform that was not fulfilled. However, the Blakeney government did have to adjust its ideas during its time in power in order to fit the economic, social, and political circumstances in which it found itself. In response to federal government action on the Crow Rate and resource taxation, the Blakeney government’s rhetoric surrounding Western alienation was much more strident than the tone adopted by the Saskatchewan social democrats since the CCF has ascended to power in 1944. In reaction to the rise of women’s and environmental groups, the Blakeney government adopted some moderate policies in these areas. Moreover, in an attempt to remain electorally viable, the NDP adopted the strategy of progressive tax reductions and flat cuts to personal income tax rates.

Undoubtedly, there were vast differences between the radical social democracy espoused by the PQ before it got to power and moderate social democracy practiced by the Lévesque government once in power. Such differences can be accounted for by the necessary alterations that the agents of the PQ cabinet had to make to the ideology of the party upon being in power for the first time and the political, social, and economic context of high public deficits and economic recession in which the Lévesque government was embedded. Many researchers of the Lévesque government have noted that it moved considerably to the right in its second mandate in power.693 These researchers invariably concentrate on the two economic plans released by the PQ in 1979 and 1982 entitled Bârir le Québec and Le virage technologique.694 However, it would be mistake to depend too heavily on these documents as indicators of a shift in the ideas of the PQ from its first to its second mandate. First, these documents lay out only a vision and a plan and researchers should concentrate on what the Lévesque government actually
did as opposed to what it said it would do. Second, these documents generally just articulate the direction that the PQ government had been heading since Parizeau’s first budget in 1977. There is no suggestion in these documents of privatization of state enterprises, a drastic reduction of state intervention or a rationalization of the welfare state. The real differentiation in the PQ’s ideology takes place between the party’s program in 1975 and its actions once its takes power in 1976.

Nonetheless, I do note a shift to the right during the second mandate of PQ which became particularly strong during its last year of the government. From 1981 to 1984, the PQ froze the minimum wage, introduced few new additions to the provincial welfare state, slowed down reforms of women’s policy and of the labour code, reduced the centralization of public sector collective bargaining, did not pursue proportional representation in the electoral system, was generally less inclined to contradict the desires of the business community, and imposed particularly harsh back to work legislation on the public sector. However, in regard to this last point, it should be noted the PQ did use back to work legislation three times during its first mandate. Actually, it was during the PQ’s last year of power that it particularly moved to the right as evidence by its abolition of succession taxes, decreasing personal income tax rates of high and middle income earners, lowering royalties on natural resources, and the preparation of plans to privatize SAQ outlets and sell off 10% of Hydro-Québec. These moves away from progressive taxation and towards the privatization of public enterprise, many which never came to fruition because the PQ government was defeated, contradict the definition of traditional social democracy contained in Chapter 2 of this dissertation.
On the other hand, my analysis also illustrates that there were numerous continuities between the first and second mandates of the Lévesque government. For instance, the PQ’s attitudes towards corporatism, public investment in the economy, subsidies to business, aid to PMEs and co-operatives, public ownership of natural resources, marketing boards, agricultural income stabilization programs, expenditure restraint, First Nations, and environmental protection remained consistent throughout its first and second mandates. Therefore, the PQ’s move to the right during its second mandate should not be exaggerated. Rather, the Lévesque government should be seen as a traditional social democratic government which made some small moves away from traditional social democracy during its second mandate.

There were three principle reasons for the PQ’s moves to the right and away from traditional social democracy during its second mandate. First, the economic recession of 1982 coupled with a growing deficit and debt pushed the PQ to adopt particularly draconian back-to-work legislation for the public sector and discouraged it from creating new and expensive universal social programs. Indeed, the recession of the early 1980s combined with the growth of neo-conservativism and the emergence of globalization to push other social democratic governments around the world to the right. It is noteworthy to recall that Mitterand’s ‘u-turn’ in France and the move to the right of Labour governments in New Zealand and Australia took place in the early 1980s. Second, as evidenced by the Douglas and Blakeney governments, traditional social democratic governments usually adopt their more sweeping measures during their first term and are always less innovative in later terms, preferring to work at implementing and perfecting their reforms from their first terms. This pattern would partially account for the lack of
reforms to the province’s labour code, welfare state, electoral system, and women’s policy during the PQ’s second mandate.

Finally, there were changes in the PQ cabinet resulting from the election of more small city PQ MNAs and less PQ MNAs from the working class areas of Montreal in the 1981 election. These small city PQ MNAs had ideas closer to the UN and RN nationalist tradition and were added to the conservatives already in PQ cabinet to form a stronger right-wing minority in the PQ cabinet than existed during the Lévesque government’s first mandate. In fact, a former UN MNA and the UN leader from 1976 to 1980 were elected under the PQ banner in 1981 and were appointed to cabinet immediately following the election.

This right-wing minority was then able to take over after the 1984 crisis concerning the ‘beau risque’ which saw a number of more social democratic PQ ministers, such as Denis Lazure and Camille Laurin, resign over Lévesque’s plans to give up the quest for sovereignty in favour of constitutional negotiations with the Mulroney government. In his recent autobiography, Lazure even claims that the reason that he resigned was both over Lévesque’s position on sovereignty and because of a lack of commitment on the part of cabinet after the 1981 election to follow the social democratic principles of the PQ’s program. Further, the letter that preceded the resignation of these ministers and MNAs over Lévesque’s constitutional strategy re-iterated the original argument of the MSA that the independence of Québec was necessary in order to give the Québec state the powers it needed to achieve social democratic goals such as social justice, full employment, economic growth, and a more equal distribution of wealth.
Besides a confluence of an increase in the number of working women and pressure from women's movement during the PQ's time in power, increased representation of women in PQ party structures and the Lévesque government also stimulated the adoption of the women's policies discussed above. While the RIN and the PQ during its time in opposition adopted stances promoted a greater equality between men and women and contained a large number of women activists, neither organization had created a women's section. At the 1977 PQ national convention, the Comité national de la condition féminine (CNCF). At the same convention that the CNCF was created, resolutions were passed in favour of increased subsidies to daycare and paid maternity leave. Against the desires of Lévesque and several in the PQ cabinet, a resolution was also passed in favour of free and accessible abortions. After this controversy, the CNCF concentrated more on improving the position of women in the party than on policy questions. However, the CNCF and most activists in the PQ rejected the notion of having mandatory gender parity or quotas for women in the internal structures of the party. Instead, the CNCF decided to act as a support network to ensure that women ran as PQ candidates in elections and ascended to positions of power in the party. Indeed, the CNCF appears to have been successful since there was a dramatic increase in the percentage of women who were PQ candidates, riding presidents, convention delegates, regional presidents, and members of the national executive during the Lévesque government's time in power.

The Lévesque government had much better representation of women in its structures than previous governments. The Union Nationale never elected a female MNA nor had a female cabinet minister. During the Lesage and Bourassa governments, there
was only one woman in the Legislature and that woman, who was always a Liberal MNA, was also appointed as a cabinet minister. The Lévesque government elected four women during its first mandate and five women during its second mandate. Moreover, it had appointed three women to cabinet by the end of its first mandate and four women were part of the cabinet throughout its second mandate. Upon being named Secretary of Staté for the Status of Women in 1979, Lise Payette gained membership on the most powerful cabinet committees which allowed her to more effectively push for progress on women’s issues. Payette also put in place a network of female bureaucrats in each ministry to be responsible for the advancement of women and also created the Secrétariat à la condition féminine to co-ordinate the government’s women’s policy. Further, in order to increase the number of female bureaucrats, an affirmative action program was created in 1981 to increase number of women hired in the provincial civil service. Increased female presence in the PQ government’s cabinet, caucus, and bureaucracy undoubtedly was an important influence in the moderate progress made on women’s issues during Lévesque’s time in power.

Conclusion

The theoretical significance of this chapter is that it has shown how the political economies, political cultures, political agents, and institutional frameworks of Saskatchewan and Québec shaped the ideas of traditional social democratic governments in these two provinces. The level of economic growth, ideas embedded with political culture, the structural power of capital, federalism, the first-past-the-post electoral system, the Westminster style of government and the activity of historical agents were all found to play a role in the similar evolution of the ideas of these traditional social
democratic governments. The next chapter compares the ideas of traditional and third way social democratic governments in Saskatchewan and Québec and will seek to explain the reasons for similarities and differences in the ideas of these two types of social democracy.
Chapter 5: Third Way Social Democracy in Saskatchewan and Québec

The 1990s saw an important shift in the ideas of social democratic parties around the world to what has been frequently described as the ‘third way’. While some hailed this shift as imperative to the electoral success of social democratic parties after the failures of the 1980s and the accomplishment of real improvement in the lives of ordinary citizens, others regarded the third way as thinly disguised neo-liberalism which betrayed traditional social democratic goals of equality and social justice.706 This chapter describes how the shift from traditional to third way social democracy in the PQ and the Saskatchewan NDP produced a very similar set of ideas. Further, this chapter maps out how the transformation from traditional to third way social democracy in these two provinces should be explained using similar explanations related to their political economy, political cultures, institutional frameworks, and political agents during the 1990s.

The chapter begins by examining the ideas of the third way social democratic governments of the Saskatchewan NDP under the leadership of Roy Romanow from 1991 to 1999 and the PQ government under the leadership of Jacques Parizeau, Lucien Bouchard, and Bernard Landry from 1994 to 2003. The ideas of these third way governments are analyzed using the same two general themes examined in the previous chapter. It is illustrated that, while there are numerous differences in the ideas of third way and traditional social democratic governments, there are also several continuities between the ideas of these two types of social democratic governments.

The chapter ends by arguing that the transformation from traditional to third way social democracy in both Québec and Saskatchewan can be primarily explained in
reference to three important factors. First, the advent of globalization led to increased exports and imports in the Saskatchewan and Québec economy and free trade agreements restricted the expansion of public ownership during the 1990s. Once the expansion of public ownership was no longer an option due to free trade agreements, third way social democratic governments in Québec and Saskatchewan really had little choice but to emphasize external private investment to stimulate export-led economic growth. Further, the existence of a massive deficit from previous governments severely limited these third way governments’ ability to implement traditional social democratic policies of public investment to stimulate economic growth or expansion the provincial welfare state.

Second, the institutions of Canadian federalism also worked to re-enforce the Saskatchewan NDP’s and the PQ’s drift to the third way. Unilateral decisions by Ottawa to cut transfer payments when these third way governments were already facing a fiscal crisis forced them to rationalize their social programs and not pursue expensive state intervention in the economy. Finally, it was the agency of the Right wing of the Saskatchewan NDP and the Right-wing and social democratic factions of the PQ who formulated the third way ideas that they thought fit with the economic, political, and social circumstances of Saskatchewan and Québec during the 1990s.

The chapter ends by illustrating that it was the social democratic strain in the political cultures of Québec and Saskatchewan that was responsible for the continuities between the third way and traditional social democracy. In Saskatchewan, the Romanow government’s decisions to keep Crowns public, preserve universal Medicare without premiums, and use consumption tax increases to pay down the deficit had their roots in the social democratic strain of Saskatchewan’s political culture which stressed co-
operation and state intervention to provide economic security. In Québec, the sense of collectivism and social solidarity in the social democratic strain of the province’s political culture was a decisive factor in the PQ’s decisions to increase business and consumption taxes to pay off the deficit and the government’s initiatives to combat poverty, support of the social economy, introduce $5 a day daycare, maintain a tuition freeze, and expand corporatist arrangements.

State Intervention in the Economy and Third Way Social Democratic Governments in Québec and Saskatchewan

As opposed to traditional social democratic governments, third way governments in Saskatchewan and Québec envisioned a much more limited role for the state in the provincial economy as the creator of an environment conducive to attracting private investment and stimulating export-led growth. As such, the goal of these third way governments was to maintain the existing mixture of private, public, and co-operative ownership in the provincial economy and to use the state as a mechanism to improve the competitiveness of the province compared to rival jurisdictions. In third way thinking, the state was to play only a supplementary role to the free market economy in order to ensure that it created wealth and employment for all citizens of the province.
Table 5.1: State Invention in the Economy in Third Way Governments

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<tbody>
<tr>
<td><strong>Job Creation</strong></td>
<td>Targeted tax incentives, deregulation, skills training, commercialization of university research</td>
<td>Targeted tax incentives, deregulation, skills training, commercialization of university research</td>
</tr>
<tr>
<td><strong>Public Corporations</strong></td>
<td>Maintain existing public corporation, minimal privatization, commercialization and operation in foreign markets</td>
<td>Maintain existing public corporation, minimal privatization, commercialization and operation in foreign markets</td>
</tr>
<tr>
<td><strong>Natural Resources</strong></td>
<td>Private development and decreased royalties</td>
<td>Private development, subsidies to mining and forestry sectors and raised royalties in forestry sector</td>
</tr>
<tr>
<td><strong>Small Business</strong></td>
<td>Extensive financial and technical assistance</td>
<td>Extensive financial and technical assistance</td>
</tr>
<tr>
<td><strong>Co-operatives</strong></td>
<td>Limited technical assistance</td>
<td>Support for social economy and a plan for the subsidization of co-operatives</td>
</tr>
<tr>
<td><strong>Corporatism</strong></td>
<td>A single and small corporatist committee</td>
<td>Extensive neo-corporatist networks created</td>
</tr>
<tr>
<td><strong>Free Trade</strong></td>
<td>Supported free trade agreements but expressed the view that these agreements should embody both social and economic objectives</td>
<td>Supported free trade agreements but expressed the view that these agreements should embody both social and economic objectives</td>
</tr>
<tr>
<td><strong>Agriculture</strong></td>
<td>Mitigated support for marketing boards, security of tenure, crop diversification and value-added processing of agricultural products</td>
<td>Support for marketing boards, income stabilization, crop insurance, agricultural credit and supply management</td>
</tr>
<tr>
<td><strong>Labour</strong></td>
<td>Consensus on labour code reform between unions and employers and legislation of public sector workers back to work</td>
<td>Consensus on labour code reform between unions and employers and legislation of public sector workers back to work</td>
</tr>
<tr>
<td><strong>Environment</strong></td>
<td>Balance of economic and environmental objectives</td>
<td>Balance of economic and environmental objectives and the use of moratoriums</td>
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*Job Creation*

Rather than using public investment to create jobs and stimulate economic growth like previous CCF-NDP governments in Saskatchewan, the Romanow government strove to make Saskatchewan’s investment climate more competitive in order to attract the external private investment necessary to fuel job creation. The NDP introduced a number of initiatives to meet its goal of making Saskatchewan’s investment climate more competitive and attract investment. Instead of grants to business, the government implemented several “targeted business tax cuts” such as the tax credits for the capital purchases of manufacturers, the film industry, and research and development activities as well as the removal of the PST on direct agents used in manufacturing, aviation fuel,
mining equipment, and 1-800 telephone lines.\textsuperscript{707} The government reduced the "regulatory burden" on business through streamlining licensing procedures, condensing the procedures to start a new business, and placing a sunset clause which eliminated all business regulation after 10 years unless it had been reviewed and restored in advance by cabinet.\textsuperscript{708} The government moved to create a skilled workforce through the JobStart/Future Skills program which provided a subsidy for employers to train people for new jobs, subsidization of post-secondary graduates' wages for first two years in targeted companies in growth areas of the economy, quick response training to meet immediate industry needs, and funding for human resource planning for specific sectors. The government also introduced the Research and Technology Commercialization Strategy and Action Plan and increased funding to the Saskatchewan Research Council to promote the development of the province's hi-tech industries and to build strategic partnerships between universities and the province's businesses.\textsuperscript{709}

The PQ government of the 1990s' primary idea in the area of economic policy was the maintenance and renewal of the 'Québec model' in an era of free trade and increased global competition. The term Québec model emerged in the 1990s to denote that Québec had an economic model which had been built up since the Quiet Revolution that was significantly different from the rest of North America in that it promoted state intervention in the economy.\textsuperscript{710} The PQ government strongly defended the Québec model in the face of attacks on it by the Liberals, the ADQ and the Québec business community who claimed that Québec needed to move away from the Québec model in order to prosper and compete in the global economy.\textsuperscript{711} Conversely, far being a drag on competitiveness, the PQ argued that the Québec model could be used to enhance the
competitiveness of the Québec economy in the era of globalization and that it constituted an important part of the Québécois identity.\textsuperscript{712}

As such, the PQ stated that it would not follow the “mode néo-libéral” which wanted to reduce the state’s capacity to act.\textsuperscript{713} Instead, the Landry was clear that “notre gouvernement croit encore à l’action collective dans le développement économique et social [our government still believes in collective action in economic and social development]”.\textsuperscript{714} Whereas previous Québec provincial governments had relied heavily on direct loans and grants to subsidize business, the PQ made extensive use of tax credits, loan guarantees, and technical aid to promote emerging sectors.\textsuperscript{715} Tax credits were preferable to grants because they got government out of the business of picking individual winners and losers and loan guarantees were less expensive than direct loans and allowed the government to share risk with private financial institutions. On top of providing tax breaks and technical aid to business, the PQ government also created the Secrétariat à la déréglementation to reduce regulation and ‘red tape’. In the area of commercialization of university research, the PQ created Innovation Québec which was a fund to “develop and maintain a scientific research base of international calibre” through financing the training of scientific workers and research partnerships between government, business, and universities. Finally, the PQ government also used extensive state intervention in the area of skills training. The PQ’s boldest move in this area was the imposition of a 1% payroll tax on all business with payrolls over $250,000 which was met with intense resistance from the business community. The proceeds of this tax were placed into a skills training fund but businesses were could claim exemption from the tax in the measure that they invest themselves in skills training.
Public Corporations

The Romanow government did not attempt to go back to the Blakeney era by re-nationalizing the province's resource extraction Crown Corporations that had been sold off by the Progressive Conservative government during the 1980s. Indeed, the Romanow government completed the privatization of these natural resource Crown Corporations by selling off the government's remaining shares in these companies at a considerable profit which it used to pay down the deficit. As such, the total assets of Saskatchewan Crown Corporations declined during Romanow's time in power from 48% of the provincial GDP in 1991 to 24% in 2000. Instead of investing in resource extraction, the Romanow government saw Crown Corporations' sole objective to be the provision of affordable services for Saskatchewan residents through public utility monopolies.

At the beginning of its second term, the government undertook a major review of the province's Crown Corporations resulting in a report entitled Saskatchewan's Crown Corporations: A New Era. A New Era concluded that the province's four major Crown utilities (electricity, car insurance, telephone, and natural gas distribution) should remain publicly owned because they were financially viable, guaranteed head offices in the province, ensured reasonable utility rates, provided a return on public investment in the form of dividends, and advanced social and economic objectives such as stabilizing the provincial workforce. A separate report found that the government-owned bus company was not financially viable but the NDP decided to continue its operation through the use of annual subsidies because of its provision of routes to rural areas that would not be served by a private company.
However, *New Era* recommended that, while remaining publicly owned, Crown Corporations should be structured more like private sector businesses in order to be responsive to shifting market conditions and succeed in an era of increased competition and deregulation. Following the suggestions of the report, the government allowed the human resources policies of the Crown utilities to deviate from those of the rest of the public sector and removed ministers from the boards of Crown utilities to reduce the perception of political interference and increase the corporation’s ability to react quickly to market forces. In the consultations leading up to the publication of *A New Era* there were suggestions that the government limit the cross-subsidization of utility rates whereby higher commercial rates were used to create lower residential rates.\textsuperscript{718} While the final report sidestepped the issue of cross subsidization and the limiting of cross-subsidization never became official government policy, all Crown utilities did reduce cross subsidization in the late 1990s.\textsuperscript{719}

The largest change made to Saskatchewan Crown Corporations in the Romanow era was that Crown Corporations began to provide goods and services outside of the province and outside of Canada. The NDP felt that the Saskatchewan market was too small to permit the growth of Crown Corporations which was needed to adequately respond to increased competition and that the expansion of Crown Corporations outside of the domestic market would create jobs in the province.\textsuperscript{720} This new policy led to such projects as Sasktel’s involvement in providing telecommunications for the ‘Chunnel’ between Great Britain and France as well as providing internet service in Chicago and Columbus. The NDP felt that, through such projects, the province’s public enterprises
could take advantage of the opportunities provided by the opening of markets in an era of globalization.\textsuperscript{721}

An important component of the Québec economic model was the maintenance of public enterprise. While the Liberals had privatized a number of government-owned corporations during the 1980s and early 1990s, the PQ did not privatize any active public corporations.\textsuperscript{722} However, it should be noted that the PQ government had the opportunity to undo four privatizations that had taken place late in the mandate of the previous Liberal administration but it decided against following this course of action due to the costs associated with breaking contracts that had already been signed.\textsuperscript{723} Further, the PQ government of the 1990s did not expand public enterprise like the Lévesque government had done. In fact, the total assets of the public corporations owned by the Québec government fell from 46\% of the provincial GDP in 1994 to 34\% in 2003.\textsuperscript{724}

Like the Romanow government, the PQ in the 1990s felt that Québec’s public corporations had to be renewed in order to face the new challenges of globalization. The PQ privileged two means towards such a renewal: commercialization and the use partnerships between the private sector and public corporations to increase competitiveness and stimulate economic growth. One of the most important moves of the PQ government in the area of public enterprise was to merge its publicly-owned mining, oil and gas, food processing, and forestry companies (SOQUEM, SOQUIP, SOQUIA and REXFOR) into the Société générale de financement (SGF). This ‘super SGF’ aggressively pursued several joint ventures with private companies in the forestry, food processing, mining, pharmaceutical, and hi-tech sectors.
The PQ further created three more publicly-owned Innovatech corporations in the regions of Québec. These companies, which invested risk capital to private companies in the high-tech sector, were in addition to the Innovatech corporation that had been set up by the Liberals in Montreal in 1992. The rationale behind the encouragement of joint-ventures between public corporations and the private sector was that it was a way to attract international investment to Québec in era when free trade agreements discouraged direct subsidies. The PQ argued that by offering the stability of publicly-owned business partner who could share risk, public enterprise could be used as a mechanism to bring more foreign private investment into Québec.\footnote{725}

The PQ government also encouraged the commercialization of public enterprise during its time in office. The idea behind commercialization was that it would improve profitability through allowing Québec’s public enterprises to respond to rapid changes in market conditions and the deregulation of operating environments. Loto-Québec and the SAQ modernized their operations to respond better to consumer demand and employ better marketing techniques.\footnote{726} Hydro-Québec’s commercialization took many forms: the ceasing of programs promoting energy efficiency due to the company’s surplus of electricity, no longer selling electricity to businesses at below cost (a practice which had been challenged under NAFTA), stricter enforcement of service interruptions because of late payments, demanding the social insurance number of clients who it deemed were apt not to pay, and reducing public information concerning its operations.\footnote{727} In reaction to the deregulation of the American electricity market, the PQ government deregulated the Québec electricity market so that Hydro-Québec would be given reciprocal access to newly opened American markets.\footnote{728} Hydro-Québec’s commercialization was financially
beneficial to the government as it contributed to rising profits which allowed the public corporation to increase the annual dividends that it paid to the government.

A final component of the commercialization of Québec public corporations was the expansion of their operations into other countries in order to take advantage of markets opened by globalization. For instance, Loto-Québec became active in the Chinese market, the SGF began efforts to expand its operations overseas, and Hydro-Québec developed numerous projects in such places Australia, Peru, Western Canada, and the United States. In particular, instead of being a tool to achieve the economic nationalist goal of increasing Francophone ownership of the Québec economy, the Caisse de dépôt concentrated on getting the greatest return through investing businesses around the world.

Natural Resources

In contrast to the Douglas/Lloyd and Blakeney governments, the Romanow government’s central idea in terms of natural resources was to lower royalties which would increase production leading to higher revenues for the government and job creation. The NDP’s Minister of Energy and Mines argued that “lower royalties will encourage increased activity with more capital expenditures, more drilling, and increased land sales. The government expects the revenue raised from this increased activity will more than offset the effect of lower royalty rates”.$^{729}$ Further, the Minister argued that low royalty rates “improved our competitiveness with other jurisdictions” to ensure that resource companies shift production to Saskatchewan which would create new jobs and produce positive economic spin-off effects.$^{730}$

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One of the PQ government's first moves in the area of forestry was to increase stumpage fees by 30% in order to generate revenue to eliminate its deficit.\footnote{731} Stumpage fees were further increased several times over the PQ's mandate, albeit in much smaller increments than this first increase.\footnote{732} However, these augmentations in stumpage fees were partially offset by numerous programs of subsidies towards sawmill modernization, reforestation, increased forestry research, new sylvicultural techniques, and the promotion of Québec wood products in foreign markets.\footnote{733} It should also be noted that the PQ government also continued a program which allowed forestry companies to receive a 40% rebate on their stumpage fees if they performed reforestation. Similar to its treatment of the forestry industry, the PQ government created a program of financial aid to companies in mining industry to aid them to start up exploitation of their mineral discoveries and provided various subsidies towards several new mining projects.

\textit{Small Business}

Like the Blakeney government, the Romanow government was a strong supporter of small business which it referred to as "our number one source of new jobs."\footnote{734} In spite of its large deficit, the NDP government reduced the small business corporate income tax rate in its first budget and lower the rate several more times during its time in power.\footnote{735} In its second term, the NDP doubled funding to the Small Business Loans Association Program to provide better access to start-up and operating capital for small businesses.\footnote{736} The Romanow government also emphasized economic development at the community level. The NDP created Regional Economic Development Authorities (REDAs) which brought together a wide array of local stakeholders to promote community economic development in a certain geographical area.\footnote{737} These REDAs initiated a variety of
activities intended to aid local small businesses and grow the local economy such as business counselling, job training programs, one-stop business service centres, feasibility studies, youth employment initiatives, and building local tourism infrastructure. Similarly, the PQ government of the 1990s also enacted several policies to aid PMEs. In particular, the PQ directed loans guarantees and tax credits to PMEs whom it claimed were the “principes créatrices d’emploi [principal creators of jobs].”\textsuperscript{738} Starting in 1995, the Plan Paillé provided loan guarantees of up to $50,000 for small business that were starting up or in their early stages.\textsuperscript{739} The government later instituted a five year holiday on all taxes for new PMEs and reduced payroll taxes for all PMEs.

Co-operatives

Like the Douglas and Blakeney governments, the Romanow NDP was supportive of co-operatives but took few steps to make the sector grow. The Romanow government did not bring back the Department of Co-operatives that had been abolished by the Conservatives. Instead, the Department of Economic Development was re-named the Department of Economic and Co-operative Development and contained an expanded Co-operatives directorate offering technical aid to co-operatives.\textsuperscript{740} The most innovative action of the Romanow government in the area of co-operatives was the passing of the New Generation Co-operatives Act which created a legal framework for a new type of agricultural co-operative which required a higher level of equity investment from its members and allowed investment from non-members while retaining the principle of one member, one vote.\textsuperscript{741}
An innovative idea of PQ government in the 1990s, which was not mirrored by any other of the social democratic governments that we are examining, was the promotion of the ‘social economy’. The French term “économie sociale [social economy]” is most closely related to the English term ‘third sector’ in that it denotes the economy centred on not-for-profit organizations and co-operatives which provide a wide variety of goods and services in sectors such as daycare, home care, culture, agriculture, community media, housing, social services, funeral services, education, tourism, and recycling. To promote the social economy, the PQ government created a risk capital fund for social economy enterprises, a loan program for social economy organizations, and a ministerial committee devoted to the social economy. By the end of its time in power, the PQ government was annually spending over $1 billion or 2.7% of its annual budget on the social economy of which 95% of went to support co-operatives or non-for-profit organizations which provided daycare, homecare, support to insert the unemployed into the labour market, work placement for the mentally and physically challenged and services for expecting mothers. The result of the PQ’s initiatives in the area of the social economy was a dense network of institutions and funding to support the creation and maintenance of social economy enterprises which would contribute jobs to the Québec economy while fulfilling unmet needs.

Besides support for the social economy, the PQ government did little that was innovative in the area of government programs concerning co-operatives during its first mandate. Near the end of its time in power, the PQ did develop an ambitious strategy entitled Politique de développement des cooperatives which involved adopting modifications to provincial laws concerning co-operatives, creating capitalization funds,
improving technical aid to co-operatives, and enhancing partnerships between the
government and co-operatives.\textsuperscript{744} The PQ Minister of Finance insisted that “formule
démocratique, solidaire et équitable [democratic, solidaristic, and equitable formula]” of
the co-operative movement improved the cohesion of Québec society and constituted an
important source of economic development.\textsuperscript{745} The 2003-2004 budget, which was
presented by the PQ government but never adopted due to the provincial election,
devoted $20 million over three years to implement this strategy.\textsuperscript{746}

\textit{Corporatism}

An important component of the Québec economic model emphasized by the PQ
was the idea of corporatist summits which it had inherited directly from the Lévesque
government. Besides two large socio-economic summits in 1996, the PQ government
also held a number of smaller summits in sectors such as agriculture, book publishing,
fishing, education, youth, and the French language. However, as opposed to the
traditional tripartite corporatism of the Lévesque era (state-employer-union), the PQ of
the 1990s implemented a neo-corporatist approach in which many groups outside of the
three traditional corporatist actors were invited to participate such youth groups,
environmentalists, seniors groups, First Nations, independent entrepreneurs and various
NGOs.\textsuperscript{747} The PQ’s believed that a neo-corporatist national consensus could engender
collective measures designed to keep Québec’s economy competitive and “permettre à
chacun de profiter des bénéfices de la mondialisation en minimisant les inconvénients de
ces bouleversements que échappent à notre contrôle [permit each person to profit from
the benefits of globalization while minimizing the inconveniences of its destabilizing
effects which escape our control].”\textsuperscript{748}
Similar to the PQ, the Romanow government argued that co-operation among government, business, the labour movement, and other groups was necessary to create an attractive climate for private investment originating both inside and outside of the province. In order to realize such a climate, the government created a corporatist type structure called PACE (Provincial Action Committee on the Economy) “with membership from business, co-operatives, labour, communities, and government.” However, while PACE played an important role in adding legitimacy to the ideas of the Romanow government, it was a purely advisory body that met infrequently and therefore it represented a very superficial corporatism compared to Québec or European countries.

Free Trade

While the federal NDP and the province’s labour movement were strongly opposed to NAFTA and the MAI, the Saskatchewan NDP government was more nuanced and less strident in its opposition to these free trade agreements. In the case of NAFTA, the Saskatchewan NDP government expressed concerns over the deal’s potential negative effects on the Canadian Wheat Board and grain subsidies as well as arguing that provinces should be involved in the negotiation surrounding such international trade agreements. The NDP government initially refused to take a position on the MAI. However, in response to pressure from within the NDP and citizen groups, the Romanow government eventually declared that health, education, culture, and social programs should be exempt from the agreement and that governments should be insulated from court challenges from foreign investors seeking to overturn policies which adversely
affect their profit margins. Overall, the Romanow government consistently supported free trade agreements but expressed the view that these agreements should embody both social and economic objectives. Like the agreements surrounding the establishment of the European Economic Community, the NDP wanted trade agreements which facilitated trade while strengthening labour standards, environmental laws, and social programs to ensure that countries would not embark on a “race to the bottom” in order to attract investment. As such, Romanow stated that his government’s support for trade agreements would be contingent upon a “levelling up” of basic rights to achieve a decent standard of living for all citizens in the jurisdictions involved in the agreement.

Throughout its mandate, the PQ portrayed globalization as “incontestably an opportunity that Québec must seize.” The PQ insisted that falling trade barriers and the globalization of markets brought prosperity to Québec as it was able to export its products around the world. PQ leaders stressed that free trade created an optimal and efficient allocation of global goods and services by allowing each country to export what it made or did best and import what others made or did best. Similar to the Lévesque government, the PQ also felt that free trade weakened Québec’s linkages to English Canada which would facilitate the transition to sovereignty. Moreover, the PQ argued that the growth of supranational institutions which made important decisions affecting Québec’s well-being necessitated that Québec be a member in full standing in these organizations as a sovereign country to control its own destiny. Thus, globalization became a powerful argument in favour of sovereignty.
However, the PQ government did have concerns over specific international free trade agreements. Its position could be characterized by the French term “altermondialist” which denotes support for international economic integration and free trade in the context of respect for social concerns and democratic processes. In 1998, the PQ government announced that it would oppose the MAI if it did not respect provincial jurisdiction and did not contain exemptions concerning culture, the environment, and social programs. Prior to the Summit of the Americas in Québec City where thousands protested against the Free Trade Agreement of the Americas (FTAA), the PQ affirmed its support of free trade but insisted that international trade negotiations should be more transparent and stated that it would oppose all free trade agreements which have stipulations similar to Chapter 11 of NAFTA and did not exempt the areas of culture, health, social services, the environment, and education. The PQ also tried to head off the liberalization of culture industries envisioned by the WTO through suggesting the adoption of a “Kyoto de la culture” at the Francophonie which would protect the right of states to support their cultural industries using subsidies and quotas. Finally, the PQ government passed a law to give the National Assembly the power to approve or veto all international treaties and trade agreements which effected provincial jurisdiction. The law was intended to bring greater democracy to the process of ratifying and debating international trade agreements but the federal government refused to recognize its validity.

Agriculture

Where the Romanow government most differed from previous CCF-NDP governments was in its emphasis on diversification and the importance of adding value to Saskatchewan’s raw agricultural products before they were exported to emerging markets.
in Asia and India. The NDP created the Agri-Food Equity Fund which invested in small projects which processed Saskatchewan’s crops. The government also provided grants to construct a canola crushing plant and attract several meat-packing plants to the province. The NDP’s desire to create value-added processing of agricultural products even led to its abandonment of Saskatchewan social democracy’s long-standing commitment to marketing boards. The NDP eliminated Saskatchewan Pork International’s (SPI) monopoly over the marketing of hogs in Saskatchewan in order to attract new packing plants and large hog barns that would otherwise be inclined to locate in Alberta and Manitoba in order to operate in a non-marketing board environment. On the other hand, the Romanow government strongly supported the continuation of single desk marketing for wheat and barley through the Canadian Wheat Board.

The primary idea of the PQ government in the area of agriculture was the maintenance of what Grace Skogstad calls the “four pillars” of the Québec agriculture model: income stabilization, crop insurance, agricultural credit, and supply management to which I would also add a fifth and a sixth pillar marketing boards and neocorporatism. The PQ government lobbied the federal government to protect the supply-managed sectors of Québec agriculture during international trade negotiations, American challenges under NAFTA and the WTO panels, and in the face of pressure from other Canadian economic sectors to sacrifice high agricultural tariffs in order to make gains in market access in other areas. Along with the Union des producteurs agricoles (UPA), the PQ government supported the creation of marketing boards in the niche sectors such as sheep, wapitis, goats, rabbits, strawberries, and raspberries.
In the effort to reduce its deficit, the PQ government initially reduced funding to agriculture. However, once the deficit was eliminated, the PQ created the La Financière agricole du Québec (FADQ) which merged provincial income stabilization, crop insurance, and agricultural credit programs under the control of a single institution. The idea of the FADQ came out of a summit on agriculture held in March of 1998 and its origins were reflected in its neo-corporatist structure. Of the eleven members of the boards of directors of the FADQ, five were selected by the UPA and remaining six, including the President, were selected by the government. At the same time as it created the FADQ, the PQ also substantially increased funding for income stabilization, crop insurance, and agricultural credit in order to bring it back up to early 1990s levels.

With the elimination of the federal dairy subsidy, reductions in other federal farm income support programs, and the transferring of the Canadian Agricultural Income Stabilization program to the FADQ, the provincial Québec government’s portion of direct payments to farmers compared to the federal government’s portion had increased from 60% in 1994 to 93% 2002. As such, during the 1990s, both the PQ and the UPA called for agriculture to be transferred to provincial jurisdiction because they felt that federal agricultural policies favoured Western Canadian farmers and that there was unnecessary duplication between federal and provincial programs. Clearly, the PQ government’s moves in the area of income support to farmers were designed not only to backfill the federal government’s reductions in farm income support but to give Québec a larger part of the agriculture jurisdiction in the face of Ottawa’s voluntary abandonment. Therefore, the PQ government was able to achieve in practice what it could not achieve in the constitutional arena.
In summary, the PQ strongly defended what it referred to as “modèle agricole québécois [Québec agricultural model]” which valorized neo-corporatism and emphasized state intervention in the agricultural economy through marketing boards, supply management, and substantial and direct financial support from the state to farmers. However, the PQ government did make some changes to this model compared to the Lévesque government. The PQ government of the 1990s dropped the Lévesque government’s economic nationalist idea of attaining agricultural self-sufficiency in favour of emphasizing export opportunities created by free trade. As such, in order to achieve the objective of doubling agricultural exportations by 2005 which was set at the 1998 agricultural summit, the PQ set up export development fund aimed mostly at the hog, oilseed, fruit, and vegetable sectors.

Labour

Instead of imposing changes to labour legislation on the province’s business community without consultation as traditional social democratic governments had done, third way governments attempted to cultivate a consensus between workers and employers to keep the province’s investment climate competitive. After consultations with employers and unions, the Romanow government raised the minimum wage from $5.00 to $5.35 in 1992 and made substantial changes to occupational health and safety standards in 1993. These changes included giving occupational health and safety officers the power to search and seize without warrant, stiffer penalties for violations, expanding health and safety committees into certain workplaces with 4 to 9 workers, new provisions...
dealing with violence and harassment, and better health and safety programs for workers in high risk industries.\textsuperscript{773}

However, the province’s labour movement was much less enamoured with the Romanow government’s revision to the Trade Union Act and Labour Standards Act. From 1991 to 1993, the government struck two ministerial committees in an unsuccessful effort to build a consensus between the unions and employers concerning revisions to the province’s labour legislation. In 1994, the NDP government gained union support for its labour legislation when it introduced amendments that would prohibit replacement workers during strikes and pro-rate full-time medical and leave benefits for part-time workers.\textsuperscript{774} However, unions were infuriated when the government eliminated these amendments before the bills were passed due to pressure from the business community.\textsuperscript{775} Bob Lyons, the NDP’s most left-leaning MLA, left the caucus to sit as an independent to protest the government’s reversal. After the bill was passed, the Romanow government appointed a joint commission with equal representation from business and unions to search for improvements to the law. Perhaps unsurprisingly, the commission was unable to reach an agreement and told the government that it would have to make a decision. Ultimately, the NDP government passed another law requiring that companies with at least ten employees to pay pro-rated full time benefits to their part-time employees with more than six months of experience who worked at least 15 hours a week.\textsuperscript{776} The government also improved provisions around notice for scheduling changes for part-time workers, ensured greater protection against dismissal due to injury or illness, and guaranteed a minimum eight-hour rest period in 24 hours and 30-minute unpaid meal breaks.\textsuperscript{777}
In its second term, the Romanow created the Minimum Wage Board made up of labour and business representatives to review the minimum wage every two years and make a recommendation to the Minister of Labour. Based on the recommendations of the Minimum Wage Board, the NDP government made two increases to the province’s minimum wage in its second term bringing it from $5.35 to $6.00 per hour. However, this increase left Saskatchewan with only the fourth highest minimum in the country.\(^7\)\(^7\)\(^8\) Finally, the Romanow government followed the example of the Blakeney government and legislated both Saskpower workers and nurses back to work because their strikes could endanger public safety.\(^7\)\(^9\)

In a bid to attract union support for the 1995 referendum, the new PQ government cancelled the Liberals’ reduction of employers’ contributions to workers’ compensation, passed stricter worker safety standards concerning dangerous chemicals, made Easter Sunday a statutory holiday, abolished the Liberals’ Bill 142 concerning the deregulation of the residential construction industry, and raised minimum wage by 45 cents an hour.\(^7\)\(^8\)\(^0\) These moves were done with little consultation with business and were generally opposed by the business community and welcomed by unions. Indeed, during the referendum, the all three labour centrals actively supported the Oui side and argued that a sovereign Québec would be a more favourable context for the expansion of social democracy than staying in Canada.\(^7\)\(^8\)\(^1\)

After the referendum, the PQ made it clear that reforms to the Labour Code must not hurt the competitiveness of Québec companies in the North American context and must be the product of a consensus between employers and unions.\(^7\)\(^8\)\(^2\) An initial bill was tabled in 2000 but had to be withdrawn when both unions and employers found it
 unacceptable during the consultation phase. A second bill was passed in 2001 which made a number of modest changes to the Labour Code such as the creation of a Commission des relations de travail to accelerate the process of accreditation and the relaxing of Section 45 of the Québec Labour Code which restricts contracting out. However, employers were disappointed that the reform did not eliminate Section 45 completely and that the government did not follow their suggestion to require the holding of a mandatory vote in five days after a request for union accreditation had been made.783 The FTQ unenthusiastically supported the government’s reform because the new Commission was a considerable improvement on the status quo.784 The other labour centrals opposed the reform because it relaxed Section 45 and did not contain provisions for multi-employer bargaining or the unionization of managers which were necessary to increase unionization in the growing service sector.785

After the initial pre-referendum increase in the minimum wage, the PQ government strategically augmented the minimum wage after the first socio-economic summit in exchange for the labour movement’s support of deficit elimination and immediately before the 1998 and 2003 provincial elections. Thus, during the PQ’s time in office, the provincial minimum wage was raised a pace slightly above inflation which meant that there was a growing gap between Québec’s minimum wage and that of Ontario and the United States.786 At the end of the PQ’s time in office, Québec had the second highest minimum wage in Canada while employer groups complained that the provincial minimum wage was based on European social democratic standards which were incompatible with the North America context.787
The PQ government of the 1990s oscillated considerably with respect to its policies regarding public sector workers depending on proximity of a referendum. Prior to the 1995 referendum, the PQ abolished the parts of the Liberals’ Bill 198 which aimed to reduce the number of civil servants by 12% and also abolished the Liberals’ Bill 102 which imposed a 1% cut in public sector workers’ salaries through unpaid holidays for 1994 and a freeze of salaries for two years starting on June 30th, 1995. In the place of the Bill 102, the PQ negotiated an agreement with public sector unions which gave them 0.5%, 1% and 1% pay increases over three years and improved pension plans.

However, after the referendum, the PQ government insisted on strict parity between private and public sector salaries and did not hesitate to use legislation or the threat of legislation to force public sectors employees back to work. In 1996, the PQ government demanded the re-opening of the agreement that it had signed with public sector unions before the referendum in order to achieve the elimination of its deficit by 2000. Under the threat of legislation which would impose a new contract, the public sector unions negotiated an agreement with the PQ government to encourage early retirement through using funds from younger employees’ pensions to significantly enhance the pensions of older employees for a limited period of time. When the PQ government moved into a surplus situation during its second mandate, the nurses union decided to go on an illegal strike. The PQ government immediately passed a law that legislated the nurses back to work and revoked pay for union activities for three months for every strike day. The nurses gave up their strike in the face of such obstacles without invoking any change in the negotiating position of the government. The failure of the nurses had a large effect on the rest of the public section unions whose rank and file
members rejected the proposition of a 48 hour strike followed by an unlimited general strike in a province-wide vote. Weakened by this sequence of events, the public sector unions eventually agreed to a 9% pay increase over 4 years with a partial indexation of employers’ contribution to pension funds and improved job security.

Finally, shortly before the 2003 election, the PQ made a number of amendments to the Labour Standards Act such as a mechanism to respond to accusations of psychological harassment, ten unpaid days off for parental duties, a doubling of sick days, the right to refuse overtime in the cases that it is over 12 hours a day or 50 hours a week, up to 12 weeks of unpaid leave to look after a sick relative, and the expansion of the minimum wage to cover agricultural employees and employees who reside with their employer. While unions were enthusiastic in their support for these amendments, employers associations warned that the alleviated costs associated with new standards would cause Québec to lose both jobs and new investments in the future. In spite of these changes to the labour code, all of Québec labour central remained neutral in the 2003 election.

Environment

Similar to traditional social democratic governments, third way governments in Québec and Saskatchewan strongly believed that environmental protection should be balanced against the benefits of the province’s economic development. Due to Saskatchewan’s continued reliance on coal for electricity generation and carbon dioxide emissions from its oil, gas, pulp, paper, and agricultural industries, the province’s greenhouse gas emissions increased by 34% from 1990 to 1999. The Romanow government did not take a position for or against the proposed Kyoto protocol and
preferred to delay committing to cutting a specific amount of greenhouse gas emission until a national plan was in place. The NDP government was clear that its objective in terms of climate change was "achieving reductions while ensuring the sustainability of our economy". Thus, the NDP government created the Saskatchewan Climate Change Action Plan which focused on encouraging voluntary actions by Saskatchewan business to reduce greenhouse gas emissions.

The Romanow government endeavoured to have a very co-operative approach with the province’s businesses when it came to environmental regulation. The Environment Minister claimed that "When deciding how best to develop our resources and at the same time, protect our environment, we have found over and over again that high levels of co-operation generate a superior outcome". As opposed to creating overarching environmental legislation for their industries, the Romanow government negotiated bi-lateral agreements with several of Saskatchewan’s largest businesses to improve their environmental practices. Further, in consultation with hog producers, the government created an environmental assessment procedure for hog barns. Moreover, the NDP government worked with tire dealers to introduce a mandatory scrap tire recycling program. In reaction to the problem of abandoned mines in Northern Saskatchewan, the NDP passed a law requiring that existing and future mines create plans and funding for decommission when they cease operation. The law was endorsed by uranium companies due to the extensive consultation that taken place prior to its adoption. Finally, as result of the work of a government-industry committee, the oil and gas industry voluntary adopted new waste management guidelines.
The PQ government of the 1990s made “développement durable [sustainable
development]” one of the main priorities of its economic strategy and regularly inscribed
the principle of sustainable development into its laws. As in other policy areas, the role
that the PQ government saw itself playing in environmental policy was that of a referee
among competing societal interests in order to find a balance between the conflicting
interests of environmentalists and the business community. Therefore, the PQ
government used public consultations and various neo-corporatist arrangements in order
to formulate its environmental policy but always left the final interpretation of the
prevailing societal consensus to itself.

The PQ’s government’s activity in environment protection centred on two primary
areas: forestry and agriculture. Forestry was an important area of environmental concern
for the general public, environmental groups, and the PQ government. One of the first
actions of the PQ government was to put in place mechanisms to achieve a promise
contained in the Liberals’ 1994 Stratégie de protection des forêts to eliminate the use of
airborne chemical pesticides in Québec’s forests by 2001. In 1999, the PQ government
began public consultations on forestry management which culminated in the passage of a
new Loi sur les forêts in 2001. The process of developing this law was very neo-
corporatist as environmentalists were invited to sit on various committees along with
government officials, municipal representatives, unions, and members of the business
community. In the end, the new Loi sur les forêts reflected an attempt to find a
compromise between the positions of forestry companies and environmentalist groups.
To please the forestry industry, the law created a framework for increasing wood
production and annual allowable cuts which left the old system of long-term lease
arrangements relatively intact. On the other hand, to satisfy environmental groups, the law created mechanisms to enhance public participation in the management of forests, expanded protected areas, established a northern limit past which logging was prohibited, and increased fines, on-site inspections and monitoring.

In terms of agriculture, the PQ government claimed that a "virage agroenvironnemental [agro-environmental shift]" was now part of the Québec agricultural model. The largest issue in the area of agricultural environmental protection was the concern by the public and environmental groups about the management of waste from livestock operations, particularly from the large hog barns that had become more common as Québec’s pork production increased. The government publicly considered a moratorium on new hog barns in 1996 but decided against this course of action under pressure from the UPA and hog producers. Instead, in consultation with ecological groups and the UPA, the PQ government passed the Règlement sur la reduction de la pollution d’origine agricole in 1997. This policy, which Éric Montpetit characterizes as one of the strictest in North America, consisted of more stringent storage regulations, established minimum distances of livestock barns from rivers and lakes, and required producers to have certified annual fertilizer plans.

In order to reduce the costs to producers affected by the implementation of these new regulations, the PQ made significant new investments in a fund dedicated to subsidizing agricultural waste management. In a further concession to farm groups, the PQ government passed legislation in order to enshrine farmers’ "droit de produire [right to product]" and to insulate farmers from law suits and municipal by-laws concerning the dust, noise, and odour of their operations. Moreover, to the satisfaction of the UPA, the
government passed Bill 184 which gave numerous agricultural enterprises the right to expand but made respect for environmental regulations a condition of receiving financial aid from the state. However, growing public concern after two alarming reports by regional health districts about deteriorating water quality in their districts finally convinced the PQ government to impose a two year moratorium on new hog barns beginning in June 2002, adopt a tougher set of regulations dealing with agricultural waste management to be fully phased in by 2010, and hold public consultations on the future of the pork industry in Québec. While the UPA and pork producers were disappointed with the new policy and the Liberals supported moratoriums only if they were supported the rural municipality in question, the government did received qualified support from environmental groups for its stance.

In terms of climate change, with the support of provincial opposition parties, the PQ government urged the federal government to support the Kyoto Protocol on climate change. Along with Manitoba, Québec was the only other Canadian province to give unqualified support to the Protocol. Evidently, it should be noted that Québec’s greenhouse gas emissions were very low compared to other provinces and the value of its hydroelectricity had the potential to increase in a post-Kyoto world market.

**Equality and Third Way Social Democratic Governments in Québec and Saskatchewan**

As we saw above, traditional social democratic governments were characterized by the expansion of universal social programs and benefits available to all regardless of income or merit like Medicare or providing free milk to all school children in Québec. Conversely, with the notable exception of $5 a day daycare in Québec, third way governments made few significant additions to the welfare state. Instead, third way
governments focused on rationalizing social programs while improving their efficiency through targeted health, education, and housing services to groups based on their need and merit which was evidently cheaper and saved money. It is also important to note that, unlike Giddens’ version of the third way, the NDP and the PQ did not embark on any substantial private-public partnerships in their welfare states.

Table 5.2: Equality and Third Way Governments

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<tr>
<td><strong>Taxation and Expenditures</strong></td>
<td>Deficit elimination through tax increases and spending reductions, re-investment in social programs after deficit was eliminated, raised consumption taxes but exempted them from essential items, raised business taxes and mix of across the board cuts to personal income taxes and progressive tax reductions</td>
<td>Deficit elimination through tax increases and spending reductions, re-investment in social programs after deficit was eliminated, raised consumption taxes but exempted them from essential items, raised business taxes</td>
</tr>
<tr>
<td><strong>Welfare State</strong></td>
<td>Rationalized social programs, introduced more targeting or social programs and focused on encouraging social assistance recipients to find jobs through training and monetary incentives</td>
<td>Rationalized social programs, introduced more targeting or social programs (with exception of daycare) and focused on encouraging social assistance recipients to find jobs through training and monetary incentives</td>
</tr>
<tr>
<td><strong>Women</strong></td>
<td>Opposition to stand alone abortion clinics, employment equity programs in the public sector based on goals and not quotas, pay equity for public sector, programs to help battered women and combat sexual harassment, initiatives to increase the number of women in non-traditional occupations and the creation daycare programs targeted to low-income and ‘at risk’ children</td>
<td>Pay equity in private and public sectors, $5 a day daycare, 25% of all new hires in civil service from equity-seeking groups and natalist family policy</td>
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<tr>
<td><strong>First Nations</strong></td>
<td>Increases to First Nations’ land base, improvement of the participation of Aboriginals in the governance of society’s institutions, recognition of the right of self-government for select First Nations groups, accommodation of the cultural needs of Aboriginals in the province’s education system, amelioration of the treatment of Aboriginals in the province’s justice system and creation of more economic and skills training opportunities for First Nations citizens</td>
<td>Numerous bilateral agreements and negotiation of hydro-electrical projects on ancestral lands in exchange for long-term cash payments, control over wildlife and forestry resources, an expanded land base and increased self-government</td>
</tr>
<tr>
<td><strong>Democratic Reform</strong></td>
<td>Cabinet dominated and improvements on consultative mechanisms with the public</td>
<td>Cabinet dominated and regulation of lobbying</td>
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Taxation and Expenditures

The Romanow government's first act in office was to repeal the expansion of the base of provincial sales tax that the Conservatives had put in place. This move improved the progressiveness of the taxation regime because the expanded sales tax had been placed on such family essentials as children's clothing, electricity, and home heating fuel which make up a large portion of the spending of low-income earners. After fulfilling this important election promise, the top priority of the new NDP government was clearly the elimination of the province's deficit through tax increases and cuts to program spending.

As we can see in Appendix B, the government made deep cuts in its core funding to health, education, municipalities, highways, environmental protection, agriculture, and housing. It is interesting to note that the only areas where the NDP did not significantly contract spending were social assistance and justice. While the small increase in funding for policing and prisons was not explicitly referred to in budget speeches from the time, it is probable that the NDP government believed that public safety was too important of a matter to be compromised by deficit reduction goals. In reference to the increase in social assistance funding in a time of fiscal restraint, the Finance Minister argued that "This budget requires sacrifice. But there are some in our midst who cannot be asked to sacrifice more; they have nothing left to give." Thus, the finance minister claimed that the NDP's approach was "deficit reduction with a difference. It reduces expenditures at the same time as it shows compassion."

While cutting back on expenditures, the NDP government also introduced a number of tax increases in order to raise revenue to put toward deficit reduction. The NDP argued that raising taxes was necessary because it was the only way to eliminate the
deficit without endangering the social safety net that protects Saskatchewan families. Therefore, the government introduced a 10% surtax on all taxpayers which was hit high income earners rather hard since 10% of the total tax bill of a high income earner is substantially more than 10% of the total tax bill of a low income earner. The NDP also increased both the corporate income tax rate and the corporate capital tax rate in the face of opposition from the business community. However, in a less progressive move, the Romanow government increased the rates of consumption taxes such as the sales, gas, and tobacco tax. Further, the sales tax was placed back onto adult clothing, adult footwear, and yard goods in the 1993 budget which constituted a partial reversal of the NDP's reduction of the scope of the provincial sales tax in 1991.

Despite decreasing transfer payments from the federal government, the Romanow government was able to eliminate its deficit one year earlier than scheduled in its 1995 budget through this mixture of spending cuts and tax increases. While the NDP government did not create a 15 year plan to eliminate the debt as it had promised during the 1991 election, it did introduce a plan to reduce the debt to $13.7 billion or 51% of GDP by 1999. The thrust of the plan was a commitment to spend surpluses in the period from 1996 to 1999 in the follow manner: one-third for social programs, one-third for tax reductions, and one-third to pay down the province's debt.

In anticipation of this new approach and the upcoming provincial election, the 1995 budget introduce a 'progressive tax reduction' similar to those of the Blakeney government by decreasing the 10% surtax on taxpayers that it had introduced in 1992 by $150 per taxpayer. In its second term, the Saskatchewan NDP government introduced a mix of progressive and regressive tax changes. In a progressive move, it decreased the
sales tax from 9% to 6%. However, in its next budget it implemented a regressive tax
measure by reducing the overall provincial tax rate by 2%.814

The largest revenue change encountered by the NDP in its second term was a
drastic reduction in transfer payments due to the 1995 federal budget and the improving
provincial economy which decreased Saskatchewan’s allotment of equalization. The
NDP made up the for loss of revenues from lower transfer payments through the growth
of revenues in gaming, personal income taxes, corporate income taxes, resource royalties,
savings on servicing the debt, and a declining surplus. Thus, after some initial funding
reductions to certain programs, the NDP government was able to backfill all of the cuts to
transfer payments and even modestly increase its spending on health, social services,
education, and housing by the 1999 budget. In terms of the debt, the NDP beat the target
that it established in 1995 and had lower the debt to $11.5 billion or 40% of GDP by the
end of the 1999 fiscal year.815

Similar to the Romanow government, the 1990s PQ government’s primary idea in
the area of taxation and expenditures was the elimination of the provincial government’s
deficit through both spending cuts and increasing revenues after which it re-invested in
social programs while reducing personal income taxes. In its first budget in 1994, the PQ
government promised to eliminate the deficit in two years. However, after the
referendum, the government held a socio-economic conference which brought together
representatives of the province’s labour centrals, employers’ associations, and
community groups. At the conference, the government and employers’ associations
agreed to a proposal by the unions and community groups to eliminate the deficit over
four years without raising personal income taxes in exchange for a law which would make it illegal for future governments to run deficits.\textsuperscript{816}

Over the next three fiscal years, the PQ enacted a combination of spending cuts and tax increases in order to eliminate its deficit. The PQ government did not reduce personal income tax rates during its first mandate leading to a large growth of revenue in this category due to high economic growth. Further, the PQ increased both the capital tax on business (from 0.56\% to 0.64\%) and employers' health premiums (from 3.75\% to 4.26\%).\textsuperscript{817} The government was also able to pick up additional revenue through raising the PST by 1\%, increasing tobacco taxes, eliminating tax credits to certain economic sectors, cracking down on tax fraud, bumping up user fees, reducing the maximum amount of tax exemptions and deductions that a taxpayer can use, eliminating certain tax credits for retired persons who make over $26,000, raising stumpage fees, increasing royalties on private hydro-electricity generation, and augmenting the dividend paid to the government by Société des alcools du Québec (SAQ) and Loto-Québec. On the other hand, the PQ's revenues were negatively affected by declining transfer payments from the federal government.

As we can see in Appendix C, while increasing revenues through tax increases, the PQ government decreased spending in nearly every area. In particular, the areas of health, social services, education, municipalities, highways, justice, and agriculture saw the largest spending reductions while spending on culture remained relatively stable. The only two areas to see spending increases during the PQ's first mandate were daycare and servicing the debt. After having eliminated the deficit, the PQ focused on re-investing in social programs and reducing personal income taxes during its second mandate.
Reminiscent of the Lévesque government, the PQ government of the 1990s insisted that Québec’s taxation system should be “one of the most progressive in North America” but admitted that Québec taxpayers are taxed higher than other Canadian provinces which could hurt the province’s competitiveness with other jurisdictions and possibly constitute a drain on economic growth. Therefore, the PQ declared that the two principles of personal income tax reform should be “greater economic efficiency and social justice.”

In terms of social justice, the PQ’s reforms attempted to aim the majority of personal income tax reductions at low-income earners. The PQ implemented a voluntary lump tax exemption of $2,350 available to all taxpayers to be used in lieu of using existing tax credit schemes. This move benefited low-income earners because they frequently do not have sufficient income to take advantage of many of the tax credits offered. The government also offset the effect of the PST increase on low-income tax earners by increasing their sales tax credit and expanding property tax refunds for low-income families.

After simplifying the tax table from 5 to 3 brackets in such a way as to exempt 200,000 low-income earners from paying personal income taxes, the PQ reduced the personal income tax rates in the following manner: 4% for the lowest bracket, 3% for the middle bracket and 2% for the highest bracket. Thus, the percentage of income that the tax cut represented decreased as one’s income rose. This tax reduction strategy is not as progressive as Lévesque government’s move in 1977 which increased personal income tax rate of high income earners while decreasing the personal income tax rate of low income earners. Nonetheless, the PQ’s government’s strategy in the late 1990s was more progressive than the flat, across-the-board reduction of a same percentage in the personal
income tax brackets of all taxpayers as was done by the Romanow government, the Blakeney government, and the Lévesque government. However, the PQ government in the last year of its second mandate did perform a flat, across-the-board cut in personal income tax rates similar to these other social democratic governments.\footnote{820}

The PQ government did make significant re-investments in social programs during its second mandate. It made large spending increases in health, daycare, education, and municipalities while its spending in the areas of social services and transportation continued to drop. While the cuts to spending did initially reduce the number of civil service employees during the PQ's first mandate, these cuts were made up by the end of the PQ's time in office so that the Québec public service actually had 2,000 more employees in 2003 than in 1994.\footnote{821} Similarly, while the Groupe de Travail sur l'examen des organismes gouvernementaux was ostensibly set up to rationalize the state's structure, the small number of mergers and elimination of state agencies that resulted were more than offset by the creation of 12 new agencies in the 1999 budget.\footnote{822} Nonetheless, it should be noted that number of employees in Québec’s education, social services, and health networks as well as the number of medical establishments did see a net decrease during the PQ’s time in power.\footnote{823} On the other hand, the PQ increased the number of schools and Cegeps.\footnote{824} Thus, while the PQ did reduce the number of medical institutions and the number of workers in the health and education network, it did not allow its cuts to spending to dramatically dismantle the structures of the Québec state.

However, the PQ’s strategy of raising social spending while decreasing taxes did not prove to be sustainable in the context of lower than anticipated economic growth and stagnate federal transfers in the final two years of the PQ’s mandate. The PQ was able to

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avoid posting a deficit in 2001-2002 fiscal year by exhausting a budgetary reserve created during the years in which it was running surpluses. However, in the 2002-2003 fiscal year, despite tabling a budget which predicted a modest surplus, the PQ government actually ran a deficit of $694 million. Finally, under the PQ, Québec debt decreased in constant dollars from 1997 to 2001 but increased during the PQ’s last year of office. As such, Québec’s debt increased in actual dollars (not adjusted for inflation) during the span of the PQ’s time power because the government put very little funding into debt reduction, amortized capital projects over several years, and did not include advances to public corporations in the calculation of annual budgets.

Welfare State (Health, Education, Social Assistance and Housing)

The main idea of third way governments in Saskatchewan and Québec in health and education was to attempt to improve services while containing costs. The Finance Minister for the NDP argued that “We are doing more with less. We are streamlining the services we deliver to Saskatchewan people...we are improving public services by rationalizing the delivery of those services”.

Similarly, in the first PQ budget, the Finance Minister stated “Il s’agit d’assurer à la population les services qui lui sont essentials, en réduisant au minimum les coûts pour les fournir, sans en sacrifier la qualité [We must assure essential services for the population while reducing costs to a minimum and not sacrificing quality].” The primary way that these third way governments achieved these two seemingly contradictory objectives was to rationalize the health and education system while creating new programming that was targeted to certain groups based on need and merit.
While Medicare in Saskatchewan remained a publicly administered system whose essential services were free to all residents, the Romanow government de-listed the optometric and chiropractic services, doubled the deductibles for the Prescription Drug Plan, and instituted fees for eye exams and air ambulance service. Besides reducing the scope of Medicare, the central idea of the Romanow government in the area of health was the institution of the ‘wellness model’. The wellness model was based upon reducing institutional care, reorganizing governance structures, stressing preventative health, and emphasizing community-based health services.\textsuperscript{829} It was hoped by the government that the wellness model would secure the financial sustainability of the health care system in order to ensure that it could remain publicly funded and administered in a time of financial crisis.\textsuperscript{830}

In practical terms, the wellness model meant the closure of 52 small rural hospitals and their conversion into either long term care facilities or community health centres with only a single nurse on staff and limited operating hours.\textsuperscript{831} The closing of these rural hospitals certainly contributed to the declining popularity of the NDP in the rural areas of the province.\textsuperscript{832}

Free home care services were also expanded to reduce inappropriate use of acute care resources and provide patients with quality health care in the comfort of their own homes. Saskatchewan’s over 400 appointed hospital boards were merged into 32 health districts with partially elected boards but no power to tax which left them responsible for carrying out cuts to services resulting from the government’s funding reductions. This downloading of responsibility to local health districts was intended to both save money through bulk purchasing and the reduction of administrative duplication as well as to create a more accountable governance of the health care system.\textsuperscript{833}
During the NDP’s second term, the Romanow government gradually restored funding to the provincial health care system and presented itself as the defender of the public health care in the face of declining transfer payments from the federal government after the federal Liberals’ 1995 budget. The NDP moved to prevent the emergence of two-tiered Medicare through making it illegal for private health care providers to charge for procedures covered by Medicare.834 The government also introduced the Saskatchewan Medicare Act which locked in the application of the principles of the Canada Health Act in Saskatchewan and gave residents certain rights in regard to the province’s health system.835 Finally, when the federal government did increase transfer payments to health in 1999, the NDP was able to augment funding to health care in order to shorten waiting lists, improve access to cancer treatment, enhance women’s health programs, and provide incentives for physicians to locate in rural areas.836

Like the Romanow government, the PQ’s cost-containment program in the health sector had several inter-linking components. The government sought to reduce unnecessary utilization of hospital resources through adopting procedures or purchasing equipment to shorten or eliminate hospitalization, using more homecare, creating a telephone health line, steering patients towards CLSCs instead of hospitals for basic care, and having nurses perform tasks normally reserved for doctors. The PQ government also closed a number of small medical establishments and merged different establishments together. The idea behind the mergers was that they would create “reseaux de santé [health networks]” where complementary institutions would function in unison in order to provide enhanced health care to citizens in a centralized location.837
The PQ government implemented a new public drug insurance scheme which aimed to both increase the number of citizens covered and reduce costs. In 1996, the government put into place a publicly administered drug insurance program for the 1.1 million Québec citizens who had no drug insurance through their employment. Children of adherents and students between the ages of 18-25 received prescription drugs for free. However, social assistance recipients and senior citizens, who had received their prescription drugs free since the 1970s, became part of this new program and were therefore subject the payment of premiums and a part of their drug costs. As such, the government was able create what it claimed was an “universel [universal]” drug insurance scheme which ensured that all Québec citizens benefited from some sort of insurance coverage for the purchase of medical drugs and save an estimated $120 million to $200 million a year through making social assistance recipients and senior citizen contribute to the costs of their drugs.\(^{838}\) When the new drug program did not produce the anticipated savings, the PQ government doubled premiums and indexed them to inflation. After a government report found that the lives of some social assistance recipients had been put in danger because they did not have the financial resources to pay for their medical drugs, the PQ relented and announced that as of autumn of 1999 social assistance recipients who cannot work or suffer from mental problems would return to getting free prescription drugs.

While instituting such cost-containment measures, the PQ resisted pressures to increase the role of the private sector in the Québec health system even though two inquiries appointed by it (the Arpin Committee or Clair Commission) made modest recommendations in that direction. The PQ claimed that the maintenance of a public,
universal, and free Medicare system proved that its government had an “orientation sociale démocrate [social democratic orientation].” During its second mandate, the PQ made significant re-investments in health care. The PQ began by paying off the debts that had been accumulated by health districts during the years of cutbacks and introducing an anti-deficit law for health districts. The PQ then made a number of re-investments such as expanding emergency wards and walk-in clinics for minor emergencies, purchasing new equipment, opening more operating rooms to reduce waiting time for surgeries, hiring more nurses and doctors, upgrading computers, constructing new long-term care centres, and implementing preventive health measures such as encouraging recreation and sports. Finally, the PQ government created “groupes de médecine familiale [family medicine groups] (GMF)” which were composed a team of doctors and nurses dedicated to a basin of citizens. These GMFs provided 24 hour a day, 7 day a week care, and insured consistency for patients in their treatment in the health system.

The Romanow government’s cuts to the funding of the primary and secondary education system were mostly carried out through increasing class sizes, reducing administration costs, and limiting the building of new schools and new school infrastructure. The only notable program that the government introduced in the area of primary and elementary education was the creation of 31 pre-kindergarten programs for three and four year-olds in low-income areas. Due to cuts in federal and provincial funding to post-secondary education, Saskatchewan students faced a doubling of their tuition in the 1990s while their class sizes increased and the buildings and infrastructure of their institutions were not renewed. The NDP government did little to reverse this situation until late in its second term when it became apparent that the province’s post-
secondary system was in need of new funding and the government's finances had improved. In terms of accessibility to post-secondary education the government's primary idea was that it would use student loans and bursaries to promote access for low-income students but it refused to legislate a freeze in tuition as other provinces had done.

Similar to the health sector, the Québec's education system experienced substantial spending cuts during the PQ government's first mandate followed by re-investment during its second mandate. The PQ's budget cuts took on a number of forms in the primary and secondary education sectors: the number of school boards was reduced to bring down administrative costs, the number of teachers was decreased, special services for children with learning difficulties were diminished, school infrastructure was not renewed and parents had to pay extracurricular activities which previously had been free. The PQ also reduced subsidies to private schools which caused several of these establishments to close down. However, despite the small number of closures during the PQ's first mandate, the number of private schools in Québec had returned to nearly the same level by the time that the PQ left office. The PQ government did make some significant new investments in the public primary and secondary education system during its first mandate. To encourage the development of future workers for its hi-tech industries, the PQ spent $328 million to put 100,000 computers in Québec schools. The government also created more enrichment programs in public schools so that they could compete with private schools and their students would be better prepared to work in the emerging knowledge economy. Reflecting the importance that it placed on early childhood learning, the PQ government expanded kindergarten from a half-day to full-day.
The post-secondary education sector experienced massive cutbacks during the PQ’s first mandate which saddled universities with large debts, reduced the number of professors, created larger class sizes, limited course offerings, decreased number of administrative and support staff, lead to less generous student loans and bursaries, and necessitated the sharing of services and resources between universities. While the Bourassa Liberal government had allowed tuition fees to double from 1985 to 1994, the PQ placed a freeze on tuition throughout its time in office. The also PQ decided to implement numerous targeted measures to increase accessibility to post-secondary education such as indexing student loans and bursaries, enlarging eligibility for financial assistance to part-time students and students in short-term skills training programs, making students eligible for PST refunds, exempting scholarships from provincial taxation, paying student loan interest for students who temporarily cease their studies due to the birth or adoption of a child, and negotiating an agreement to limit service fees and ancillary fees for Cegep students.

Social services were the social policy area where the Romanow government made the most innovations. Due to the Conservative’s cuts to social services, the Romanow government felt it necessary to make large increases in funding to social services in its first term but made much more moderate funding increases in its second term. In its first two years in office, the Romanow government ended the Conservatives’ workfare program as well as increasing social assistance rates and creating a dental program for children in low income families. Near the end of its first term, the Romanow government released its first package of initiatives under its newly created Saskatchewan Action Plan for Children. The idea behind the Action Plan was that a co-ordinated
approach was needed to develop prevention and early intervention services for the province’s children in order to reduce child poverty and promote children’s health, safety and educational opportunities.\textsuperscript{846} In effect, what the Action Plan evolved into was a large number of small and targeted programs for children and families, many of which were ran in co-operation with local groups. These programs included outreach mentoring programs for at-risk youths, strategies to address Fetal Alcohol Syndrome, support services for students with special needs, programs targeted at youth involved in prostitution and chronic young offenders, family literacy programs, neighbourhood development organizations, early intervention pre-kindergartens and young parent support programs.\textsuperscript{847}

In its second term of government, the NDP undertook a major redesign of the province’s social assistance system. The central idea behind the NDP’s redesign of social assistance was the removal of disincentives to work for social assistance recipients and the provision of improved financial support for working poor families to ensure that they did not fall onto social assistance roles. As such, the NDP unveiled a strategy entitled \textit{Building Independence-Investing in Families} as the centrepiece of the 1998 Throne Speech.\textsuperscript{848} This strategy included an employment supplement which ensured that social assistance recipients who find work would see substantial increase in their overall income rather a decrease equal to that of their employment earnings, providing working poor families with the same health benefits that social assistance recipients receive, a training allowance for social assistance recipients to pursue post-secondary education and a voluntary program which offered a personalized package of counselling services,
education, training, and work experience opportunities to youth ages 18 to 21 who are on social assistance or whose parents are on social assistance.

Unlike the Romanow government, cost containment in the area of social services was the first priority for the PQ government during its first mandate. Shortly after the referendum, the government passed Bill 115 to reduce social assistance rates which saved the government $180 million in the first year alone. In 1997, the government announced another reduction of social assistance rates intended to save $200 million a year. At the same time that the PQ was reducing social assistance rates, it also embarked on a major reform of provincial social assistance. First, it eliminated provincial family allowances for high income earners and taxed the social assistance income of seasonal workers. Second, it re-oriented its social assistance regime to focus on increasing the employability of recipients, helping recipients find jobs, and creating incentives for employment. The PQ government was clear that “l’emploi est l’instrument privilégié de la lutte à la pauvreté [employment is privileged instrument of the fight against poverty].” In 1998, it passed the controversial Bill 186 which introduced a number of programs to encourage recipients to find work including penalties for recipients between the ages of 18 and 24 if they did not participate in a personalized “parcours ver l’emploi [journey towards employment]” exercises designed to put them either into training programs or work situations. Finally, acting upon a consensus achieved at the 1996 socio-economic summit, the PQ created the Fonds spéciale de lutte à la pauvreté par la réinsertion au travail which was financed by a special tax on businesses and high income earners. The Fond paid for job creation projects and training and internships for the unemployed and social assistance recipients.
Once the PQ government had eliminated its deficit and Bernard Landry had become Premier, the government made combating poverty one of its top priorities. In his first inaugural address, Landry claimed that the “lutte contre la pauvreté et l’exclusion sera pour nous une véritable obsession [fight against poverty and exclusion will be, for us, a veritable obsession]” and even appointed a Ministre déléguée à la Lutte contre la pauvreté et l’exclusion. Starting in 2001, the PQ indexed social assistance rates, abolished the reduction of social assistance for recipients who shared lodgings, and eliminated the “housing test” which was a clawback of benefits if a recipient’s housing costs were below a minimum level established by the social services department. As such, by 2001, social assistance rates in Québec had stabilized albeit at lower level than when the PQ took office. Finally, near the end of its time in power, the PQ government adopted the Loi visant à lutter contre la pauvreté et l’exclusion sociale which dedicated the government to gradually transforming Québec over a ten year period into one of the industrialized societies with the least amount of poverty. The law, which had been formulated by community groups and the women’s movement, established an advisory committee to the government on the prevention of poverty, created an institute to research poverty, and required the Minister of Social Solidarity to report every three years on the progress made on reducing poverty in Québec.

The Romanow government decreased funding for housing programs in 1992 to 1997 in the effort to eliminate its deficit. However, in 1997, the federal government transferred the administration of social housing to provinces which, along with the improved finances of the Saskatchewan government, led to large investments in housing by the NDP in the final three years of the decade. Unlike the Blakeney government which...
built affordable public housing for the general population, the Romanow government’s housing programs were targeted to specific groups or geographical areas. The government created a housing program for low-income seniors to ensure that they could continue to live independently in their own homes. Similarly, the government created housing programs for remote communities in the province’s North, growing rural communities, and inner city neighbourhoods.

As the federal government drastically reduced its role in housing in the mid-1990s, the PQ government filled in the vacuum with a number of innovative programs. Prior to the 1995 referendum, it created the “Premier Toit [First Roof]” program which gave tax credits to first-time home owners. After the socio-economic summits of 1996 had raised the issue of the lack of housing for Quebec’s poor, the government created the Fonds québécois du logement social which build dwellings for low-income earners, elderly persons who had lost their autonomy and individuals with specific problems such as battered women, the physically disabled, and homeless persons with drug and alcohol addictions. The PQ also expanded housing allowances to include the working poor and those over 55 instead of just social assistance recipients and senior citizens and created the Accès-Logis program to fund the building of social housing by cooperatives or non-for-profit organizations. Finally, the government created programs to fund housing repairs for low-income earners in rural areas and renovations to houses in older urban neighbourhoods. As a result of a federal-provincial agreement on housing in 2001, the PQ government was able to greatly expand these programs to support the construction of 13,000 new housing units and renovate another 27,000 over two years.

Women
Overall, like traditional social democratic governments, third way governments were wedded to liberal feminism in their ideas and policies concerning women. The term liberal feminism, sometimes also called equality rights feminism, can be used to apply to a large swath of feminist thinkers from Mary Wollstonecraft and John Stuart Mill to Betty Friedan and Naomi Wolf. Despite the intellectual diversity within liberal feminism, a number of key characteristics of liberal feminist ideology can be discerned. Liberal feminism asserts that women are ‘as good as men’, entitled to the same rights as men, and should be given the opportunity to explore their full potential in equal competition with men. In particular, liberal feminism stresses legal equality as opposed to substantive equality. Legal equality is when the state strives to treat all citizens the same whereas substantive equality denotes that citizens must be treated as equal citizens but may be treated differently when appropriate to ensure that all citizens enjoy equal results from their citizenship. Therefore, liberal feminism is interested in expanding women’s legal rights and providing women educational opportunities to allow them to fully participate in the labour market. Conversely, liberal feminism generally shies away from left-wing or radical feminist proposals which recognize that men and women must be treated differently at times to ensure equality such as mandatory affirmative action programs with firm quotas, the guarantee of a certain number of seats for women in the legislature, wide-reaching pay equity laws, liberalized access to abortion, and free and public daycare to allow women have families while fully participating in the workforce.

While the Romanow government put place a formal policy to increase the number of women on government boards and increased funding for employment equity programs which addressed the under-representation of women in managerial and non-traditional
occupations throughout the public service. While 44% of the Romanow government's appointments to boards were women, the efforts of some female NDP MLAs failed to ensure guaranteed representation of women on the health district boards. By 1999, 50% of the employees of the Saskatchewan public service were women but only 35% of managerial jobs and 21% of non-traditional jobs were held by women. Similarly, the Saskatchewan Human Rights Commission worked with Crown corporations, school boards, municipal governments, post-secondary education institutions, NGOs, and private companies to create employment equity plans to hire women, Aboriginals and visible minorities. Under this program, 48% of employees in participating organizations were women by 1999 but only 35% of managerial positions were held by women. However, participation in the Human Rights Commission’s employment equity program was voluntary and just two private sector corporations had joined up by 2000. It should be noted that both the Public Service Commission’s and the Human Rights Commission’s employment equity programs depended upon a system of goals which were to be strived for and not a system of quotas that had to be met and that these two employment equity programs only covered 11% of the total provincial workforce.

In the area of justice, the Romanow government moved on the issue of sexual harassment by passing legislation to recognize sexual harassment as a threat to the health and safety of workers. The NDP also increased funding to programs to help victims of family violence and passed the Victims of Domestic Violence Act which created emergency intervention orders to provide immediate protection for women against their abusers. The NDP government claimed that it was not constitutionally possible to follow the instructions of the plebiscite held by the Conservatives at the time of the 1991
provincial election which had voted 63% in favour of the elimination of public funding for abortions. Further, while the NDP government continued opposed the creation of free-standing abortion clinics, it did create the Women’s Health Center which ensured reliable access to abortions in Regina and covered the use of the Morgentaler Clinic in Edmonton and the Kensington Clinic in Calgary under Medicare. Similar to the Blakeney government, the NDP improved family planning programs in order to “reduce the incidence of unintended pregnancies in the province”.

The two largest women’s issues facing the Romanow government were daycare policy and the question of pay equity. Despite the overall austerity of the 1992 budget, it did increase operating grants to licensed child care centres by 21% which was the first increase since 1986-1987. However, similar to the Blakeney government, the Romanow government dismissed calls from the province’s women’s groups for the establishment of universal, free, and public daycare. Instead, under the Action Plan for Children, the government concentrated on targeting its improvements in childcare to low-income and ‘at-risk’ children. As such, a recent report depicts the abysmal record of the NDP government in the area of child care. The report found that the number of regulated child care spaces increased by only 1.8% from 1992 to 2004 and that regulated child care spaces were available for only 4.9% of the province’s children ages 0-12. Evidently, the Romanow government had not moved away from the Blakeney government’s idea that, for all but society’s poorest citizens, daycare was a private responsibility of families.

Both the labour movement and the Pay Equity Coalition (formed in April 1991) had begun to lobby the NDP caucus before the 1991 election to obtain their commitment
to legislation ensuring pay equity in both the private and public sectors.\textsuperscript{875} The NDP only committed to ensuring pay equity in the public sector. Unlike the Blakeney government, the Romanow government accepted the principle of 'equal pay for work of equal value'. Therefore, the government adopted the Equal Pay for Equal Value Policy Framework which required all government departments and Crown corporations to negotiate wage adjustments within a five year period and jointly develop gender neutral job evaluation systems with public sector unions.\textsuperscript{876} The Pay Equity Coalition and the labour movement continued to lobby for some form of pay equity legislation for the private sector but were unsuccessful in their efforts.\textsuperscript{877}

The PQ government of the 1990s created several new initiatives designed to use state intervention in the economy and social programs to increase the equality between men and women. In 1996, the PQ government enacted a pay equity law that applied to both the public sector and all private companies with more than 10 employees. The business community was very critical of this law because it argued that it would hurt the competitiveness of the provincial economy.\textsuperscript{878} On the other hand, unions and women’s groups criticized the slowness of the government to negotiate pay equity settlements in the public sector, the lax enforcement of the law, and provisions within the law that allowed businesses to apply for various exemptions.\textsuperscript{879} The PQ government also created a new policy to reduce violence against women which included creating more spaces in transition houses for battered women and increased funding for multi-sectoral committees on violence against women.\textsuperscript{880} In response to demands from the women’s movement, the PQ put in place measures to increase child support and a system to automatically deduct child support from a parent’s income. In 1999, the PQ government required that 25% of
all new hires by government departments and agencies be devoted to equity seeking
groups, including women. The following year, the PQ passed the Loi sur l'accès à
l'égalité en emploi which required public sector organizations such universities, school
boards, and hospitals, to analyze their workforces and put in place plans of action if they
found that women, Aboriginals, or visible minorities were underrepresented. However,
the law did not contain any hiring quotas.

Undoubtedly, the PQ's family policy was the most important initiative that it
undertook to help the situation of women in Québec. The PQ's family policy was
comprised of three separate but interrelated programs. First, the PQ targeted provincial
family allowances to low income parents but made these allowances more generous to
insure that they covered the estimated costs of raising a child from birth to the age of 18.
Under this new family allowance, single parents received even more generous benefits
and tax advantages.

Second, using savings from the ending of universal family allowances and the
elimination of provincial tax exemptions for child care, the PQ instituted a system of $5 a
day daycare for all Québec parents with children under the age of five. In order to
provide this service, the government created a network of Centres de la petite enfance
(CPEs) which were non-profit, parent controlled daycare centres which both provided
daycare themselves and supervised and supplied resources to small licensed daycares ran
out of family homes. Originally, the PQ government had envisioned the phasing out of
private daycare providers and instituted a moratorium on the licensing of new private
daycare centres. However, the popularity of the program soon created a lack of spaces
and the PQ government began to fund private daycares to offer $5 a day spaces and
subsequently lifted the moratorium on the opening of new private daycare centres in 2002.

Parental leave was the final element of the PQ’s family policy. With the support of the provincial Liberals, the PQ government passed law to create a generous system of parental leave for mothers and fathers, including self-employed workers, in 2001. However, the implementation of the new regime was dependent upon the transfer of $532 million from federal unemployment insurance program to the Québec government and Ottawa refused to negotiate such a transfer. As such, this program was in limbo at the end of the PQ’s time in power and was not implemented until after the PQ left office.

As we can see, like traditional social democratic governments in Saskatchewan, the Saskatchewan NDP governments of the 1990s reflected a liberal feminist ideology in their programs to aid women to enter non-traditional occupations, voluntary affirmative action programs, pay equity for the public sector, little movement on liberalizing access to abortions, a non-sexist curriculum, and daycare subsidies for low-income families as opposed to a system of free and public daycare. A common characteristic of all of these policies is that they seek to establish equal opportunity for men and women in society and rarely recognize that women need to be treated differently in order to achieve equality. The one exception to this liberal feminist outlook is the Saskatchewan NDP government’s initiatives to combat violence and harassment against women which recognize that women can be in a different physical and status position in male-female relationship which allows abuse. The PQ government in the 1990s mirrored many of the liberal feminist policies adopted by the NDP government in Saskatchewan. However, the PQ’s universal daycare program, wide-reaching pay equity laws, and generous parental
leave initiatives moved it considerably closer to a left-wing feminist position than the
Saskatchewan NDP.

Aboriginals

The first significant action of the Romanow government in the area of Aboriginal
affairs was the finalization and official signing of the Land Entitlement Framework
Agreement that had been negotiated by the previous Conservative government. In spite
of its large deficit, the Romanow government committed 30% of the total cost of the land
or $132 million while the federal government provided the other 70% of funding. Under
the agreement, most of the responsibility for facilitating the purchase and transfer of
lands was given to the federal government. Unfortunately, the federal government was
exceedingly slow to move on the purchase and transfer of lands. In 1997, the federal
government was sued by several First Nations bands in effort to speed up the process of
land transfer and the Saskatchewan Association of Rural Municipalities also sued the
federal government in an attempt to recover $12 million in lost property taxes resulting
from the conversion of municipal lands to reserve status. In 2005, the Auditor General
of Canada found that only 58% of the land had been transferred and blamed the federal
Department of Indian and Northern Affairs for the slow progress.

The NDP government also attempted to increase Aboriginal participation in the
governance of institutions in Saskatchewan society. It created a policy to ensure more
First Nations representation on government boards, guaranteed Aboriginal representation
on northern health boards, and passed legislation allowing reserve members to vote in
and stand for off-reserve school board elections. At the same time, the Romanow
government moved to give Aboriginals more control over the affairs of their reservations.
In 1996, the NDP government took a significant step in recognizing the inherent right of First Nations to self-government by signing a Memorandum of Understanding to enter into negotiations with the Meadow Lake First Nations and the federal government over the devolution of certain jurisdictions to the band. Other First Nations bands were also given jurisdiction over family and children services. While the provincial government was unwilling to move forward on the issue of resource revenue sharing with First Nations bands, it did resist pressure from opposition parties and the Canadian Taxpayers Federation to eliminate the PST exemption for status Aboriginals on off-reserve purchases. Saskatchewan was the only province in Canada to have such an exemption.

Due to the massive drop out rate of Aboriginal students, the Romanow government attempted to better accommodate the growing young Aboriginal population in the province’s primary and secondary education system. The Department of Education worked with the FSIN to create a curriculum that was more culturally sensitive and emphasized the contributions of First Nations people to Saskatchewan society. The Saskatchewan Human Rights Commission also created a voluntary program for school divisions to develop “equity education plans” aimed at accommodating the special needs of Aboriginals in their schools. These equity education plans were supported by the Indian and Métis Education Program which provided funding for school divisions to implement programs to affirm Aboriginal and Métis identities, languages, and cultures.

The area of Aboriginal policy in which the Romanow government was the most active was economic development and skills training. The government’s economic strategy set as one of its objectives to “Maximize economic and employment opportunities for Aboriginal peoples.” As much as possible, the Romanow government
intended its initiatives in this area to be partnerships between itself, the federal government, private companies, and First Nations groups. The Romanow government created a variety of training programs for Aboriginals including the Multipartite Training Plan which brought together mining companies, the FSIN, and the federal and provincial governments to train Aboriginals for employment in northern mines. The provincial government also encouraged the creation of the First Nations Bank of Canada which was a joint venture between Toronto Dominion Bank and the FSIN. Further, the provincial government financially assisted the creation of a variety of joint ventures between Métis and First Nations groups and private sector companies in the forestry sector. The government would also allow the construction of four casinos to be owned and operated by Aboriginal groups under the newly created Saskatchewan Indian Gaming Authority.

In the area of affirmative action programs, the government created the Aboriginal Employment Development Program which developed partnerships between private and public sector employers and unions to promote the hiring of Aboriginals, run anti-racist education programs, and create initiatives to support Aboriginals once they have been hired. The Public Service Commission identified Aboriginals as an equity employment group and set annual targets for the percentage of the provincial public service which was to be of First Nations ancestry. As mentioned in the section on women, the Saskatchewan Human Rights Commission ran an employment equity program for a certain number of public sector and private sector organizations. The representation of Aboriginals employed in organizations who had equity employment plans with the Human Rights Commission grew from 2.2% in 1992 to 6.6% in 2000. In the Saskatchewan public service, the Aboriginal participation rate had increased to 8.6% by 2000. However,
these percentages were still short of the 12.2% of the Saskatchewan population that were working age Aboriginals.999

Upon taking office, the PQ government cancelled the Grande Baleine project to diffuse the tension between the government and First Nations in the lead-up to the referendum and because a number of the contracts with American electrical companies on which the project was based had fallen through.900 Despite this initial gesture of goodwill, there was considerable conflict between the PQ and Québec's Aboriginal communities during the referendum campaign. Québec's First Nations strongly felt that inclusion of their ancestral lands in a sovereign Québec could not be done without their expressed consent.901 For their part, the PQ promised that, after sovereignty was achieved, it would recognize Aboriginal rights to self-government in a framework respecting the territorial integrity of Québec.902 For the First Nations, this position was tantamount to extinguishing the title to their lands. Beyond being firmly in the Non camp, Aboriginal groups went so far as to characterize the PQ government's stance as racist and colonialist and even held their own referendums which overwhelmingly supported the position that First Nations land would remain a part of Canada in the event of a Oui vote.903

After the referendum, the PQ government attempted to renew its relationship with the province's Aboriginal community. In 1998, it released a strategy entitled Partenariat, Développement, Actions which it argued embodied the principles of the resolution passed by the Levesque government in 1985 which recognized Québec's First Nations as self-governing and sought the promotion of their right to develop their own identity, culture, and economic base. In summary, the strategy committed the PQ government to the
creation of a political forum for debates and cooperation between First Nations and the provincial government, the signing of agreements to transfer jurisdiction and promote economic development, the establishment of an Aboriginal economic development fund, and the implementation of measures to augment the financial autonomy of the province’s First Nations communities. By end of its time in power, the PQ government had concluded over 50 bi-lateral agreements with province’s Aboriginal communities. These agreements, which were negotiated “nation à nation [nation to nation]” to use Premier Landry’s phrase, ranged from short declarations of understanding and mutual respect to detailed protocols in specific areas such as housing, community infrastructure, forestry and wildlife management, taxation, and economic development projects. As opposed to arrangements involving all eleven First Nations communities in Québec, these agreements were tailored to the specific circumstances of the different communities and were based on the recognition instead of the extinguishment of the ancestral rights which set a significant legal precedent for other Aboriginal groups in Canada. However, it should be noted that the scope of several of these agreements was limited because of non-participation on the part of the federal government.

Democratic Reform

Much like the Blakeney and Douglas governments, the Romanow government followed the tradition of cabinet dominated governments supported by a competent and well-trained bureaucracy. However, the Romanow government did improve on its consultative mechanisms with the public as compared to the Blakeney government. Throughout its time in power, the Romanow government extensively used the
mechanisms of polling and consultation which had gone largely unused by previous CCF-NDP governments. However, such consultations did not remove the fact that the policy development process and final decisions remained dominated by the cabinet and the bureaucracy. Moreover, such consultations did not valorize the role of the NDP or the government caucus anymore than they had been valorized under Blakeney. If anything, extensive public consultations undermined the monopoly that NDP activists once had on access to the cabinet as the party became just one more group making presentations to these consultation committees.

The PQ government of the 1990s made only minor democratic reforms during its time in power. Despite much discussion concerning parliamentary reform in 1997, there were only some very minor changes made such as eliminating all-night sessions because they were too costly and the creation of two new standing committees (public administration as well as transportation and environment).907 The results of the 1998 election, in the Liberals beat the PQ by 0.7% in popular vote but obtained 28 less seats and the ADQ was elected in only one seat despite receiving 12% of the popular vote, led to pressure for electoral reform. After initially rejecting calls for PR, the Liberals joined with the ADQ and a citizens’ movement called the Mouvement pour une démocratie nouvelle to call for a public consultation on reform of the electoral system. In February 2003, the new minister held public consultations on a wide range of democratic reforms. The consultation culminated in an États Généraux in which 1000 delegates chosen from various economic, community, and political organizations voted in favour of a mixed PR system, popular initiative, fixed election dates, and undefined measures to increase the representation of women and ethnic minorities.908 On the other hand, the delegates...
rejected the election of the Premier through a province-wide vote, reducing the voting to 16, and the creation of second chamber composed an equal number of representatives from all of Québec’s regions. However, an election was called in April 2003 and none of these reforms were implemented by the PQ.

**Explaining the Transformation from Traditional to Third Way Social Democracy in Québec and Saskatchewan**

As mentioned in the introduction, the literature on the third way in Canada and Europe has developed a ‘shotgun’ approach to explaining the emergence of the third way which relies upon varied and multiple explanations. In my opinion, there is the need for a more focused explanation of the emergence of the third way in Canada that concentrates on distilling the most important explanatory factors. The rest of this chapter elaborates the overarching argument of this dissertation that the transformation from traditional to third way social democracy in Québec and Saskatchewan can be primarily explained by political economy, political agents, and institutional setting of these two provinces while the continuities between traditional social democracy and the third way should understood in reference to political culture. The following sections summarize the differences between traditional social democracy and the third way in Québec and Saskatchewan, articulate the reasons for this transformation, and point out the limitations of alternative explanations for the emergence of the third way in these two provinces. The chapter ends with a summary of the continuities between traditional social democracy and the third way in Québec and Saskatchewan and an explanation of how the political cultures of these two provinces created such continuities.
Differences between Traditional Social Democracy and the Third Way

The transformation from traditional to third way social democracy in Saskatchewan and Québec can be seen in several policy areas that were studied. Whereas traditional social democratic governments had actively intervened in the economy through direct subsidies to business, expansion of public enterprise, and public investment to encourage economic growth and create jobs, third way governments focused on targeted tax incentives, deregulation, skills training, and the commercialization of university research to create an economic environment which was competitive with rival jurisdictions. In particular, traditional social democratic governments had been aggressive in expanding public ownership in the area of natural resources in both Saskatchewan and Québec while third way governments favoured the private development of natural resources. Further, whereas the Douglas and Blakeney governments had raised royalty rates on the private exploitation of natural resources, the Romanow government lowered royalty rates in an attempt to increase production and job creation. Finally, in contrast to traditional social democratic governments, third way governments commercialized their remaining public enterprises and extending their operations into foreign markets to take advantage of the opportunities of globalization.

In the terms of agriculture, the Romanow government did not seek to create new marketing boards, reduce input costs, legislate security of land tenure, or provide free or low cost capital to farmers as the Blakeney and Douglas governments had done. Rather, the Romanow government promoted crop diversification, increased trade with new markets, and used subsidies to attract private sector food processors to Saskatchewan to add value to raw agricultural products before they were exported. While traditional social
democratic governments simply imposed their changes to the labour code on business with little consultation, third way governments attempted, at times unsuccessfully, to have workers and employers come to a consensus on changes to labour legislation in order to keep the province’s investment climate competitive. In Québec, the stress on external investment as the key to economic growth in the PQ government of the 1990s eliminated economic nationalism which had been such an important part of the Lévesque government’s economic strategy and its agricultural policy of achieving food self-sufficiency. Moreover, in Québec, the PQ government of the 1990s favoured the development of the social economy whereas the concept did not exist during Lévesque’s time in power.

In terms of their conception of equality, there were also significant differences between traditional and third way social democracy governments in Québec and Saskatchewan. Traditional social democratic governments created new universal benefits for the whole population regardless of their need or merit as basic components of citizenship. On the other hand, third way governments focused on rationalizing universal social programs and providing targeted health, education, and housing services based on need (determined by one’s income) and merit (desire to improve oneself by finding part-time work or pursuing an education). Ultimately, this rationalization of social programs and paucity of new universal benefits translated into drastically lower annual spending increases by third way governments compared to traditional social democratic governments. As we can see in Appendices B and C, third way governments initially reduced total spending in order to eliminate their deficits and then re-invested in social programs resulting in a -0.1% annual growth rate in total spending for the Romanow
government after adjustment for inflation and a 0.24% annual growth rate for the PQ government from 1994 to 2003. Conversely, the Lévesque government had an annual total spending growth rate of 2.2% while the Blakeney government had a rate of 4.3% and the Douglas-Lloyd government had a rate of 3.9%.

One would think that third way governments would be more supportive of free trade than traditional social democratic governments. However, the PQ government in the 1990s qualified the wholehearted support that the PQ had traditionally given to free trade by insisting that free trade agreements must respect human rights and contain exemptions concerning culture, the environment, and social programs. In Saskatchewan, the expected evolution did take place, as the Romanow government revised the position on free trade that the Saskatchewan NDP had held during the 1980s from outright opposition to free trade to qualified support dependent on conditions similar to those outlined by the Bouchard/Landry PQ government.

Table 5.3: Key Differences between Traditional Social Democracy and the Third Way

<table>
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<tr>
<th>Traditional Social Democracy</th>
<th>Third Way</th>
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<tr>
<td>• Expansion of public enterprise</td>
<td>• Targeted tax incentives, deregulation, skills training, and commercialization of university research as means of job creation</td>
</tr>
<tr>
<td>• Direct subsidies to business and public investment as a method job creation</td>
<td>• Commercialization of public corporations and extension of their operations into foreign markets</td>
</tr>
<tr>
<td>• Economic nationalism</td>
<td>• Attempt to reach a consensus between employers and unions on alterations to labour legislation</td>
</tr>
<tr>
<td>• Imposed changes to labour legislation that were favourable to unions on business with little consultation</td>
<td>• Targeting of social programs based on need and merit</td>
</tr>
<tr>
<td>• Creation of new universal benefits to all citizens regardless of income or merit</td>
<td>• Rationalization of social programs</td>
</tr>
<tr>
<td>• Expansion of social programs</td>
<td>• Decreased overall public spending</td>
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<tr>
<td>• Increased overall public spending</td>
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Various alterations in the political economies of Saskatchewan and Québec were important explanatory factors in the emergence of third way social democracy in these provinces. Saskatchewan's economy did poorly in the early 1990s but began to recover in 1993 and sustained strong growth until 2000. As such, the economic growth experienced by Romanow government was similar to the economic growth experienced by the Blakeney and Douglas/Lloyd governments. In Québec, after the recession of the early 1990s, the economy rebounded and posted solid growth throughout the second half of the 1990s and the early part of the 2000s when the PQ was in power. Thus, the PQ government in the 1990s actually experienced stronger economic growth than the Lévesque government. Obviously, economic slowdown cannot be an explanatory factor in the transformation from traditional to third way social democracy in these two provinces.

More important than economic growth or decline were changes in the political economies of Saskatchewan and Québec related to the emergence of globalization during the last quarter of the 20th century. While multiple definitions of globalization exist, the description provided by Ricardo Petrella best suits my purposes. Petrella identifies several interrelated characteristics of globalization that emerged with full force during the 1990s when the PQ and NDP were in power in Québec and Saskatchewan. The globalization of production and markets emerged during the 1990s which integrated business activities on a world-wide scale and introduced lean, post-Fordist, just-in-time production techniques. This global network of production was supported by unregulated and electronically connected twenty-four-hour-a-day global financial markets.
precipitated by the end of the Bretton Woods exchange system. Both global production and global finance was sustained by a system of free trade agreements like the World Trade Organization and supranational institutions such the International Monetary Fund and the World Bank which diminished power of national governments and parliaments. These new processes and structures led to an unprecedented mobility of domestic and transnational capital allowing investors and firms to take advantage of territorial divisions to play one jurisdiction off against another in order to maximize reduction in costs, savings in taxes, and avoidance of regulation.

In Saskatchewan, the emergence of globalization led to increased exports and imports\(^{912}\) and free trade agreements, primarily Chapter 11 of NAFTA, which restricted the expansion of public ownership. When the re-nationalization of resource extraction was no longer an option, the Saskatchewan NDP government had little choice but to perpetuate the growth of the provincial economy based on the export of oil, potash, uranium, and agricultural products through stimulating the private sector. Once committed to export-led growth through the private sector, the mobility of investment resulting from the fall of trade barriers necessitated that the Romanow government pay close attention to providing competitive advantages in order to attract investment to the province.

Similar to Saskatchewan, free trade led to a greater integration of the Québec economy with the American economy and a dependency on exports to the American market, especially in Québec’s high valued added hi-tech industry.\(^{913}\) Since free trade agreements prohibited the creation of new public enterprise to take advantage of these new export opportunities, the PQ government had to create a competitive economic
environment in order to attract external investment to develop these new industries and implement programs to encourage indigenous entrepreneurs in these areas. The need to keep their economic contexts competitive led to insistence on the part of both the PQ and the NDP governments of the 1990s on finding consensus between workers and employers concerning changes to labour legislation. Further, free trade modified the nature of public enterprise in both Saskatchewan and Québec as the inter-provincial and international trade agreements led to the deregulation of the operating environment of publicly-owned corporations. For instance, trade agreements forced an end to Sasktel’s monopoly over long-distance service in Saskatchewan as it began to face competition from Sprint and AT&T which prompted the Romanow government to restructure Sasktel along the lines of a privately-owned business. A similar deregulation of the North American electricity market led the PQ to take a number of measures to commercialize Hydro-Québec.

Indeed, it seems that the emergence of a vibrant, export-oriented hi-tech sector in the 1990s allowed Québec to weather effects of what Montcalm and Gagnon termed “economic peripheralization” caused by the westward shift of economic power in the United States. The PQ government used state intervention in order to promote new value-added, export oriented economic sectors which could benefit from Québec’s comparative advantages and privileged access to the American market under free trade. In doing so, the government built up economic processes and structures to insulate Québec from long-term economic decline. This is not to say that Québec in the 1990s supplanted Ontario with its strong auto sector and Great Lakes location, Alberta with its oil or British Columbia with its access to Asian Pacific markets as Canada’s economic powerhouse. Rather, I would argue that the actions of the PQ government and its
adherence to the Québec model were at least partially responsible for the province's modest prosperity in the second half of the 1990s and the early 2000s.

The side-effect of the PQ's economic strategy, based upon free trade and encouragement of the hi-tech sector, was greater integration with the American economy. Ultimately, the PQ decided that economic nationalism could not survive the era of globalization and had to be dropped from the Québec model. Besides the Caisse and the SGF blocking of the sales of Vidéotron and Culinar and some modest initiatives to increase the number of Francophones managing Québec residents' savings, the PQ government did not actively attempt to increase Francophone ownership or control of the Québec economy. The PQ seemed to have decided that the positives of economic integration with the United States such as economic growth and less dependency on English Canada, which would pave a smoother road to sovereignty, were worth the giving up of economic nationalism.

Moreover, it could be argued that economic nationalism was slightly less pertinent at the end of the 20th century in Québec than it was during the 1970s because Francophone ownership of the Québec had increased. A recent study by François Vaillancourt and Luc Vaillancourt illustrates that, by 1991, 65% of jobs in the Québec economy were under the control of Francophone ownership compared to 54% in 1978. However, the study also found that percentage of jobs in the Québec economy under the control of Francophone ownership rose by only 2% from 1991 to 2003 while foreign ownership rose from 8% to 10% and English Canadian ownership declined from 26% to 22%. Thus, while the PQ's economic strategy during the 1990s did not have the effect of
dramatically increasing Francophone ownership of the Québec economy it certainly did not substantially reduce it either.

An equally important explanation for the shift of the Saskatchewan NDP and the PQ to the third way, which pertains to political economy, was the actions of the previous governments in face of slow economic growth. Québec’s deficit was built up in the 1970s and 1980s as successive PQ and Liberal governments continued to overspend despite economic weakness. Similarly, Saskatchewan’s deficit was built up in the 1980s by the Progressive Conservative government that overspent despite an economic downturn around the middle and latter part of the decade. In contrast to the Romanow government, the Blakeney and Douglas governments had been left with small surpluses by the previous governments and Saskatchewan’s debt to GDP ratio was considerably lower when these traditional social democratic governments took office compared to when the Romanow government took power. For instance, when the Blakeney and Douglas governments first took office, Saskatchewan had a debt to GDP ratio of just over 20% whereas the Romanow government faced a debt to GDP ratio of nearly 60% when it took office in 1991. In Québec, the Lévesque government had been left with a sizable deficit from the first Bourassa government but the PQ government of 1994 was facing a considerably larger debt to GDP ratio than the Lévesque government had encountered upon taking office in 1976. Indeed, upon taking office, the Lévesque government found that Québec had a deficit to GDP ratio of 2% and a debt to GDP ratio of 10%. In contrast, when the Parizeau PQ government took office in 1994, Québec had a deficit to GDP ratio of 3.3% and a debt to GDP ratio of 33%.
The massive debt and deficit from the Devine government in Saskatchewan and the Bourassa and Lévesque governments in Québec severely limited the ability of the PQ and the NDP in the 1990s to implement traditional social democratic policies of using public investment to stimulate economic growth or expand the province's welfare state. The need to pay down the deficit to avoid financial crisis made it necessary to rationalize social programs, create more targeted social programs, and use more cost-effective means of economic development such as tax incentives, skills training, and lightening regulations. The existence of a massive debt and deficit also prevented the PQ and NDP governments of the 1990s from pursuing the costly re-nationalization of publicly-owned natural resource companies that previous governments had privatized.

The expansion of the provincial welfare state was made even more difficult for the PQ and Saskatchewan NDP in the 1990s because the health, education, and social services created by previous governments were already making up significant spending commitments. Government spending as a percentage of GDP was much higher when the PQ and NDP took office in the 1990s compared to when they took office in the 1970s or when the CCF took office in 1944. Due to these onerous spending commitments of the existing provincial welfare state, especially considering the rising cost of health care due to advancing medical technology, third way governments had much less flexibility in their fiscal framework to create new social programs than traditional social democratic governments. Another important factor here is that aging populations of the two provinces meant that the costs of providing health care were rising while the number of taxpayers to support the system was declining. Further, considering the relatively advanced nature of the provincial welfare state in the 1990s in Québec and
Saskatchewan, there was less societal demand for expanding social programs than there had been in the 1970s or when the CCF first took office in 1944. Indeed, the public’s main concern during the 1990s was the preservation of existing social programs in the context of high deficits and third way democracy was ultimately a reaction to this altered reality.

While both PQ governments were equally dedicated to sovereignty-association, the Romanow government never fundamentally challenged the federal government’s power as the Blakeney government did. Romanow never deployed the rhetoric of Western alienation and his government was one of the strongest allies of the federal government in federal-provincial negotiations. The reason for the Romanow government’s temperate tone with the federal government compared to the Blakeney government was changes in Saskatchewan’s political economy. First, the Romanow government was left with a large deficit by the previous Conservative government. Unlike Blakeney who funded the expansion of the Saskatchewan welfare state through its own resource revenues, the Romanow administration’s large deficit and debt made it dependent upon negotiation with the federal government in order to receive adequate transfer payments with which to maintain its existing social programs. As such, the Romanow government saw federal transfer payments as the only means it had of attaining additional funding for its provincial welfare state. Second, due to the struggles of the Blakeney government, the Romanow government had constitutional protection for its natural resource revenues which removed a major stimulus to sentiments of Western alienation and friction between the Saskatchewan and federal governments. Finally, the agricultural sector in Saskatchewan in the 1990s continued to decline and the
Saskatchewan economy was less dependent on farming as the service, resource, and manufacturing sectors grew and the pace of urbanization accelerated. The decreasing importance of agriculture to Saskatchewan’s economy and dwindling numbers of rural voters may have made it less crucial for the Saskatchewan NDP government to be confrontational with the federal government in the area of agriculture as Romanow’s half-hearted opposition to the abolition of the Crow Rate illustrated.

Institutions

On an institutional level, the dynamics of Canadian federalism during the 1990s were particularly important in stimulating the transformation from traditional to third way social democracy in Québec and Saskatchewan. Canada’s federal system allowed Ottawa to make unilateral decisions to cut transfer payments to provincial social programs in an effort to eliminate the federal deficit. Moreover, Canadian Health and Social Transfer (CHST) essentially meant the offloading of full responsibility for health and social services to the provinces under reduced national standards. At the same time as it created the CHST, the federal government also increased the eligibility requirements of unemployment insurance resulting in a higher number of social assistance cases in Saskatchewan and Québec during the 1990s. Further, despite protests from the Saskatchewan government, the federal government withdrew from providing social assistance for Aboriginals living off reserves which became a provincial responsibility and a considerable expense for the provincial government. Such federal cuts to transfer payments and offloading made it very difficult for the PQ and NDP governments of the 1990s to expand the province’s social programs.
Indeed, the Lévesque, Blakeney and Douglas-Lloyd governments enjoyed rising transfer payments most of their time in office. The 1999 federal budget did introduce an additional $11.5 billion in transfer payments over five years which only partially backfilled the reductions in transfer payments throughout the 1990s. However, at the same time, the federal government also decided to create a number of direct federal social initiatives in provincial jurisdiction such as the Millennium Scholarships, Canada Research Chairs, and the Canadian Foundation for Innovation. While these programs provided high visibility for the federal government, they also denied third way governments in Saskatchewan and Québec additional money to further expand their provincial social programs, particularly in the area of post-secondary education.

The federal system also allowed the federal government to unilaterally negotiate and ratify international free trade agreements that adversely affected the NDP and PQ’s ability to create new public enterprise and operate existing publicly-owned operations. Thus, the structure of Canadian federalism, in the context of globalization and the high public deficits of the 1990s, stimulated the growth of third way social democracy in Saskatchewan and Québec. In many ways the constraints put upon social democracy by Canadian federalism in the 1990s, led the NDP and the PQ to innovate away from traditional social democracy and towards a third way social democracy which emphasized rationalized and targeted social programs alongside the promotion of private investment to stimulate the economy.

In the context of lower transfer payments and rising deficits, the only option open to the Saskatchewan NDP and the PQ in the 1990s, if they would have wanted significantly to expand the provincial welfare state, would have been to raise taxes.
However, taxes on both corporations and individuals in Québec and Saskatchewan had already been substantially increased by previous provincial and federal governments. As such, governments were taking away a much greater portion of people's income and corporations' profits in Saskatchewan and Québec in the 1990s compared to previous decades. Further, as opposed to previous decades when wages and personal income were on the rise in Saskatchewan and Québec, personal income was stagnant in the 1990s in these two provinces. Thus, any tax increase affecting individuals would immediately erode personal income in the 1990s whereas during the time of traditional social democratic governments tax increases were fully offset by increases in personal income. In this context, one can understand the public's intolerance of further individual tax increases during the 1990s.

While corporate profits were healthy in Saskatchewan and Québec in the 1990s due to strong economic growth, the PQ and the Saskatchewan NDP governments did not want to tax away too much of their profits for fear of hurting the province's competitiveness. The need for the PQ and the Saskatchewan NDP to keep corporate taxes down was made even greater by that fact that both Saskatchewan and Québec were located beside provinces with low corporate taxes (Ontario under Harris and Alberta under Klein). Simply put, there was less taxing 'room' for the Saskatchewan NDP and PQ governments in the 1990s than there had been for traditional social democratic governments in these two provinces and this partially explains their adherence to third way social democracy which sought the rationalization as opposed to the costly expansion of social programs.
Federalism also acted as a constraint on the PQ’s initiatives to improve parental leave for pregnant workers since the federal government refused to allow the Québec provincial government to opt out of the national Employment Insurance scheme in order to provide more generous benefits to Québec women. While the Québec Court of Appeal supported the PQ government’s argument that parental leave was in provincial jurisdiction, the Supreme Court of Canada reversed this decision and found that such benefits were within the federal unemployment insurance power. Beverly Baines has analyzed this decision to illustrate that the Supreme Court decision defined Québec women as national citizens thereby effectively denying them the superior benefits available under the PQ’s proposed regime.\textsuperscript{921} She concludes the Supreme Court’s interpretation of federalism “has restricted and continues to restrict women, and in particular pregnant women, who aspire to identify as Québec citizens.”\textsuperscript{922}

In Saskatchewan, federalism also constrained the ability of the NDP to provided enhanced benefits to women and Aboriginals. In particular, the federal Liberals’ reneging on their 1993 campaign promise to establish a national daycare system and their cuts to transfer payments were partially responsible for the Saskatchewan NDP’s failure to make widespread improvements to the province’s child care system. In terms of First Nations in Saskatchewan, federal government inaction on land claims and the construction of a campus for the Saskatchewan Indian Federated College led to considerable delays in the Romanow government’s efforts to improve the lives of its Aboriginal citizens.

Therefore, similar to traditional social democratic governments, Canadian federalism acted as a two-edged sword for third way governments in Saskatchewan and Québec by both encouraging and restricting social democratic innovation. On the one
hand, increases to transfer payments in the late 1990s allowed the NDP and PQ government to re-invest in housing, health, and education programs that had been cut in their efforts to eliminate their deficit. The National Child Tax Benefit was also a joint federal-provincial initiative which helped low-income workers in Saskatchewan and Québec. On the other hand, the initial cutting of provincial social programs was partially due to decreases in transfer payments which led to third way ideas such as rationalizing and targeting social programs. Similarly, the federal governments imposition of globalization on Saskatchewan and Québec through their unilateral signing of free trade agreements led the NDP and PQ to adopt third way ideas such as not expanding public enterprise and focusing on skills training, commercialization of university research and deregulation to attract private investment. As such, the Saskatchewan NDP and the PQ were forced toward third way innovations to their social democratic ideas because of the constraints placed upon them by federal actions.

Agency

One must take agency into account when discussing the transformation of the Saskatchewan NDP and the PQ from traditional to third way social democracy. Ultimately, it was agents within the Saskatchewan NDP who had to formulate the ideas to fit the economic, political, and social circumstances of Saskatchewan in the 1990s. Romanow had been considered to be representative of the right-wing of the party since his unsuccessful campaign for leader in 1970. After he was acclaimed leader of the party in 1987, Romanow and a number of close collaborators led the adoption of party policies which moved away from traditional social democracy, such as those focusing on creating jobs through strategic business tax reductions and promoting equality by
targeting social programs instead of expanding universal benefits. Upon taking power, Romanow appointed a small cabinet made up of several MLAs considered to be on the right of the party such as Janice MacKinnon, Dwain Lingenfelter, and Bob Mitchell. These cabinet ministers were quite willing to accept the restrictions that globalization and free trade agreements placed on the Saskatchewan government and focused on rapidly eliminating the deficit even if it meant cuts to social programs. The dominance of the right-wing cabinet was further augmented by the Saskatchewan CCF-NDP’s tradition of cabinet-dominated government and their reluctance to alter the Westminster parliamentary system which limited the effectiveness of opposition in the NDP caucus or party to Romanow’s third way agenda. Further, with the exit of Bob Lyons, the lone representative of the party’s Left from the caucus, over labour policy in 1994, the left-wing in the NDP in the 1990s was relegated to periodic control over the youth wing, passing resolutions at annual conventions that everyone in the party knew would not be followed, writing articles in the party’s monthly magazine, and asking critical questions of the Premier at party gatherings.

The Saskatchewan NDP joined the large number of social democratic parties around the world that had shifted from traditional to third way social democracy in response to the forces of globalization during the 1990s. Both Roy Romanow and cabinet ministers from the Romanow government admitted to being influenced by Tony Blair’s transformation of the British Labour Party toward third way social democracy. However, it should be noted that Blair did not become leader of the Labour Party until July 1994 and a number of third way social democratic policies in Saskatchewan had already been put in place by that time. It seems much more plausible that the Romanow
government was influenced by the experiments with third way social democracy in Australia and New Zealand in the late 1980s and the third way social democratic policies being adopted by NDP governments in Ontario and British Columbia which had also come to power in the early 1990s.

In Québec, the situation concerning agency was slightly different. The right wing of the PQ had gained ascendancy during the last year of the Lévesque government and the leadership of Pierre-Marc Johnson. However, Johnson was displaced by Parizeau in 1987 and a new leadership that had a firm commitment to achieving sovereignty and a more centrist orientation took over the key positions in the PQ party apparatus. The centrist orientation of this new leadership was reflected in Parizeau's call for the PQ to re-affirm its "indépendantiste and social democratic objectives" when he was seeking the PQ leadership and the mixture of traditional and third way social democracy contained in the 1993 party program and 1994 election platform. Parizeau's first cabinet had a number of ministers from the Lévesque era who could be considered to have strong social democratic leanings such as Guy Chevrette, Louise Beaudoin, Pauline Marois, Louise Harel, and Jean Garon. On the other hand, Parizeau left out two left-leaning ministers from the Lévesque era (Denis Lazure and Camille Laurin) from his cabinet and appointed such right-wing figures as Richard Le Hir, Serge Menard, Jacques Brassard, Jean Rochon, and Richard Paillé to important ministerial positions.

When Bouchard became Premier in 1996 he was forced to co-operate with a critical mass of social democratic ministers left over from the Parizeau era in spite of his background as a Progressive Conservative cabinet minister under Mulroney. The ascension of Landry to premier, who himself had certain social democratic leanings as
evidenced by his strong distaste for neo-liberalism\textsuperscript{931}, and the appointment of Pauline Marois as Deputy Premier and Minister of Finance cemented the strength of the social democratic group in the PQ cabinet during the final years of the PQ government.

It was this balance of Right and Left in PQ cabinets of the 1990s that ensured that the PQ government followed a third way social democratic direction as opposed to having a full-fledged neo-liberal orientation or attempting to sustain traditional social democratic policies. As such, third way social democracy was a compromise between the social democrats in the PQ cabinet and the right-wing members of the cabinet whose commitment to social democracy was somewhat superficial. However, while PQ cabinets in the 1990s and early 2000s could be described as a mixture of centrist and right-wing social democrats, it should be noted that the Left of the party remained marginalized. Besides periodic resolutions and protests from the riding associations of the Montréal-Centre region and the youth wing, the PQ cabinet was not exposed to serious opposition to its third way social democratic agenda in the PQ party.\textsuperscript{932} Rather, opposition in the party on the policy direction of the PQ cabinet came on the questions of protection of the French language and the timing and modalities of the next referendum.\textsuperscript{933}

Similar to the Saskatchewan NDP, Bernard Landry stated the PQ government was of the same belief as Tony Blair when he approvingly cited Blair’s quote that “if socialists were wrong in trying to bring success down to a common denominator, they were certainly right to try to put success in everyone’s reach.”\textsuperscript{934} The PQ was also likely influenced by the election of the Parti Socialiste in France in 1997, under the leadership of Lionel Jospin, who followed a more traditional social democratic discourse than Blair but nonetheless implemented similar third way social democratic policies.\textsuperscript{935}
In addition to the evident changes in public consciousness concerning the place of women in society between the 1970s and 1990s, agency also played a large part in the moderate progress on women’s policies made by third way governments. In sharp contrast to the Douglas/Lloyd and Blakeney governments, women consistently made up approximately 20% of the cabinet, government caucus, and the Legislature during Romanow’s time in power. Similarly, the percentage of women in cabinet and the government caucus during the PQ’s time in power in the 1990s was significantly higher than the Lévesque era. Further, PQ women cabinet ministers in 1990s took on important economic portfolios and roles that represented Québec on the international or national stage which had normally been reserved for men such as Finance, President of the Treasury Board, International Relations, Speaker of the National Assembly, Intergovernmental Relations, Deputy Premier, Energy, Mines and Forestry, Industry and Commerce, Revenue, and Municipal Affairs. However, despite such impressive gains in the 1990s by women in the PQ and Saskatchewan NDP, women in these parties’ cabinets or caucuses still did not constitute a ‘critical mass’ of 33% which may have partially accounted for the moderation of the third way’s women’s policies in these two provinces.

In relation to the SPD and the British Labour Party, Jytte Klausen has argued that these third way parties increased the representation of women in their governments and adopted progressive women’s policies in the 1990s in order to win back female voters who voted Christian Democrat or Tory in the 1980s because they were exasperated with traditional social democracy’s male-breadwinner policies which re-enforced the traditional family and cordoned women off from well-paying professional careers. A
similar process may have taken place in both Québec and Saskatchewan. The Blakeney government’s crushing defeat in 1982 was partly attributable to many women who shifted their vote to the Devine Conservatives in response to Blakeney’s male-breadwinner policies and the lack of women’s representation in his government. The moves towards increasing the number of women NDP MLAs and cabinet ministers and adopting more progressive women’s policies was part of a successful attempt by the Romanow-led NDP to win back these female voters who had drifted towards the Conservatives in the 1980s.

In Québec, the women’s movement experienced a considerable resurgence in the 1990s. For instance, both the Bread and Roses March in 1995 and the World March of Women in 2000 generated significant media attention as the membership in women’s groups increased. The PQ government was aware of polls that illustrated that women consistently voted for sovereignty less than men and was also grateful for the support for sovereignty given by the women’s groups during the 1995 referendum. In order to win the next referendum, the PQ had to close the gender gap between men and women in their support for sovereignty and hoped that the continued support of women’s groups could aid in this regard. Thus, PQ policies that were favourable to women could be seen as an attempt to shore up support in a constituency that was important for a future referendum victory.

*Alternative Explanations for the Emergence of Third Way in Québec and Saskatchewan*

Several other explanations have been advanced to explain the transformation of the Saskatchewan NDP and the PQ in the 1990s as part of the literature’s ‘shotgun’ approach to explaining the emergence of the third way. The principal weakness of these alternative explanations is that they attempt to explain the shift from traditional to third
way social democracy using factors that were present during both the era of the Douglas-Lloyd, Blakeney and Lévesque governments and during the time period of the PQ and NDP governments of the 1990s.

In the Saskatchewan case, some have argued that, by the 1990s, the NDP was dominated by middle class urban professionals instead of the alliance of progressive farmers and the labour movement which had been crucial to the success of the CCF and the Blakeney government.\(^\text{942}\) However, David E. Smith and Glen Thompson have convincingly argued that the leadership of the CCF-NDP has been dominated by urban professionals from the middle class since the Douglas government. Through the statistical analysis of the occupation of cabinet ministers and caucus members, they illustrate that farmers and unionists were routinely marginalized in CCF-NDP governments from 1944 to 1982 in favour members of the urban middle class such as teachers, lawyers, and managers.\(^\text{943}\) Similarly, a change in the class make-up of the PQ leadership or membership cannot be used to explain its transformation from traditional to third way social democracy. PQ cabinets from both eras have consistently favoured journalists, university professors, civil servants, lawyers, and businesspeople over labourers or farmers.\(^\text{944}\) Moreover, PQ cabinets and caucuses in the 1970s and the 1990s both contained only a very small group of members who had come out of the union movement.\(^\text{945}\)

Ultimately, we cannot assign the Right wing's dominance of the Saskatchewan NDP in the 1990s, and the Centre faction of the NDP's endorsement of their direction, to a change in the class make-up of the party leadership. Rather, we should realize that the Right-wing in the NDP rose to dominance because of their aggressive organizing in the
party since Romanow lost the leadership race in 1970. In the late 1980s, the Right-wing coalesced around the uncontested leadership bid of Romanow and then proceeded to re-formulate party policy around third way themes in a series of policy commissions which were unanimously adopted without debate by the party's annual convention in 1989.946 The active organizing of the Right-wing of the NDP from 1970 to 1987 can be contrasted with the exit of the Waffle from the party in 1973 and the failure of the Centre of the party to put forth a candidate to challenge Romanow's leadership bid or attempt to alter the policy commissions at the 1989 convention.

In the PQ, it was the aggressive organizing of Centrist social democrats that brought Parizeau to power in 1987 and stopped the rightward and national affirmation drift of the PQ. Once the PQ was in power, these Centrist social democrats were able to persuade Bouchard and the Right-wing of the cabinet to follow a third way social democratic direction, and they were eventually was able to install a Premier more congenial to their way of thinking. One may contrast the activity of the PQ's centrist social democrats with the Left-wing of the party who did not present leadership candidates against Bouchard or Landry and who were unable to obtain strong and consistent representation in the PQ caucus or cabinet during the 1990s.947

The rise to dominance of the Right-wing of the NDP was aided by the fact that their ideas fit well with the constraints that globalization, rising debt and deficits, and cuts to federal transfer payments placed upon social democracy in Saskatchewan in the early 1990s. In the lead-up to Romanow's selection as leader and the 1991 provincial election, it was clear to most in the party that the ideas of the Right-wing were the most workable and electorally viable considering the context in which the province found itself. The re-
thinking of social democracy done by the Right-wing of the NDP in the second half of the 1990s invalidates arguments made by Phillip Hansen and Ken Rasmussen that the turn of the Saskatchewan NDP toward the third way was the product of a "failure of political imagination" or a "lack of intellectual vigour". Indeed, the fact that the Right-wing of the Saskatchewan NDP formulated third way ideas before they had become popular in Europe or well developed in Canada or Australia and New Zealand suggests a vibrant political imagination and intellectual vigour on the part of the Right-wing of the party.

In the PQ during the 1990s, third way social democracy served a dual purpose in response to the social, political, and economic circumstances of the period. First, third way social democratic ideas fit with the need to make Québec’s economic context more competitive in the context of globalization and were congruent with the imperative to eliminate Québec’s deficit. On the other hand, as Peter Graefe points out, third way social democracy was a way to maintain the support of unions and social groups which would be needed in a future referendum. Thus, the third way social democracy advocated by the Centrist social democrats in the PQ cabinet had the advantage of not only adapting to a new economic context but also cultivating important civil society support for a future referendum.

Other authors have emphasized that the NDP and the PQ turned towards the third way in the 1990s because they had been transformed from a 'mass party' into a 'cadre party'. These authors argue that the NDP and PQ in the 1990s took on such cadre party characteristics as pragmatic platforms designed to win elections and tight control over party organization by a small a group of professional politicians and party bureaucrats.
Further, these researchers also stressed that the Romanow government and the PQ government of the 1990s were dominated by cabinet and that the participation of grassroots party activists in policy making was not encouraged. However, as shown in Chapters 4 and 5, cabinet-dominated government was a characteristic of all PQ and CCF-NDP administrations. Further, since the dropping of the controversial use-lease land policy from the CCF platform before the 1938 election and the moderation of the PQ program after the 1976 election, both the PQ and the CCF-NDP have routinely moderated their ideas into pragmatic platforms in order to win elections and the parties have been run by a central and professionalized organization since very early in their histories.951

Specific to Saskatchewan, it is further argued by some researchers that a smaller membership and acceptance of corporate donations in the 1990s were reflections of the 'cadre' nature of the provincial NDP that led to the adoption of the third way.952 However, the CCF-NDP membership dropped in the Douglas and Blakeney eras when their governments became entrenched in power and the NDP had started canvassing the province’s businesses for donations in the mid-1970s.953

Andrée Ferretti, Pierre Dubuc, and John Warnock argue that the appeasement of capital was behind the movement of the Saskatchewan NDP and the PQ towards the third way.954 However, both traditional and third way governments in Saskatchewan and Québec were willing to stand up to the business community if they felt that it was necessary for the well-being of the province. Like the Lévesque government, the PQ in the 1990s adopted a number of policies in the face of opposition from business such as the increasing of business taxes in the 1994 budget, a 1% payroll tax to encourage skills training, increasing the minimum wage, pay equity for the private sector, the banning of
grandfather clauses in collective agreements, and moratoriums on new pig farms and water bottling operations. Similarly, like the Blakeney and Douglas governments, there were examples of situations where the Romanow government went against the wishes of the business community such as raising the corporate income tax rate and the corporate capital tax rate in the early 1990s, stricter workplace health and safety standards, pushing Weyerhaeuser to improve its environmental practices, and introducing a Crown Corporation tendering policy which required bidding companies to be unionized. Therefore, third way and traditional social democratic governments in Québec and Saskatchewan both succumbed to and successfully resisted the structural power of capital. In any case, capital appeasement should be considered a characteristic, not a cause, of the third way.

Other researchers have argued that the rise in identity politics, partly in response to the advent of the Charter, and growing importance of post-material issues in Saskatchewan politics have mediated against traditional social democracy with its focus on economic matters and social programs. The rise of post-materialism may have forced the Romanow government to be more sensitive than its predecessors to the concerns of women, First Nations, and environmental groups during the 1990s. However, concern for post-materialism does not necessarily undermine traditional social democratic ideology. There is no reason why sensitivity to post-materialist issues negated the possibility of the either the Romanow government or the PQ government of the 1990s following traditional social democratic policies such as expansion of universal social programs, state intervention in the economy, or the imposition of labour code reforms on business.
John Warnock argues that the Saskatchewan labour movement’s continued support of the NDP as the “lesser of two evils” sapped the energy of left-wing opposition to the NDP in the 1990s leading to the entrenchment of the third way in the province. Be that as it may, the labour movement was in the same position vis-à-vis the Blakeney government in the 1970s in relation to that government’s back-to-work legislation and support of wage and price controls. Further, it is hard to see how the removal of labour support from the NDP would have somehow stopped the adoption of the third way by the Romanow government. In fact, the disaffiliation of unions from the party may have had the opposite effect since unions acted as a bulwark in the NDP in the 1990s that prevented it from moving even further to the right than it did. Similarly, in Québec, one may argue that a withdrawal of union support from the PQ in the 1990s was responsible for the PQ’s adoption of the third way. However, if anything, Québec unions were more supportive of the PQ in the 1990s than they were during the Lévesque era of traditional social democracy so such a hypothesis would be invalidated.

Specific to Saskatchewan, some researchers argue that, because of larger farms and more capital intensive agriculture, the progressive farmers that elected the Douglas and Blakeney governments had disappeared in the 1990s and were replaced by more business-minded farmers who supported the Conservatives. These authors are correct to assert that, due to changes in the structure of Saskatchewan’s agricultural economy, the agrarian socialism discovered by Lipset in 1950 was dead by 1991. However, agrarian socialism was dead before the advent of the third way. The CCF’s stranglehold on farm support began to slip as early as the 1956 election and by the Blakeney years farmers were already increasingly conservative and defining themselves as small businessmen.
Moreover, there was little difference in rural support for the NDP between the Blakeney and Romanow years. In fact, Blakeney and Romanow held nearly exactly the same percentage of the rural seats during their time in power.\textsuperscript{959} Thus, it was not any dramatic loss of 'progressive' rural support that caused the NDP to turn towards the third way in the 1990s. Instead, the current rural/urban divide in Saskatchewan politics is a phenomenon that emerged in the 1999 provincial election long after the third way had been firmly established in the Saskatchewan NDP.

Finally, some researchers have suggested that a possible reason for the transformation from traditional to third way social democracy was that the Québec and Saskatchewan publics were less willing to accept government activism during the 1990s than during the era of the Douglas-Lloyd, Blakeney, and Lévesque governments. For instance, Warnock argues that voters in Saskatchewan were more conservative in the 1990s due to the rises in standards of living, the emergence of a more consumer-driven society, and an aggressive right-wing media.\textsuperscript{960} Gaétan Breton also invokes a Chomsky-like critique of a right-wing Québec media which manufactured consent as a possible reason for the PQ's turn towards the third way.\textsuperscript{961} However, the coming to power and dominance of the CCF in Saskatchewan took place during the post-war period when the province's standard of living was rising and consumerism was strong as many new products entered the marketplace. As for the possibility that right-wing media in Québec and Saskatchewan invoked the third way, it should be noted that the media continually attacked the Douglas government as communist and Lévesque was regularly branded as 'Castro' by the media during the 1970s.\textsuperscript{962} Therefore, the existence of a right-wing media
in the 1990s cannot be a necessary and sufficient cause for the emergence of the third way in Québec and Saskatchewan.

Using data from surveys of the general public and elites in the late 1970s and early 1980s, Ornstein and Stevenson illustrate that a shift took place in Saskatchewan away from support for state intervention in the economy and the welfare state towards more neo-conservative policies which would rationalize social programs and reduce the role of the state in society and the economy. However, their polling does not prove that such opinions persisted in Saskatchewan into the 1990s or that support for state intervention and the welfare state existed in Saskatchewan before the late 1970s. Indeed, there is no reliable polling that compares public opinion in Saskatchewan in the 1990s with public opinion in the 1970s let alone the CCF era from the late 1940s to the early 1960s. Therefore, claims regarding a rightward shift in public opinion are extremely difficult to validate in relation to Saskatchewan. In Québec, there is a substantial body of literature that illustrates that PQ voters have consistently held similar social democratic values concerning unions, equality, the welfare state, and state intervention from the party’s inception to the end of Landry’s administration in 2003. Therefore, a shift in Québec public opinion does not appear to be a factor in the PQ’s transformation from traditional to third way social democracy.

Continuities between the Third Way and Traditional Social Democracy

Despite the important differences outlined above, it should be noted that there were numerous and substantial continuities between traditional and third way social democratic ideas in Saskatchewan and Québec. Indeed, the maintenance of a black and white dichotomy between traditional and third way social democracy, especially one
which is uniform across the two cases, is untenable. Third way social democratic governments in Québec and Saskatchewan remained committed to public ownership in that they privatized very few publicly-owned corporations during their time in office. With the exception of the Douglas government, all third way and traditional social democratic governments examined gave extensive technical and financial support to small business. Further, all social democratic governments in Québec and Saskatchewan held that economic development should not be sacrificed for environmental concerns and both traditional and third way social democratic governments in Québec made limited use of moratoriums on new environmentally unsafe business projects.

While the Douglas government was the only government examined not to legislate workers back to work, all the other governments examined regularly legislated public sector workers back to work and all social democratic governments in Saskatchewan and Québec studiously avoided worker participation in management initiatives. None of the three Saskatchewan CCF-NDP governments enacted aggressive policies to expand co-operatives. On the other hand, the Lévesque government did provide subsidies for the creation and development of co-operatives and the PQ government of the 1990s introduced a similar strategy but it was never fully implemented because the party lost power. The Lévesque government and the PQ government of the 1990s followed a similar policy on natural resource royalties: increased royalties in the forestry sector offset by generous subsidies and the maintenance of low royalties and high subsidies in the mining sector. Both PQ governments favoured corporatism but the PQ government of the 1990s did use more neo-corporatist arrangements which included socio-economic agents outside of government, business, and unions. With the exception
of the dropping of the economic nationalist goal of food self-sufficiency by the PQ government in the 1990s, PQ governments in both the eras had fairly similar agricultural policies which emphasized marketing boards, income stabilization, crop insurance, agricultural credit, and supply management.

In terms of fiscal policies, all three CCF-NDP governments in Saskatchewan were fiscally responsible. The Douglas, Lloyd, and Blakeney governments ran a deficit only once during the 31 fiscal years that they were in power from 1944 to 1982. Upon its election to office, the Romanow government made deficit elimination its first priority and it eliminated its deficit in four fiscal years. In the Québec case, both the Lévesque government and the PQ government of the 1990s made a commitment to fiscal responsibility. However, the commitment of the Lévesque government was to ensure that the annual deficit was no higher than $3 billion whereas the PQ government of the 1990s succeeded in reducing the deficit to zero. All the social democratic governments examined increased business taxes and raised consumption taxes but exempted essential items from sales taxes. The exception to this trend was the Blakeney government, which neither raised nor lowered consumption tax rates and it should be noted that the Romanow government initially increased the sales tax rate only to lower it during its second mandate. In terms of personal income taxes, both traditional and third way social democratic governments preferred a mix of regressive ‘across the board’ cuts to the personal income tax rates of all taxpayers and ‘progressive tax reductions’ which are reductions to the personal income taxes of low and middle income earners.965

Both traditional and third way social democratic governments maintained universal, free, and public health and educational services. While both PQ governments made subtle
moves to limit the growth of private primary and secondary schools in Québec, neither
government seriously considered initiatives to reduce the number of these schools or to
integrate them into the public system. PQ governments were also consistently dedicated to
the secularization of Québec's education system even if only the PQ government of the
1990s was ultimately successful in its attempt to secularize Québec's school boards. On the
other hand, CCF-NDP governments never questioned the existence of denominational
school boards in Saskatchewan. In the area of post-secondary education, all CCF-NDP
governments allowed tuition to rise during their time in power while PQ governments in
both eras froze tuition. Besides the Douglas-Lloyd government, traditional and third way
social democratic governments in both provinces encouraged social assistance recipients to
find employment through the provision of free skills training, job placements, and
monetary incentives.

Despite suggestions for democratic reforms contained in PQ party programs and in
the ideas of early Saskatchewan social democratic organizations, none of the social
democratic governments examined made substantive alterations to their provinces'electoral systems. Indeed, both third way and traditional social democratic governments in
Saskatchewan and Québec resisted any moves toward proportional representation because
the first-past-the-post system benefited their parties enormously. Further, the decision-
making processes in all of these governments were dominated by the cabinet and the
bureaucracy and gave only a limited role for party activists, citizens, or even the
government caucus. Both traditional and third way social democratic cabinets in
Saskatchewan enjoyed the authority that the Westminster system gave them to carry out
their controversial reforms and marginalize opposition to their decisions.
Finally, the women's and Aboriginal policies of third way and traditional social democratic governments were characterized by liberal feminism and moderate progress towards greater equality for these two groups. There was no concerted effort on the part of either traditional or third way social democratic governments in Saskatchewan and Québec to extend full citizenship based on substantive equality to their Aboriginal or female citizens.

Table 5.4: Key Continuities between Traditional Social Democratic and Third Way Governments

- Assistance to small business
- Commitment to public Medicare
- Maintenance of public enterprise
- Balancing of economic development and environmental protection
- Back-to-work legislation
- Increased consumption taxes
- Lack of class analysis
- Fiscal responsibility
- Cabinet-dominated government
- Moderate progress on women's and First Nations' issues
- Corporatism (in Quebec only)

Political Culture: Explaining the Continuities between Traditional Social Democracy and the Third Way

The continuities between the third way social democracy of the Romanow government and the traditional social democracy of the Blakeney, Douglas, and Lloyd governments can be primarily attributed to the social democratic strain in the political culture of Saskatchewan. This social democratic strain, shaped by a social democratic intellectual tradition stretching back to the early part of the 20th century, was the primary factor in explaining the Romanow government's decisions to increase social assistance spending in spite of its deficit, to refrain from selling off government owned utilities, and to keep Medicare publicly owned and operated. Neither the NDP nor the general public would have accepted the Romanow government turning its back on these touchstones of Saskatchewan existence. Indeed, the commitment to publicly-owned utilities and Medicare...
on the part of the NDP and the Saskatchewan population can be seen as institutional path dependency re-enforced by a political culture valorized co-operation and state intervention in order to provide economic security. The economics of increasing returns ensured the Saskatchewan NDP rewards for adhering to these foundational ideas of the social democratic strain in Saskatchewan's political culture and escalated the political costs of breaking with such ideas. Therefore, while the Romanow government did incur some political damage from the rationalization of social programs which went against the grain of the traditional social democracy, it could not completely break with all aspects of the powerful set of traditional ideas that had became entrenched in the political culture of the province.

Ironically, the social democratic strain in Saskatchewan's political culture, with its tradition of fiscal responsibility, also re-enforced the Romanow government's determination to eliminate the deficit which was considered a tenet of neo-liberalism in the 1990s. However, Saskatchewan's political culture which stressed collectivism led the NDP to eliminate the deficit using both spending cuts and tax increases in the place of following the Alberta Conservatives who eliminated their deficit almost exclusively through spending reductions. As Roger Gibbins argues, the social democratic strain in the political culture of Saskatchewan makes citizens supportive of an activist government to protect them from swings in the province's volatile resource-based economy and they would simply not have supported the 'slash and burn' types of policies adopted in Alberta.967

The decision of the Romanow government to continue to provide financial aid to small business may have been conditioned by the tradition in early Saskatchewan social
democracy of eschewing class analysis and seeing small businessmen as part of the ‘people’ of Saskatchewan. The emphasis in both third way and traditional variants of Saskatchewan social democracy on the co-operation of all segments of society, including business, has its roots in the first half of the 20th century during which the fluctuations of the wheat economy created a unique small town structure based on co-operation between all townspeople for the collective good. The similar moderation of advances made on issues of concern to women and First Nations by the Blakeney and Romanow governments can be attributed to the enduring effects of original white settler construct and whites-only nationalism embedded within the social democratic strain of Saskatchewan political culture. As can be seen in Chapter 3, the original purpose of Saskatchewan social democracy was the stabilization of the economic situation of the male wheat farmers and not bringing about greater justice for the First Nations or equality between men and women.

In the case of Québec, the social democratic strain in the province’s political culture ensured various continuities between traditional and third way social democracy within the PQ. Québécois nationalism, and the sense of collectivism and social solidarity that it creates, was a decisive factor in creating such continuities. For instance, the approach of the PQ in the 1990s to reducing the provincial deficit was to call upon the solidarity of the Québécois nation to justify both tax increases for high income earners as well as business and spending cuts which would adversely affect public sector workers, community groups, and the poor. After its deficit was eliminated, the PQ used the same appeal to the solidarity of the Québécois nation to justify its initiatives to combat poverty, support of the social economy, and make expansions to the welfare state such as $5 a day
daycare. The minister responsible for these new programs was even called the "Ministre de la solidarité sociale [Minister of social solidarity]." Similarly, this sentiment of national solidarity was an important factor preventing the PQ government of the 1990s from dismantling accomplishments of the Québécois nation since the Quiet Revolution such as a large network of publicly-owned corporations, a publicly owned and operated Medicare system, and an accessible and public primary, secondary, and post-secondary education system. As such, we can clearly see how the PQ based its social democratic innovations on sentiments of nationalism instead of class analysis. As in the 1970s, social democratic initiatives were justified through appealing to the positive effect that the new program would have on the nation as a whole as opposed to a single class.

Path dependency re-enforced by political culture played an important role here because the accomplishments of the Quiet Revolution had taken on a symbolic significance for the PQ and the Québec population as examples of what the Québécois nation could accomplish. This nationalist and symbolic justification is in contrast to the purely utilitarian justification for the welfare state and publicly-owned corporations in English Canada. Moreover, the PQ's consistent co-operation with the Québec Francophone business community and the provision of financial aid and subsidies to farmers, co-operatives, PMEs, and private companies by the PQ government of the 1990s was reflective of the insistence in the social democratic strain of Québec political culture on collective action to aid all of the constituent parts of the Québécois nation. Similar to Saskatchewan, the economics of increasing returns ensured political rewards for the PQ government in following the well-established path set by the social democratic strain in
Québec’s political culture and provided a counter-balance to the political damage incurred when the PQ rationalized Québec’s social programs.

Finally, it is important to factor in the effect of the PQ’s goal of a referendum on ensuring continuities between traditional and third way social democracy. Many of the PQ’s policies which aimed at benefiting large swaths of the Québec population like $5 a day daycare, public housing, or an increased minimum wage were motivated by the need to build momentum for another referendum. Like the Lévesque government before it, the PQ government in the 1990s used the universal benefits inherent in social democratic governance to build the popularity of the sovereignist option and act as concrete evidence for what an independent and social democratic Québec could accomplish in the future.

The PQ in the 1990s also followed the corporatist tradition in Québec which has its roots in social Catholic thought’s conception of the entire Québécois nation cooperatively working together with the state as the neutral arbitrator attempting to achieve national consensus. Like Saskatchewan, the white settler construct and Whites-only nationalism inherited from the ethno-religious nationalism of social Catholic thought limited the advancement on women’s issues and First Nations concerns by both the Lévesque government and the PQ government of the 1990s. Further, the natalism in the PQ’s family policy may be seen as having some of its roots in the ethno-religious nationalist desire to perpetuate the survival and continuance of the Québécois nation.

As we can see in the above examples, political culture can set important limits on the adoption of third way social democracy in a polity. However, as the case of fiscal responsibility in Saskatchewan proves, political culture can also intertwine with the tenets of neo-liberalism to solidify the adoption of certain third way social democratic policies.
The important point is that third way social democracy, like traditional social democracy before it, must interact with the political culture of the society in which it is embedded.

This interaction between third way social democratic ideas and a unique political culture produces a number of variants of the third way both in Canada and throughout the world. Indeed, European literature points to the existence of several 'third ways' in Europe as opposed to one single and uniform third way applicable to all social democratic parties on the continent. In the cases of Saskatchewan and Québec, we can see a number of variations in type of third way social democracy adopted. Unlike the Saskatchewan NDP, the PQ in the 1990s embraced corporatism, emphasized the social economy, maintained a traditional social democratic approach to agriculture, raised forestry royalties, and adopted a small number of universal benefits in its provincial welfare state, such as a tuition freeze, full day kindergarten, and $5 a day daycare. I would argue that these differences in the third way adopted by the PQ as opposed to the Saskatchewan NDP are primarily due to the considerations relating to political culture outlined above. The existence of nationalism in Québec creates a stronger sense of social solidarity than in the case of Saskatchewan which is more effective at limiting the targeting of social programs and encouraging corporatist solutions to the problems of globalization.

Conclusion

In summary, this chapter has argued that the similar transformation from traditional to third way social democracy in Québec and Saskatchewan should be primarily explained by the political economy, political agents and institutional setting of these two provinces whereas the continuities between traditional and third way social
democracy are largely caused by the political cultures of the two provinces. The theoretical importance of this chapter is that it contributes to the formulation of a Canadian definition of the third way, puts forth a focused explanation of the emergence of the third way, and uncovers continuities between the third way and traditional social democracy that were unappreciated up until this time. While I agree with the literature on the third way in Canada and Europe which stresses the importance of globalization in explaining the emergence of the third way, the above analysis illustrated that the role of institutions (in particular federalism) and agency needs to be better appreciated. Further, the role of political culture in creating continuities between third way and traditional social democracy must be further examined in other cases besides just Saskatchewan and Québec to see if there are continuities in those cases that can be explained through the application of an approach which emphasizes political culture.
Conclusion

The primary theoretical point that I have argued in this dissertation is that the ideologies of political parties, and subsequently the governments that they form, are shaped by the political economy, the political culture, and the institutional setting in which they are embedded. First, ideas and policies of political parties are influenced by the political, economic, and social conditions— in short the political economy— of their society. As the political economy of a society changes, political parties are forced to adapt their ideas to new and emerging contexts. Ultimately, the success of a political party depends on if it is able to come up with innovative ideas in order to meet the changed circumstances of its society. Second, the ideas that political parties have to meet these new circumstances and the public’s willingness to accept such ideas are heavily influenced by the political culture of a society. Essentially, a society’s political culture provides inspiration and a foundation for the ideas of political parties and also sets up a framework which limits the realm of political possibility. Political culture sets limits to the kinds of solutions to recognized problems that the public will accept. Similarly, the ideas of political parties and governments are necessarily shaped by the institutional setting in which they must operate. Institutional frameworks can simultaneously constrain the freedom of political actors and encourage them to be innovative in their thinking and actions. Thus, in order to be successful, political parties must find ideas which fit with the political economy, political culture, and institutions of their society. The challenge of finding new ideas which are congruent with the political economy, political culture, and institutions of a society falls to the political agents who lead political parties and participate in their party structures.
For the agrarian protest movement in Saskatchewan in the early part of the 20th century, the exploitation of the prairie farmer and unequal distribution of wealth created by Central Canadian business interests represented by the CPR, grain company monopolies, and tariff-protected manufacturers required the institution of graduated income taxes, the expansion of public and co-operative enterprise, and the creation of a rudimentary welfare state. These social democratic ideas emerged in Saskatchewan as a result of the boom and bust grain-based political economy created by the National Policy which placed prairie farmers in a colonial and exploitative relationship with Central Canadian political and economic interests. Immigration to Saskatchewan from the places with traditions of labourism and radical agrarian thought and a frontier environment free of party tradition and traditional social values stimulated the creation of a social democratic strain in Saskatchewan political culture that stressed co-operation and state intervention to provide economic security. On an institutional level, Canadian federal system, through the creation of provinces, allowed for a political arena in which discontent over regional disparity could be expressed leading to the creation of the CCF in Saskatchewan as a third party protesting the nation-wide consensus embodied in the Conservative and Liberal parties. Finally, the ability of social democratic political agents to synthesize diverse foreign ideas into a coherent ideology which responded to the context of Saskatchewan was paramount to the emergence of social democracy in that province.

In Québec, a similar process involving the province’s political economy, political culture, institutional frameworks, and political agents took place. During the first half of the 20th century, social Catholic thought associated with various priests, Catholic unions,
Catholic women's groups, and Catholic co-operatives came to advocate a number of social democratic ideas such as corporatism, economic nationalism, collectivism, and concern for a more just distribution of wealth. In the 1950s, rattrapage thinking emerged which was characterized by a critique of traditional French Canadian nationalism and the advocacy of a modern welfare state, state intervention in the economy, and territorial nationalism. Social Catholic thought and rattrapage thinking provided the inspiration for the emergence of social democratic ideas in the Lesage government, Québec labour movement, and the Rassemblement pour l'indépendance du Québec (RIN) during the 1960s. The culmination of social democratic ideas in Québec during the 1960s was the creation of the PQ which absorbed and subordinated right wing independentist parties and excluded radical left wing independentist elements to articulate an ideology which connected the sovereignty of Québec with the achievement of social democracy.

Social democratic ideas emerged in Québec as a reaction to the industrialization and urbanization of the Québec political economy under an industrial capitalist mode of production in the first half of the 20th century followed by its economic peripheralization compared to Ontario during the postwar era. Due to the activity of various social Catholic and rattrapage groups, a social democratic strain in the province's political culture developed which was characterized by a mixture of ethnic and civic nationalism, corporatism, economic nationalism, public enterprise, co-operativism, and an advanced welfare state. Alterations in Canadian federalism which at first created asymmetrical administrative arrangements in the 1960s and then moved towards more centralization under the Trudeau government in the 1970s stimulated the emergence of the PQ as a nationalist party linking the accomplishment of social democracy with the idea of
sovereignty-association. Indeed, the accomplishment of the political agents of the PQ was that it synthesized the collectivism of the 'social' aspect of social Catholic thought of the first half of the 20th century with the secularizing and modernizing discourse of the Quiet Revolution into a territorial nationalist social democracy aiming at a sovereignty-association of Québec and Canada.

Within the PQ's ideology, social democracy was subordinated to nationalism in that it was considered a means through which nationalist objectives could be accomplished. Indeed, the underlying argument of René Lévesque's *Option Québec*, which was the manifesto that he wrote in 1968 to inspire the creation of a new independentist party, was that social democracy is necessary to achieve a sovereign Quebec.969 The first step in this argument is the realization of the irrevocable connection between the national and the social. In his preface to *Option Québec*, Jean Blain stated that "Le social nourrit le national jusqu'à que le national apparaisse comme le clé indispensable d'un mieux-être social [The social nourishes the national until the national appears as the indispensable key to social well-being]."970 The second step of the argument is that Lévesque contends that only social democratic policies such as a strong welfare state, state investment in the economy, and public ownership would allow for the full development of Québécois society and stabilize Quebec in the instability of the immediate aftermath of achievement of Quebec sovereignty. Thus, it is clear that social democratic policies were considered crucial mechanisms by which the project of Québec sovereignty-association and the progress of the Québécois nation would be accomplished.

The similar ideas of traditional social democratic governments in Québec and Saskatchewan were characterized by the expansion of public enterprise and the use of
public investment to encourage economic growth and create jobs; the imposition of changes to the labour legislation on the business community with little consultation; economic nationalism; and the promotion of equality through universal social programs and benefits available to all citizens regardless of their income or merit. In terms of political economy, the sustained economic growth in Saskatchewan during the Douglas/Lloyd and Blakeney governments allowed them to afford universal social programs, the use of public investment as a means of job creation, and expand of public enterprise. On the other hand, slow economic growth encouraged the Lévesque government to use public investment, state intervention, the expansion of public enterprise, and corporatist plans of action as ways to stimulate the provincial economy.

The sense of collectivism, co-operation, and social solidarity inherent in Québec and Saskatchewan's political cultures stimulated the adoption of similar traditional social democratic ideas in these two provinces. In both of these provinces, the social democratic strain in their political culture engendered path dependency toward traditional social democratic ideas that was re-enforced by the economics of increasing returns. Enduring values of co-operation, collectivism, and state intervention became engrained both in the thinking of actors in the CCF-NDP and PQ parties and in the institutions of the Saskatchewan and Québec state. As such, there were increasing rewards for adhering to these established values and ideas that acted as a disincentive for change away from the path of traditional social democracy.

The institutional framework of federalism was also an important in explanatory factor in the evolution of traditional social democratic ideas in these two provinces. In Saskatchewan, the CCF government was able to embark on the building of a modern
welfare state partly due to increased financial support on the part of the federal
government. On the other hand, the federal government’s intransigency on resource
taxation, the Crow Rate, and monetarist fiscal policy prodded the Blakeney government
into following social democratic policies such as the nationalization of potash, the
purchase of hopper cars to increase public ownership of railways, and the increasing
government spending to stimulate the economy. In Québec, the social democratic ideas of
the Lévesque government were meant to counterbalance Ottawa’s centralization, make a
strong Québécois nation that was resistant to assimilation, stabilize Québec in the
instability of the immediate aftermath of achievement of Québec sovereignty, and give
Québec residents the confidence in themselves to vote Oui in a referendum. As such,
social democracy was a crucial component to the PQ’s rejection of Canadian federalism
and was a necessary pre-condition for the achievement of its project of sovereignty-
association.

Finally, the historical agents involved in these traditional social democratic
governments made various adjustments to their ideas to fit the economic, social, and
political circumstances of the time period. For instance, the Douglas/Lloyd government’s
decided to allow the private development of Saskatchewan’s natural resources because of
a lack of technical and financial resources and the Blakeney government heightened its
rhetoric related to Western alienation in reaction the federal government’s action
surrounding the Crow Rate and natural resource taxation. Similarly, the Lévesque
government was forced to legislate public sector employees back to work due to high
deficits and weak revenue growth.
The similar ideas of third way governments in Québec and Saskatchewan focused on targeted tax incentives, deregulation, skills training, and commercialization of university research in order to create an economic environment which could be competitive with rival jurisdictions. Instead of universal benefits, third way governments focused on rationalizing social programs while improving their efficiency through targeted health, education, and housing services to groups based on their need and merit.

In terms of political economy, the advent of globalization led to increased exports and imports in the Saskatchewan and Québec economy and free trade agreements restricted the expansion of public ownership during the 1990s. Once the expansion of public ownership was no longer an option due to free trade agreements concluded by the federal government, third way social democratic governments in Québec and Saskatchewan had little choice but to emphasize external private investment to stimulate export-led economic growth. Related as well to political economy, Québec’s deficit was built up in the 1970s and 1980s as successive PQ and Liberal governments continue to overspend despite economic weakness and Saskatchewan’s deficit was built up in the 1980s by the Conservative government that overspent despite an economic downturn around the middle and latter part of the decade. The existence of a massive deficit from previous governments severely limited these third way governments’ ability to implement traditional social democratic policies of using public investment to stimulate economic growth or expand the province’s welfare state.

The institutions of Canadian federalism also worked to re-enforce the Saskatchewan NDP’s and the PQ’s drift to the third way. Unilateral decisions by Ottawa to cut transfer payments when these third way governments were already facing a fiscal
crisis forced them to rationalize their social programs and refrain from pursuing expensive public investment in the economy. Further, it was a series of unilateral decisions taken by Ottawa with little consultation with the provinces that led to the signing of free trade agreements which restricted the expansion of public enterprise in the 1990s.

Finally, one must also take agency into account when discussing the transformation of the Saskatchewan NDP and the PQ from traditional to third way social democracy. Ultimately, it was the agency of the Right-wing of the Saskatchewan NDP and the Right-wing and Centrist factions of the PQ who formulated the third way ideas that they thought fit with the economic, political, and social, circumstances of Saskatchewan and Québec during the 1990s.

Alongside the important differences in the ideas of traditional and third way social democratic governments in Quebec and Saskatchewan, there were various continuities such as fiscal responsibility, cabinet-dominated governance, technical and financial support for small business, back-to-work legislation, the belief that economic development should not be sacrificed for environmental concerns, and moderate women's and Aboriginal policies. It is the social democratic strain in the political cultures of Saskatchewan and Québec which is primarily responsible for these continuities between traditional and third way social democracy. The political cultures of these two provinces valorized co-operation and state intervention thereby escalating the political costs of breaking with the traditional social democratic ideas outlined above and increasing the political rewards associated with adhering to them. As such, path dependency was created for political agents in the Saskatchewan NDP and PQ during the
1990s which encouraged certain continuities between traditional and third way social democracy.

Therefore, the overarching argument of my dissertation is that the transformation from traditional to third way social democracy in Québec and Saskatchewan can be primarily explained in reference to their political economy, political agents, and institutional setting whereas the continuities which persist between traditional and third way social democracy are due to the political cultures of the two provinces. Implicit in this overall argument is that there have been similar processes relating to political economy, political culture, institutional setting, and political agents in Québec and Saskatchewan which has created a similar evolution of social democratic ideas in these two provinces despite the fact that the PQ and the Saskatchewan NDP are very different parties and there is little evidence of any co-operation between them. Since similar processes and ideas have emerged within two different and unconnected parties and within two jurisdictions as different in terms of size, language, economy, and history as Saskatchewan and Québec, a theoretical framework which emphasizes political economy, political culture, institutional setting, and political agents may be able to be fruitfully applied to explain the transformation from the traditional social democracy to the third way in other countries and sub-national units.

**Neo-Liberalism versus the Third Way**

As we saw in Chapter 1, neo-Marxist researchers have attacked the third way as thinly disguised neo-liberalism that does nothing to combat the growing social and economic injustices underlying globalization. As such, for these researchers, the advent of the third way confirms the original neo-Marxist critique of social democracy that
criticized traditional social democratic parties' failure to transform capitalism into socialism, alter the underlying power structures of the economy, and their integration into the prevailing norms and practices of the existing bourgeois political and social order. Indeed, these researchers see the third way as the logical destination of the road that social democracy has been travelling on since Rosa Luxemburg first criticized the revisionism of Bernstein at the turn of the 20th century.

The evidence in this dissertation reveals certain limitations to this neo-Marxist interpretation of the third way and traditional social democracy. This dissertation has illustrated that social democracy in Saskatchewan and Québec has never been anti-capitalist or counter-hegemonic in the Gramscian sense. Instead, it has always merely attempted to adjust the structure of capitalist society to make it freer, more equitable, and more just. The Douglas, Blakeney, and Lévesque governments sought to push the limits of the Keynesian post-war compromise through the nationalization of natural resources and expansions to the provincial welfare state such as Medicare, free dental care for children, and providing free drugs and free ambulance services for persons over the age of 65. Similar to traditional social democratic governments, the Saskatchewan NDP and PQ governments of the 1990s made also important adjustments to neo-liberal capitalism such as $5 a day daycare, pay equity, increasing social assistance spending in the face of a large deficit, the National Child Tax Benefit, the Action Plan on Children, preserving public enterprise, maintaining a sizable public sector and increasing corporate income taxes to pay off their deficits. The third way social democratic governments of Québec and Saskatchewan categorically refused to embrace such neo-liberal policies as health premiums, the privatization of Crown corporations, a two-tier Medicare system,
workfare, dismantling the Québec economic model, or following Alberta’s lead in eliminating deficits solely through spending cuts. Therefore, whereas neo-liberalism wants the removal of as much state interference in society as possible, third way governments in Québec and Saskatchewan embarked on targeted and strategic state intervention in the economy and society to promote economic growth and combat economic inequality. On the other hand, it must be admitted there is some minor overlap between the third way and neo-liberalism in Québec and Saskatchewan, in the PQ and NDP’s insistence on deregulation, downloading responsibilities to the local level, skills training, targeting social programs, and removing disincentives to work as part of their social assistance regimes.

Therefore, contrary to the neo-Marxist critique of social democracy, the third way is ideologically distinctive from neo-liberalism. Further, the moderate nature of the adjustments to capitalism by these third way and traditional social democratic governments are the strength, not the weakness, of social democracy in Québec and Saskatchewan. As we have seen, the Saskatchewan NDP and the PQ have made a number of important societal changes during their time in power that were only possible because they were flexible in the application of their ideas and sensitive to the framework of social, political, and economic forces that they had to work in. In his critique of Eduard Bernstein, Peter Gay argues that the fundamental weakness of social democracy is that it will always trade its principles for power. While Gay is correct in claiming that the imperatives of governing often force social democrats to choose power over principles, he is incorrect in assuming that such a trade-off is necessarily a weakness. The case of the CCF-NDP and PQ governments in the 20th century illustrates that the occasional
compromise on one's principles is necessary to maintain office and therefore be a position to introduce slow and incremental reform of capitalism.

Indeed, shortly after leaving office, Blakeney wrote that “once a political movement obtains power- particularly a movement as dedicated to democratic principles as the NDP- the exercise of that power requires constant accommodations and compromises as it introduces its specific programs and policies”.972 The challenge, according to Blakeney, was to ensure that in the midst of such compromises there was always progress made towards “the ideals of the movement”.973 Blakeney is pointing to the heart of social democracy- the improvement of existing society in the limits set by the framework of social, political, and economic forces that a government faces. Unfortunately, such limits are never clear and social democracy becomes the practice of testing the limits of how far a government can go in fulfilling its ideological goals and adjusting the structure of capitalist society.

**Future Research Suggested by Dissertation**

This dissertation suggests several avenues for future research. The definition of the third way contained in this dissertation could be applied to other Canadian provinces with traditions of social democracy such as British Columbia, Manitoba, Ontario, and Nova Scotia. In my opinion, a collaborative effort is needed to develop a ‘Canadian’ definition of the third way and to avoid a repetition of the fractious debate over the various definitions of third way that has bogged down European literature on this subject. In particular, it would be interesting to see if my findings concerning continuities between traditional and third way social democracy in Québec and Saskatchewan are present in other Canadian provincial cases. Similarly, it would be interesting to see if my
theoretical framework which emphasizes political economy, political culture, historical institutionalism, and agency in explaining the transformation from traditional to third way social democracy can be fruitfully applied to the other provincial social democratic governments in Canada during the 1990s and early 2000s.

One particularly interesting avenue of research suggested by my theoretical framework is the appreciation that federalism is one of the keys to understanding social democracy in Canada. As we have seen, in the European context, literature on social democracy frequently assumes a unitary state. As such, there is little literature on the relationship between federalism and social democracy in Europe from which Canadian researchers can borrow. However, in Canada, it is the federal structure that defines the powers of a provincial government and delineates the actions that it can and cannot perform. Federalism also has a large effect on the financial resources of a provincial government through the system of cost-shared social programs and equalization payments. As multilevel governance becomes a more frequent phenomenon, both in Canada and in Europe, the negotiated or shared governance inherent in federalism becomes a striking reality facing social democratic governments and parties around the world. Therefore, the study of social democracy in Canada, and in Europe as well, should come to better terms with the impact of federalism on social democratic governance.

Another interesting area of research suggested by my dissertation concerns social democracy's approach to dealing with difference in society. As we have seen, like other ideologies in Canada, social democracy embodies a white settler construct and Whites-only nationalism. Not surprisingly, traditional and third way social democratic governments have enacted policies which re-enforced patriarchal relationships (especially
a male-breadwinner economy) and did not actively promote substantive equality between whites and Aboriginals. In other words, both third way and traditional social democracy failed the promote equality beyond combating class inequality. While there were some minor improvements made by third way governments such as pay equity and the granting of limited self-government to certain First Nations bands, the advent of the third way in Saskatchewan and Québec in no way represented a breakthrough for women and Aboriginals. The relationship between the third way and race and gender must be more deeply explored both in terms of case studies of other third way governments in Canada but theoretically as well. A theoretical interrogation of social democracy's persistent 'problem with difference' in the early 21st century and the development of a social democratic approach to multiculturalism, gender, and race would be a welcome addition to social democratic thought in Canada.

Finally, more research needs to be done to support my assertion that the third way is an ideology that is distinctly different from neo-liberalism. A study which compares third way Canadian provincial governments during the 1990s, across a variety of policy areas, with 'neo-liberal' Canadian provincial governments in the 1990s such as the Harris or Klein governments would be a fruitful undertaking. Such a study could illustrate the differences between neo-liberalism and third way governance in practice instead of just in theory.

**Future Trajectory of Social Democracy in Canada**

The shift of the PQ and the Saskatchewan NDP from traditional to third way social democracy took place due to the interrelated domestic and international factors of increased trade and restrictions on public ownership by free trade agreements, the
massive debt and deficit amassed by previous governments, and cuts to federal transfer payments. The agency of the Centre and Right-wings of the NDP and PQ parties formulated third way social democratic policies which were congruent with the context of these new constraints and restrictions. The various continuities between third way and traditional social democracy in these two provinces can be explained by the persistence of a social democratic strain in their respective political cultures. However, these conclusions leave certain questions unanswered: If there had been a more left-wing leadership controlling the Saskatchewan NDP and the PQ during the 1990s would there have been a different outcome? Did the Romanow government and the PQ government of the 1990s have no choice but to follow third way social democracy?

The hypothetical nature of these questions makes them impossible to answer. Undoubtedly, governments always have choices. A Left-wing leadership of the NDP or the PQ during the early 1990s could have paid for the introduction of new universal social programs and the nationalization of natural resource industries through allowing the deficit to continue to grow and drastically raising resource royalties, corporate taxes, and the income taxes of high income earners. However, it is impossible to ascertain what the results of such policies would have been. The leaders of the PQ and the NDP in the 1990s would argue that, considering the context in which they found themselves, the consequences of such policies would have been the stunting of economic growth due to external investment and trade flowing elsewhere, the legal impossibility of nationalization under free trade agreements, and the default on the government’s debt as provincial bonds fell to junk bond status. Under this scenario, the PQ and the NDP would
have been one-term governments and other political parties would have came to power as early as 1995 in Saskatchewan and 1998 in Québéco.

In any case, hypothetical speculation on how the course of history could have been different is of little use as a guide to assess the future trajectory of social democracy in Canada. Third way social democracy has been adopted by all social democratic parties in Canada who have formed government since 1990. Around the world, social democratic parties that have formed government from Europe, Australia, and Latin America have all adopted paths similar to the third way. Depending on how exactly one defines the third way, it is possible to argue that there no contemporary examples of social democratic governments that are following traditional social democratic policies or some other type of social democracy that cannot be classified, at least partially, as third way (Venezuela or Bolivia could be possible exceptions). The death of national economies and increased capital mobility under free trade and globalization has made it necessary for all social democratic parties to eschew expanding nationalization as an economic policy and concentrate on maintaining a competitive economic environment in which export-led economic growth may prosper.

Therefore, it seems very likely that third way ideas will continue to be advocated by social democratic parties at the provincial level in Canada, particularly in provinces such as British Columbia, Saskatchewan, Manitoba, Québec and Nova Scotia where the NDP or the PQ are perennial contenders to win power. These provincial PQ and NDP parties will put forth ideas of targeted benefits based on merit and need alongside strategic state intervention in the economy as alternatives to the neo-liberal discourse of other parties. When in power, these parties will be able to put such ideas into practice.
However, the federal NDP and provincial NDP parties who remain far away from attaining power will most likely continue to illustrate little enthusiasm for the vigorous re-thinking of social democracy that the third way represents. These parties are likely to continue to espouse ideas that are close to traditional social democracy at the price of remaining far from having a realistic possibility of forming government.

Undoubtedly, the third way is an ideology that will continue to have a significant impact on the politics of Canada. Further, as we saw in Chapter 2, the third way is an important ideology because it grapples with classic questions of political theory such as the nature of equality and the role of markets in society in the era of globalization. For these reasons, the study of the third way contributes both to our understanding of Canadian politics and to the broader debates in the discipline of political theory. Thus, the third way should continue to be a topic of study among Canadian political scientists for years to come.
Endnotes


6 In contrast, since the end of World War II, the Manitoba NDP been in power 25 out of the last 62 years, the PQ has been in power 18 out of last 62 years, the British Columbia NDP has been power 13 out of the last 62 years and the Ontario NDP has been in power only 5 out of the last 62 years.

7 Many free trade agreements in provisions (in particular Chapter 11 of NAFTA) force governments to compensate foreign companies for any future profit losses that could be occurred if an industry or company is nationalized.

8 Wallace Clement, “Canadian Political Economy’s Legacy for Sociology” in *Canadian Journal of Sociology* 26 (no. 3), (Summer 2001), 406.


11 Cox, 150.

12 Jane Jenson, “All the World’s a Stage,” in *Production, Space and Identity: Political Economy Faces the 21st Century*, Jane Jenson, Rianne Mahon and Manfred Bienefeld (eds.), (Toronto: Canadian Scholars’ Press, 1993), 151.

13 Cox, 98.

14 Ibid.


See Theda Skocpol, "Bringing the State Back In: Strategies of Analysis in Current Research" in *Bringing the State Back In*, Peter Evans, Dietrich Rueschemeyer and Theda Skocpol (eds.), (Cambridge: Cambridge University Press, 1985), 3-37.


40 Elkins and Simeon, “Introduction”, x.


45 Ibid., 96.


52 Wiseman, “Provincial Political Culture”, 32.

53 Horowitz argues that “The personnel and ideology of the Canadian labour and socialist movements have been primarily British. Many of those who built these movements were British immigrants with past experience in the British labour movements; many others were Canadian-born children of such immigrants”. Horowitz, “Conservatism, Liberalism, and Socialism in Canada”, 159.


55 Ibid., 44-46.


60 Ibid., 26-27.

61 Harvey Lazar points out that Canada is close to unique among federal countries in giving both orders of government taxing authority over most major sources of tax revenues such as personal and corporate income tax, consumption taxes, payroll taxes and resource royalties. Harvey Lazar, “In Search of a New Mission Statement” in Canada: The State of the Federation 1999/2000, Towards a New Mission Statement for Canadian Federalism, Harvey Lazar (ed.), (Kingston: McGill-Queen’s University Press, 2000), 8.


The Saskatchewan CCF-NDP has received over 50% of the popular vote in only 4 out of the 11 general elections where it was won a majority government whereas the PQ has never received over 50% of the popular vote in a general election but has nonetheless won four majority governments.

Henry Milner, "First Past the Post?: Progress Report on Electoral Reform Initiatives Canadian Provinces", *Policy Matters* 5, no. 9, (September 2004), Institute for Research in Public Policy, 10-12.


Larry Johnston distinguishes between an ideology and a disposition. He holds an ideology (such as conservativism, liberalism and social democracy) to be a consistent set of beliefs on a variety of questions such as the role of the Church or God in society, collectivism versus individualism, the place of tradition in society, the role of the state in the economy, human nature and the extension of rights. On the other hand, a disposition (such as populism or nationalism) is a set of ideas about society which can be infused into several different ideological outlooks. See Larry Johnston, *Ideologies: An Analytical and Contextual Approach* (Peterborough: Broadview Press, 1996), 20-22 & 173-175.

For a review of the literature on internal colonialism see Robert J. Hind, "The Internal Colonial Concept" *Comparative Studies in Society and History* 26, no. 3, (July 1984), 543-568.


Following the categorization of Friesen outlined above, I treat the prairies (Manitoba, Saskatchewan and Alberta) as a region distinct from British Columbia in the period of 1867 to 1945. It should be noted that the distinction between British Columbia and the prairies is apt in the context of internal colonization. British Columbia negotiated its terms of Confederation as a British colony and obtained responsible government and full provincial control over its land and resources when it entered Confederation in 1871. Conversely, the area which now compromises the three prairies provinces was purchased by the federal government from absentee landowners without consultation or knowledge of local people and was subdued by the Canadian Army in two separate rebellions. See George Melnyk, "The West as Protest: Cycles of

83 Ibid., 125-148.
84 Brodie, 100-105.
85 Conway, *The West*, 16.
90 Archer, 358-359.
91 The story of these black settlers and the Canadian government’s reaction is described in R. Bruce Shepard, *Deemed Unsuitable: Blacks from Oklahoma Move to the Canadian Prairies in Search of Equality in the Early 20th Century Only to Find Racism in their New Home* (Toronto: Umbrella Press, 1997).
95 Sarah Carter, *Aboriginal People and Colonizers of Western Canada to 1900* (Toronto: University of Toronto Press, 1999), 166.
96 Archer, 358-359.
99 Blair Stonechild and Bill Waiser illustrate that, contrary to traditional accounts of the events of 1885, a large majority of the Aboriginal groups in Saskatchewan did not participate in the rebellion. Rather, any Aboriginal involvement in the rebellion was isolated and spontaneous and there was no alliance between the Métis and the Aboriginals. See Blair Stonechild and Bill Waiser, *Loyal till Death: Indians and the North-West Rebellion*, (Calgary: Fifth House Publishers, 1997).
102 Ibid., 133-134, 150-151.
104 Ibid., 229.
111 Ibid.
113 Ibid., 137.
114 Ibid., 137.

Fernand Dumont, 167.


Ibid., 4.


Ibid., 179.

Fernand Dumont, 273.

The Blue party was considered the party of the clergy and was the political force in Québec fighting for confederation. The Québec Bishops also supported confederation, although with a considerable amount of hesitation. For a discussion of the Québec Bishops and confederation see Walter Ullmann, “The Québec Bishops and Confederation” in *Confederation*, Ramsay Cook, Craig Brown and Carl Berger (eds.), (Toronto: University of Toronto Press, 1967), 48-70 & A.I. Silver, *The French-Canadian Idea of Confederation, 1864-1900* (Toronto: University of Toronto Press, 1997).


Fernand Dumont makes a similar point. See Chapter 3 in *Genèse de la société québécois*.


Fernand Dumont, 272.


Gibbins and Berdahl, 62.


Simeon and Robinson, 4.


Ibid., 32.


For example see Sarah Hale, Will Leggett and Luke Martell (eds.), *The Third Way and Beyond: Criticisms, Futures and Alternatives*, (Manchester: Manchester University Press, 2004).


Ibid., 8-9.


Ibid., 56-61.

Wallas, “Property under socialism” in *Fabian Essays in Socialism*, 179.


Ibid., 142.

Ibid., 141.

Ibid., 147.

Ibid., 150.


Bernstein, 164.

could add a variety of other types of Marxism such as post-Marxism (Ernesto Laclau and Chantal Mouffe), Marxist feminism (Simone Weil) and ecological Marxism (James O’Connor).


180 Ibid., 237-247.

181 Thomas Hill Green, Lectures on the Principles of Political Obligation (London: Longmans, 1941), sections 221-223.

182 Ibid., sections 224-226.

183 Ibid., section 227.


190 It should be noted that Dewey did have some vague ideas concerning a mixed economy through nationalization as a way to break up powerful monopolies. In this sense, he veered towards traditional social democracy. However, these ideas were incomprehensible to the American reform liberal movement and Dewey became ostracized from the movement due to these ideas concerning public ownership. See Chapter 8, Alan Ryan, John Dewey and the High Tide of American Liberalism (New York: W.W. Norton and Company, 1995).


198 Giddens, The Third Way, 16.


201 Ibid., 16 & 38.


206 Giddens, “Neoprosessivism”, 27.
209 Giddens, “The Question of Inequality”, 179.
211 Giddens, “The Question of Inequality”, 179.
215 Ibid., 66.
216 Ibid., 29-30.
217 Ibid., 231-232.
218 Ibid., 44-45.
219 Ibid., 43.
221 There are various descriptions of neo-liberal policies of the 1990s. For example, see Stephen McBride and John Shields, Dismantling a Nation: Canada and the New World Order, Second Edition (Halifax: Fernwood, 1997). McBride and Shields also distinguish between neo-conservativism and neo-liberalism. They argue that neo-liberalism was essentially the same ideology as neo-conservativism except that it dropped neo-conservativism’s advocacy of the traditional family and social conservativism.


Claire Worley, “‘It’s not about race. It’s about the community’: New Labour and ‘community cohesion’,“Critical Social Policy 25, no. 4 (2005), 483-496.


Panitch and Leys, 287.


Nearly all major CCF/NDP leaders have political biographies such as J.S. Woodsworth, Tommy Douglas, Ed Broadbent and Audrey McLauglin.


In particular, see Carroll and Ratner (eds.), Challenges and Perils: Social Democracy in Neoliberal Times.


Chapter 4, Laycock, Populism and Democratic Thought in the Canadian Prairies, 1910 to 1945, George Hoffman, “The Saskatchewan Farmer-Labor Party, 1932-1934: How Radical Was it at its Origin?,” in Saskatchewan History 28, no 2 (Spring 1975), 52-64, Seymour Lipset, Agrarian Socialism: CCF in
were numerous. For example, see Centre de formation populaire, *Au-delà du Parti québécois : Lutte nationale et classes populaires*, (Montréal : Nouvelle optique, 1982) and Pierre Fournier (ed.), *Capitalisme et politique au Québec: un bilan critique du Parti québécois au pouvoir*, (Laval, Québec : Éditions coopératives A. Saint-Martin, 1981).

262 Pierre Jalbert, *La social-démocratie européenne au Parti Québécois* (Montréal: Université de Montréal, Département de science politique, 1982).


269 Yves Vaillancourt, *De quelle social-démocratie parlons-nous?*, (Montreal: Laboratoire de recherche sur les pratiques et les politiques sociales, 1998), 5.


273 Stanford, 100.


275 A recent case of oscillation and ambiguity in terms of the PQ identifying itself as social took place in 2000 to 2002. At May 2000 meeting of the PQ National Council, a motion to add the proposition “le Parti québécois est un parti social-démocrate” to the party’s electoral platform was defeated. Louise Beaudoin, a PQ minister, explained that the PQ was a social democratic party but that such identification should be implicit as opposed to explicit. In May 2002, Premier Landry admitted that it was a mistake to not have passed that motion and that this phrase should be integrated into the next PQ platform. See Michel Corbeil, “Un main de fer” in *Le Soleil*, May 7th, 2000, A6 & Robert Dutrisac, “Social-démocratie” in *Le Devoir*, May 18th, 2002, A6.

276 The story of the PQ’s attempt to join the Socialist International is described in detail in Philippe Poulín, “La tentative d’adhésion du Parti Québécois à l’internationale socialiste” in *Bulletin d’histoire politique*, no. 3, (Spring-Summer 1998), 84-106.


284 Ibid., 11.


286 E.A., Partridge, Manifesto of the No-Party League of Western Canada (Winnipeg: De Monfort, 1913).


289 Lipset, 89.


291 Ibid.


293 In 1918, the Saskatchewan provincial government, under pressure from the SGGA and groups such as the Orange Lodge and the Imperial Order Daughters of the Empire passed a law requiring that English be the sole language of instruction in schools with the exception that French may be taught in Grade 1. See Keith McLeod, “Politics, Schools and the French Language,” in Politics in Saskatchewan, Norman Ward and Duff Spafford (eds.), (Don Mills: Longmans Canada, 1968), 140. The SWGGA followed the lead of its male counterparts in this area. In 1920, the SWGGA regard the “Canadianization” of the non-British immigrants “as one of our most important activities” and supplied non-English schools with English magazines and “Canadian dishes”. See David E. Smith, Prairie Liberalism: The Liberal Party in Saskatchewan, 1905-1971 (Toronto: University of Toronto Press, 1975), 130.


301 David Laycock, Populism and Democratic Thought in the Canadian Prairies, 1910 to 1945 (Toronto: University of Toronto Press, 1990), 267.

These categories of prairie populism were created and extensively analyzed in Laycock, Populism and Democratic Thought in the Canadian Prairies. John Richards makes a useful distinction between left and right populism on the Canadian prairies in the early 20th century. For Richards, left populism included an explicit farmer-labour alliance, general critique of all corporate sectors and corporate abuse of power and a commitment to co-operatives and nationalization. Right populism sought the harmony of all groups in society and focused on a critique of the financial system while eschewing nationalization and co-operative enterprise. See John, Richards, “Populism: A Qualified Defence,” 11-16.


Wiseman, “Pattern of Prairie Politics”, 309.


A speaking tour by Sapiro, an American lawyer who set up similar pools in the United States, was organized to promote the pool idea in Saskatchewan. For example of Sapiro’s speech during the tour see Sapiro, Aaron, “Report of a Mass Meeting Addressed by Mr. Aaron Sapiro, in Third Avenue Methodist Church, Saskatoon, Saskatchewan, on Tuesday, August 7, 1923” in Saskatchewan Speaks: A History of the Province in Documents, David E. Smith (ed.), (Saskatoon: University of Saskatchewan Political Science Department, 1990), 212-225.

An expose of Gronland’s contributions to American socialism is P.E. Maher, “Laurence Gronlund: Contributions to American Socialism” The Western Political Quarterly 15, no. 4 (December 1962), 618-624.


Ian Macpherson argues that “Finnish and some Ukrainians immigrants brought with them a commitment to the kind of co-operative stores that they once had known in their native lands.” Ian Macpherson, Cooperative Movement on the Prairies, 1900-1950 (Ottawa: Canadian Historical Association, 1979), 8.

Wiseman, “Pattern of Prairie Politics”, 310.

Ibid., 301.

Ibid., 246.

Ibid., 260.

Ibid., xii.


Ibid.

Harold Innis, The Bias of Communication (Toronto: University of Toronto Press, 1951), 33.


Ibid., xiii-xiv.

Quoted in Lipset, 44.


The Saskatchewan CCF nominated only five women in the 1934 to 1944 provincial elections and all of these nominations were in unwinnable ridings such as those of the Premier and the Minister of Agriculture. Quoted in Sangster, 122.


For a description of the establishment of the Canadian Wheat Board and its monopoly see Vernon Fowke, *The National Policy and the Wheat Economy*, (Toronto: University of Toronto Press, 1957) –


Lipset, 216.

Young, 108-113.

Teresita Kambeitz “Relations Between the Catholic Church and the CCF in Saskatchewan, 1930-1950,” in *Study Sessions: Canadian Catholic Historical Association* 46, (1979), 49.

See Kambeitz, 63-68. In particular, Joseph Burton, who was a staunch Catholic and elected a CCF MLA in 1938, argued that CCF, more than the traditional parties, fulfilled the demands of social justice contained in the papal encyclicals.

Lipset, 54.

Whereas the CCF received 19% of the vote and emerged as official opposition with 10 seats in the 1938 election, the Conservatives received 12% of the popular vote and won no seats while the Social Credit party won 16% of the popular vote and won only 2 seats because their support was more geographically dispersed.


Lipset, 153.

The best example of this interpretation is Sinclair “Ascent to Power”. However, both Lipset in *Agrarian Socialism* and Conway in *The West* follow a similar line of argument.

This concept of “social ownership” was clearly laid out in pamphlet used by the CCF during the 1944 election entitled *The C.C.F. and Social Ownership*, 1944, National Library of Canada, AMICUS Number:


364 The Ligue Nationaliste fought for the protection of the scholastic rights of French minorities outside of Québec and argued that while French and English Canadians were separated by race, religion and tradition they were still united in the “confraternité [co-fraternity]” of a single “nation canadienne [Canadian nation].” Unlike the Ligue, Groulx identified the French Canadian nation with the ‘terre [earth/soil]’ of New France and de-emphasized the struggle for Francophone rights outside of Québec. He stated the that greatest patriotic love of Francophones in Québec should be reserved for “notre province de Québec, vieille terre française, issue de la Nouvelle-France, terre qui plus toute autre portion du Canada, a été pour nous source de vie, milieu générateur par excellence [our province of Quebec, old French earth, from New France is the earth that more than any other part of Canada is for us our source of life and the excellent generator of ourselves].” Similarly, Jeune-Canada in the 1930s argued for the creation of a new “laurentien” nationalism which affirmed Québec’s particularism through adherence to a decentralized federal framework, was critical of Confederation and the ‘Canadian nation’ it purported to create and saw the eventual independence of Québec as an ideal but still utopian proposition. See the “Programme of the Nationalist League,” adopted on March 1st, 1903 in Montréal at a General Assembly of the Ligue Nationaliste in Joseph, Levitt, Henri Bourassa and the golden calf: the social program of the Nationalists of Québec, 1900-1914 (Ottawa: Éditions de l'Université d'Ottawa, 1972), 147-154, Lionel Groulx, “Vers l’avenir” in L’Action nationale 27, (October 1941), 101-102 and Lucienne Fortin, “Les Jeune-Canada,” in Idéologies au Canada Français, 1930-1939, Fernand Dumont, Jean Hamelin & Jean-Paul Montminy (eds.), (Québec City: Les Presses de Université Laval, 1978), 226.

365 In an explanation of the Programme de Restauration sociale, Dr. Philippe Hamel actually uses quotations from Quadragesimo Anno to justify the nationalization of electricity. See École Social Populaire, Programme de Restauration sociale, 41, National Library of Canada, AMICUS Number: 3645612.


Damiens-Claude Bélanger, 20-1.


In this period, Montreal developed a large manufacturing sector in clothing, textiles, ship-building, railcars, machinery and food and beverage processing while Québec City built up large shoe-making, tobacco, ship-building and munitions industries. There was also the establishment of important industries in the regional cities such as Chicoutimi/Arvida (pulp, paper and aluminium), St-Hyacinthe (textiles and leather), Hull (forestry, paper and matches), Shawinigan (hydro-electricity and aluminium), Trois Rivières (iron), Rouyn-Noranda (copper and gold mining) and Thetford Mines (asbestos).


Martin Tétreault has illustrated that the infant mortality rates in Montreal were significantly higher among Francophones than among Anglophones in 1880 to 1914. Martin Tétreault, "Les maladies de la misères: Aspects de la santé publique à Montréal," in *Revue d'histoire de l’Amérique française* 36, (March 1983), 507-526.


For example, the *L’Action Française* was inspired by a journal of the same name published in Paris, the ESP was motivated by the example of a French social Catholic journal called *L’Action Populaire*, the JOC was imitation of similar young Catholic workers movements in Belgium and France and the CTCC took a large part of its constitution from the Confédération française des travailleurs chrétiens in France. The first advocates of Catholic unions in Québec were inspired by the example of Belgian Catholic unions. Catholic
women’s movements such as the FNSJB and the Cercles de fermières were also modelled on similar organizations which had been created in France and Belgium in the late 19th century.

380 For discussion of this “neo-nationalist” critique of social Catholic thought and traditional French Canadian nationalism see Chapters 2 and 3 of Michael Behiels Prelude to Québec’s Quiet Revolution: Liberalism versus Neo-Nationalism, 1945-1960. (Montréal: McGill-Queen’s University Press, 1985).


382 Ibid., 264.

383 Ibid., 265.


389 For discussion of this “neo-nationalist” critique of social Catholic thought and traditional French Canadian nationalism see Chapters 2 and 3 of Michael Behiels Prelude to Quebec’s Quiet Revolution: Liberalism versus Neo-Nationalism, 1945-1960. (Montreal: McGill-Queen’s University Press, 1985).


391 Ibid., 264.

392 Ibid., 265.

393 Ibid.

394 For Trudeau’s negative assessment of the potential of CCF in Quebec see “Reflexions sur la politique au Canada francéais, Cite Libre 2,3 (decembre 1952)” and “Un Manifeste démocratique, Cite Libre 22 (octobre 1958)” in Citй Libre: Une anthologie, Yvan Lamonde and Gérard Pelletier (eds.), (Montreal: Editions Internationales Alain Stanké, 1991), 83-84 & 92-94.


396 The urban percentage of Quebec’s population increased from 63% to 68% from 1941 to 1951. Rodrigue Tremblay, L’Economie québécoise: histoire, développement, politiques (Montréal : Presses de l’Université du Québec, 1976), 479. Only 11% of the Quebec population lived on farms in 1961 compared to 20% in the 1951 and the population of Quebec also grew by 1.2 million people from 1951 to 1961. André Linteau, René Durocher, Jean-Claude Robert and François Ricard, Québec Since 1930, trans. Robert Chodos and Ellen Garmaise (Toronto: James Lormier & Company, 1991), 146 & 153-156.

397 McRoberts, 91.


399McRoberts, 91.

400 Dickinson and Young, 289.


After initially recognizing the problems of the working class and the changes in Québec’s economy in the late 1940s, the leadership of the Catholic Church became increasingly conservative throughout the 1950s. The Quebec bishops, led by Cardinal Léger, did not promote the Church’s social doctrine instead preferring to concentrate on issues such as marriage, censorship, temperance and the maintenance of traditional society. The growing conservative nature of the Church in the 1950s coincided with the papacy of Pius XII who was much more conservative on social and labour issues than his predecessor Pius XI who had wrote *Quadragesimo Anno*. Pius XII was known for his anti-communism, dislike of social Catholicism and emphasis on the monarchical power of Rome and papal absolutism. Léger was considered a close disciple of Pius XII which explains his quick ascendency to Cardinal after Pius XII had forced the more progressive Cardinal Charbonneau to resign. Jean Hamelin and Nicole Gagnon, *Histoire du catholicisme québécois: Le XXe siècle, Tome 1, 1898-1940* (Montréal: Boréal, 1984), 110-130.

Of the five groups, the neo-nationalists were the most strident on the question of provincial autonomy. They were convinced that the provincial Quebec state needed the largest amount of provincial autonomy possible which entailed exclusive power over income taxes and the refusal of joint provincial-federal funding of health insurance, universities and all other components of the welfare state except unemployment insurance. The CTCC was also in favour of provincial income taxes and provincially funded social programs in order to preserve the specificity of Quebec. The two exceptions to the CTCC’s defense of provincial autonomy was its support for federal funding of universities in 1956 and its support for a health insurance scheme that was jointly funded by the federal and provincial government in 1957 despite its insistence in 1954 and 1956 that health insurance should be a solely provincial program. The PLQ and the FUIQ allowed for joint federal-provincial funding of health insurance but were against the federal funding of universities and the imposition of federal income taxes. *Cité Libre* was the group which the least provincial autonomist of the five rattrapage groups we are examining here. In general, most Citelibrists were against federal income taxes and wanted the provincial jurisdictions contained in the BNA Act to be respected but they were in favour of the federal funding of universities and the joint federal-provincial funding of health insurance and other elements of the welfare state.

For analysis of this transition from the French Canadian nation to the Québécois nation see Marcel Martel, *French Canada: An Account of its Creation and Break-up* (Ottawa: The Canadian Historical Association, 1998).

A full description of the divisions in the Lesage government can be found in Dale Thomson, *Jean Lesage & The Quiet Revolution* (Toronto: Macmillan of Canada, 1984).


Its manifesto stated that “la centralisation fédérale, réalisée à un rythme croissant, qui tend à transformer le régime dit confédéral en celui d’un État-nation unitaire compromet non seulement l’épanouissement mais aussi l’existence même de la nation canadienne-française déjà gravement menacée par son isolement culturel et social et par l’incfluence anglo-américaine [federal centralization, realized at a growing rhythm, which tends to transform the regime said to be confederative into a unitary nation-state compromises not only the blooming of the French Canadian nation already gravely threatened by its isolation cultural and social and anglo-american influences]”, RIN, “Manifeste du Rassemblement pour l’indépendence nationale (1960)”, 26.

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Ibid., 10-35.

Ibid., 63.

Ibid., 68.

Monière, Le développement des idéologies au Québec, 335.


Linteau et al. 310 & 350.

Rouillard, 289.

McRoberts, 157-159.

See Chapters 3 and 4 of Hamelin and Gagnon.


Ibid., 28.

Ibid., 16.

Ibid., 16, 28, 30 & 31.

Ibid., 30.


Vera Murray, 205-210.


Pierre Dupont, 15 November 76 (Montreal: Les Éditions Quinze, 1976), 47.


Parti Québécois, La solution, 60.


454 This progressive taxation regime would include graduated personal income taxes as well as taxes on capital gains, donations, inheritance, real estate speculation and the profits of non-cooperative enterprises. A PQ government would also place higher sales taxes on luxury goods while exempting essential goods from sales tax. Finally, the PQ proposed the abolition of property taxes in favour of the provincial government funding of education. Parti Québécois, *Un gouvernement du Parti Québécois s'engage*, 40-42 & Parti Québécois, "Programme officiel, Édition 1975", 268-269.

455 Parti Québécois, *Un gouvernement du Parti Québécois s'engage*, 74.


462 Saywell, 150 & Dupont, 48-51.


464 The Quebec economy shed 17,000 manufacturing jobs in 1974 to 1976 while the unemployment rate climbed from 6.6% to 8.7% during the same period. See Linteau et al., 350 & Simon Langlois, Jean-Paul Baillargeon, Gary Caldwell, Guy Fréchet, Madeleine Gauthier and Jean-Pierre Simard, *Recent Social Trends in Québec, 1960-1990* (Montreal: McGill-Queen’s Press, 1992), 140.

465 In constant dollars, the annual per capita growth rate of personal income in Québec decreased from 21.8% in 1971-1973 to 18.4% in 1974-1976. Langlois et al., 405.

466 Specifically, the Liberals promised amendments to labour legislation to prevent “les abus du syndicalisme [the abuses of unionism]”, increase the ratio of private to public investment in the province through attracting foreign investment and aiding small businesses, eliminate municipal taxes for renters, allow the deduction of property taxes of homeowners from their taxable revenue, day centers for the elderly, reform of the regulation of auto insurance to make it mandatory but keep it in private hands, a “réseau d’aide [help network]” for parents made up of both volunteers and paid staff, more public housing, a law on agricultural zoning and increased funding for physical education in primary schools. Daniel L’Heureux, “La taxe foncière deviendrait déductible du revenu imposable” in *La Presse*, October 26th, 1976, A9, Daniel L’Heureux, “Bourassa : $5 million pour l’éducation physique” in *La Presse*, November 11th, 1976, A9 & Julien LeBlanc, “Les solutions que proposent les parties” in *La Presse*, November 12th, 1976, E10.

467 Québec accounted for 41% of work stoppages in Canada in 1975-1976 despite having less than a quarter of the country’s population and the government passed a law to ban teachers from striking. Saywell, 122-123.

468 Dupont, 92.

469 Saywell, 122-123.

470 Ibid., 123.


472 Saywell, 169-170.


The Blakeney government created the Saskatchewan Mining Development Corporation (SMDC) whose exclusive focus became joint ventures with large multinational uranium companies. The government also constructed five small government-owned enterprises in the area of forestry including a plywood plant, three saw mills and a wood treatment plant.


Richards and Pratt, 271-272.


The best examples of the Caisse investing in large Francophone corporation in order to help them consolidate and expand are Provigo, Vidéotron, Canam-Manac, Artopex and Télé-système nationale. Each of these cases is documented in Mario Pelletier, *La Machine a milliards: L’histoire de la Caisse de dépôt et placements du Québec,* (Montreal : Éditions Québec/Amérique, 1989).


One of the most important state enterprises created by the PQ was the Société de l’assurance automobile du Québec (SAAQ). The SAAQ was a regime of public, universal, mandatory and no fault auto insurance for personal injuries. However, insurance for vehicle damage remained in the private sector because the PQ wanted to avoid the high costs and legal battles with the insurance industry that occurred recently when NDP governments in Manitoba and British Columbia had made auto insurance completely public. As such, the SAAQ only half fulfilled the PQ’s promise during the 1976 campaign to bring the entire auto insurance sector under public ownership. The Lévesque government also created the Société de développement des industries de la culture et des communications (SODEC) whose purpose it was to subsidize the creation, development and diffusion of Québécois cultural products. Finally, the government established a fish processing complex on the Îles-de-la-Madeleine, bought the struggling airline Québécair, consolidated all of Québec’s provincial parks and ecological reserves into the Société des établissements du plein air du Québec and created the Société québécoise des transports (SQT) which operated several trucking operations in order to protect the Québec trucking industry from American competition. In the area of natural resources, the PQ created the Société nationale de l’amiante (SNA) which bought one asbestos mine and expropriated another after its owners refused to sell it to the government. The American company that owned mine fought the expropriation in court as unconstitutional for two years but eventually was forced to accept a generous compensation package. The Lévesque government also established or bought ten asbestos processing ventures, created an asbestos research centre and required the province’s three...
remaining privately-owned asbestos mines to submit long-term investment and development plans to the government for approval. Similarly, the PQ was very aggressive with its expansion of public ownership in forestry and natural gas sector. For instance, Québec’s publicly owned forestry corporation acquired 42% ownership of Domtar, the largest paper producer in Canada, by the Caisse and the SGF through a hostile takeover. After becoming the largest shareholders in this formerly English-Canadian controlled company, the Caisse and the SGF obtained a number of seats proportional to their ownership on the Board of Directors of Domtar in order to insure that corporation was sensitive to the enhancement of the economic development of Québec and the advancement of the economic policies of the provincial government. In 1982, along with the Caisse, SOQUIP also acquired 54% ownership of Gaz Métropolitain in order to attain nearly complete control of natural gas distribution in Québec and the percentage of Québec’s energy coming from natural gas increased from 6% in 1979 to 15% in 1986. In this case, the PQ used public ownership to rapidly increase the availability of natural gas to Québec’s industry thereby enhancing future energy security and insulating the provincial economy from oil shocks.

The CCF did buy a wool mill, tannery, shoe factory and box factory during its first term which were quite unsuccessful and were closed down by the end of the party’s time in power.

In 1978, the Lévesque government provided temporary financial assistance to copper mines as the result of a drop in international price of copper and reduced the sales tax on fuel for mining and forestry vehicles which circulate off the highway system. The next year it created an allowance of $1 for every $3 that the mining industry spent on new exploration and raised the basic tax exemption of mining companies. At the same time, the PQ government provided $330 million in subsidies to modernize machinery in the pulp and paper industry. By 1980, 48 out of 54 of the pulp and paper mills in the province had participated in the program.

In 1972, the budget address stated that small business are “essential to our commercial and community life” and that they need “direct assistance” (page 17). In 1973, the Minister of Finance stated in his Budget Address that “we believe that immediate action is required to assist the businessmen of this province” (page 19). In 1974, the Minister declared that “our government had done a good deal to assist the business sector” (page 17). See as well Allan Blakeney, “Notes for Remarks by Premier Allan Blakeney Bus Tour-1973”, Blakeney Papers, Saskatchewan Archives, R800, LIX, 46.

The PQ created recovery fund for PMEs in which they could place 50% of their corporate taxes to be used for future expansion and other long-term projects. The PQ also adopted measures which favoured PMEs such allowing small business owners to deduct the first $1,000 in interest that they make on investments, reducing the tax on profits for PMEs from 12% to 3%, subsidies to reduce the cost of a first public stock offering and improving legal protection for small franchise owners. In 1984, the PQ adopted a plan to provide $2 billion in loan guarantees for PMEs in manufacturing, hotels and tourism industries.


In the early 1980s, the NDP government built an ethanol plant with Federated Co-operatives.


Quoted in A.W. Johnson, 75.

Saskatchewan NDP, A New Deal for People, 1971, 2.

Government of Saskatchewan, “Foreign Investment Policy, November 1976”, Blakeney Papers, Saskatchewan Archives, R800.V.202h.

Various files, See Blakeney Papers, Saskatchewan Archives, R800.V.202h.


531 This one short strike was by employees at the Government Insurance Office in 1948. See McLeod & McLeod, 161-162.


536 Various Pamphlets of the Saskatchewan Department of the Environment, Blakeney Papers, Saskatchewan Archives, R800.LXII.11c.


539 Brian Hocking, “Non-Central Governments and International Environmental Politics: Canada, the United States and Acid Rain” British Journal of Canadian Studies 6, no. 1, (1991), 195-196.

540 See Bertrand Perron and Jean-Guy Vaillancourt “Aspects politiques de la désulfuration au Québec” in Aspects sociaux des précipitations acides au Québec, José Prades, Robert Tessier and Jean-Guy Vaillancourt (eds.), (Montreal : Université de Montréal, 1994), 34-56.


542 Government of Saskatchewan, Budget Speech (Session 1964), 46-47.


544 A.W. Johnson, 329.

545 A.W. Johnson, 327-328.

546 ibid., 333.


Ibid., 37.


For example, minimum personal income tax rate dropped from 16% to 13% and maximum rate climbed to 33% from 28%.

Ibid., 29.

First, the PQ decided to calculate the gas tax as a percentage of the total retail price instead of by the litre in order to ensure that the tax rose automatically whenever the price did. It then increased the gas tax from 20% to 40% and then back to 30%. The PQ also raised the basic sales tax by 1% and raised specific sales taxes on items such as hotel rooms, meals, tobacco, telecommunications products and insurance premiums. However, in order to ease the burden on low income earners and stimulate certain industries which were struggling, the PQ eliminated sales taxes on essential goods such as furniture, shoes, clothing, textiles, household appliances and meals costing less than $3.25.


The report Castonguay-Nepveu recommended the creation of 240 CLSCs in 1969 but the PQ declared that the network of CLSCs would be complete at 150. See Denis Lazure, * Médecin et citoyen: Souvenirs* (Montreal: Boréal, 2002), 193-194.


A.W. Johnson, 84-86.

In its first term, the government launched the Saskatchewan Student Bursary Program which was a system of non-repayable bursaries for university and technical institute students based on need, established scholarships for Grade 12 graduates based on academic merit and re-introduced the Saskatchewan student loan plan which had been eliminated by the former Liberal government. Saskatchewan student loans were intended for students who were ineligible for federal student loans but still in need.


Ibid., 206.


Gouvernement du Québec, Budget Speech 1979, 22 & Yves Vaillancourt, Le P.Q. et le social, 63-68.


Gouvernement du Québec, Budget Speech 1979, 8-9 & Gouvernement du Québec, Budget Speech 1980, 30.

Lipset, 258.


Various files, Blakeney papers, Saskatchewan Archives, R800.LXII,18g, R800.LX.3 & R800.LX.7.


513 The best summary of the PQ’s natalist discourse can be found in Ministère des affaires sociales du Québec, Pour les familles québécois (Québec City: Ministère des affaires sociales du Québec, 1984).
514 Maria de Koninck, “Droit de refus et retrait préventif : succès ou échec” in Régimes de santé et sécurité et relations du travail, Rodrigue Blouin, René Boulard, Jean-Paul Deschenes and Michel Pérusse (eds.), (Ste-Foy: Les presses de l'Université Laval, 1983), 59-175.
517 Lazure, 174.
519 Gouvernement du Québec, Budget Speech 1979, Section 3, page 5 & Gouvernement du Québec, Budget Speech 1980, 22.
526 The CCF’s role in the creation of the USI is described in Barron, 64-82.
527 Barron, 111-113.
528 Ibid., 101.
529 For fuller description of the CCF’s Mètis policies see Barron, Chapter 2.
534 Ibid., 207.
535 For the text of these two policies see Éric Gourdeau, “Québec and the Aboriginal Question” in Québec: State and Society, Alain Gagnon (ed.), (Toronto: Methuen, 1993), 353-354 & 367-368.
When the PQ took power in 1976 there were only 29 Aboriginal schools on reservations which were administered by the federal government. By the time that the PQ left power, 22 schools had been established under the administration of the Cree and Inuit school boards, 13 schools had been established by other bands and only 11 ‘federal schools’ remained. See Ministère de l’éducation du Québec, “Statistical Portrait of School-Age Populations in Aboriginal Communities in Québec”, Education Statistics Bulletin 30 (July 2004), 6.

For a very comprehensive treatment of the PQ’s implementation of the James Bay Agreement see Sylvie Vincent and Garry Bowers (eds.), Baie James et nord québécois: Dix ans après/James Bay and Northern Québec: Ten Year After (Montreal: Recherches Amérindiennes au Québec, 1988).


For a fuller description of these reforms see Robert McLaren, Saskatchewan Practice of Public Administration in Historical Perspective (Queenston: Edwin Mellen Press, 1998), 86-118.


McLeod & McLeod, 127.

Lipset, 313.

Lamour, 163-165.


McLeod & McLeod, 128.

For instance, the NDP established a toll-free hotline to give citizens information regarding government services and an Ombudsman reporting directly to the legislature in order to give citizens an avenue to appeal administrative decision of the government which they believed to be unjust.

See Chapter 4 of Christopher Dunn, Institutionalized Cabinet: Governing the Western Provinces (Kingston: Institute of Public Administration of Canada, 1995).


See Chapter 10 in Richards and Pratt.


In its first term, the Blakeney government created the following five special legislative committees: rules and procedures of the Legislative Assembly (1975), highway traffic and safety (1975), ownership of agricultural lands (1973), business firms (1973) and liquor regulation (1973).

In its second and third terms, the Blakeney government only created special committees on relatively unimportant issues: the legislative library (1981) and rules and procedures of the Legislative Assembly (1981).

Jerry Hammersmith and Bob Hauk, “Horizontal Management: Creating the Department of Northern Saskatchewan” in Is Innovation a Question of Will or Circumstance? An Exploration of the Innovation

647 Graham Fraser, 78.
648 Gagnon and Montcalm, 46.

650 For a full description of the PQ's law and a history of party financing in Québec see Harold Angell, Provincial Party Financing in Québec (Lanham: University Press of America, 1996).


655 Shackleton, 188.

657 In constant dollars, the value of annual sales of timber and non-renewable natural resources rose from $898 million in 1971 to $2.3 billion in 1980 with most of the growth coming in oil, potash and uranium sectors. See Government of Saskatchewan, 1980 Budget Speech, 83 & Government of Saskatchewan, 1984 Budget Speech, 39.


659 In constant dollars, retail sales increased from $2.7 billion to $3.8 billion and manufacturing shipments increased from $1.4 billion to $2.5 billion. Ibid.


661 A.W. Johnson, 217.

662 For instance, small business leaders cautiously praised the Blakeney government’s balanced budgets and initiatives to promote oil exploration by private companies. See James Walker, “Two local business leaders praise Tchorzewski’s budget” in Regina Leader-Post, March 14th, 1980, 4.


664 Gruending, 185

665 In the PQ’s second term, Québec’s GDP dropped from $73.8 billion in 1981 to $70.4 billion in 1982 and $71.8 billion in 1983. However, the GDP jumped back to $76.3 billion in 1984 and $79.3 billion in 1985. See Langlois et al., 31.

666 Ibid., 140.

667 Ibid., 38.

668 Ibid., 141.


McRoberts, 257.


From 1979 to 1985, the participation rate of women aged 25-44 in Quebec’s labour force increased from 54.8% to 66.6%. Langlois et al., 128.

For a summary of the FFQ’s demands see the description of their ‘livre noir [black book]’ presented to Lise Payette at their 1978 annual convention. See FFQ, Bulletin de la Fédération des femmes du Québec 8, no. 5, (June 1978), 12-13.


For further analysis of “province-building” see E.R. Black and Alain Cairns, “A Different Perspective on Canadian Federalism,” in Canadian Public Administration 9, no. 1 (1966), 27-44.

Blakeney quoted in Gruending, 142.


Gruending, 222-225.

Barron, 114-122.


For instance, in 1975, the NDP took only 40% of the total vote compared to 32% for the Liberals and 28% for the Progressive Conservatives. Yet, the NDP won a health majority with 64% of the seats.

For example, Gladys Strum, a female CCF MLA from 1960 to 1964, was outspoken in her denunciation of women’s subordinate position in the government but she was effectively marginalized through her exclusion from cabinet and her relegation to unimportant committees. See Georgina Taylor, “Gladys Strum: Farm Woman, Teacher and Politician.” Canadian Women’s Studies 7, no. 4 (1986), 89-93.

George Cadbury, who was a Fabian social democrat from Great Britain, was a particularly influential bureaucrat in the first CCF governments. See Robert McLaren, “George Woodall Cadbury: The Fabian Catalyst in Saskatchewan’s ‘good public administration’” in Canadian Public Administration 38, (Fall 1995), 74-84.


For examples, see André Bernard and Kenneth McRoberts.

695 Graham Fraser, 277-278.

696 Rodrigue Biron who was the UN leader in the 1976 election and was a leader of the UN in the Assembly National from during the PQ's first mandate ran successfully for the PQ in the 1981 election as did Raynald Fréchette who was a UN MNA from 1966 to 1970.

697 Lazure, 240.

698 A text of the open letter by 12 'orthodox' PQ cabinet ministers can be found in Marcel Léger, *Le Parti Québécois: Ce n'était qu'un début* (Montreal: Québec/Amerique, 1986), 261-262.


703 During the Johnson Union Nationale government from 1966 to 1970, there was only one woman in the Quebec Legislature who had been elected as a Liberal.


715 For exporters, the PQ government created loan guarantees, exchange rate guarantees, specialized aid to companies to export to Asia and South America. In the information technology sector, the PQ government provided funding for on-job training, new development centres to support firms, tax credits for the acquisition of specialized equipment, a tax credit of 40% of wages of any employee under 35 and a five year tax holiday from capital tax, corporate income tax and health premiums.

716 This calculation is based on the following CANSIM II tables: 3850016, Series entitled “Assets, liabilities and net worth of provincial and territorial government enterprises, by industry, year ending

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January 1, annual (dollars x 1,000)" and CANSIM II table 3840001, Series Entitled “Gross Domestic Product (GDP) at Market Prices”.


724 This calculation is based on the following CANSIM II tables: 3850016, Series entitled “Assets, liabilities and net worth of provincial and territorial government enterprises, by industry, year ending January 1, annual (dollars x 1,000)” and CANSIM II table 3840001, Series Entitled “Quebec; Gross Domestic Product (GDP) at Market Prices”.


732 For example, stumpage fees were increased 6.8% for 1999-2000 and 3.6% for 2000-2001.


736 Government of Saskatchewan, 1999 Budget Speech, Delivered by Eric Cline (Regina: Queen’s Printer, 1999), 5.


741 See Chad Haaf and Brenda Stefanson, New Generation Co-operatives and the Law in Saskatchewan (Saskatoon: Centre for the Study of Co-operatives, 2001).
4 5 9

742 The official government definition of the social economy can be found at the website of the Chantier de l’économie sociale at <http://www.chantier.qc.ca>, 17 August, 2006.


745 Ibid., 5.


750 Ibid., 15.


755 Landry, Cause du Québec, 121.

756 See Bernard Landry, Débats de la Assemblée Nationale, 36e législature, 2e session, April 10th, 2001, 857-862.

757 Landry, Cause du Québec, 236-247.


761 Ibid., 665-666.


763 As of May 1999, the Agri-Food Equity Fund had made 24 investments totaling $13 million in 19 companies. Of the companies invested in by the Fund, 14 were located in rural Saskatchewan. Saskatchewan Agriculture and Food News Release, “Agri-Food Equity Fund Invests in Big Quill Resources Incorporated”, May 12th, 1999.

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In particular, the Saskatchewan government had been interested in attracting a $112 million Maple Leaf Foods pork packing plant that eventually went to Brandon. While it failed to attract the Maple Leaf food plant, the government did secure a $45 million expansion of Saskatoon's Mitchell Gourmet Foods operation and the building of many large hog barns such as the Big Sky operation near Rama.


See Appendix C.


Skogstad, 38.

Pierre April, "Québec prépare une 'Caisse de dépôt de l'agriculture'" in La Presse, December 2nd, 1999, B1.


Saskatchewan Federation of Labour, "Labour Reform Hits Hurdles" in Labour Reporter 9, no. 5 (May 1994).


The initiatives which came out of the Plan included the provision of low cost energy audits for commercial and municipal buildings, promotion of energy efficient standards in home construction, support for agriculture programs to reduce tillage and thereby increase soil carbon, encouragement of the use of natural gas vehicles and energy efficiency improvements in provincially-owned facilities. Saskatchewan Environment and Resource Management News Release, “Climate Change Action Plan Announced”, November 20th, 1996.


Examples would be bi-lateral agreements with IPSCO (steel), Kalium (potash), Saskferco (fertilizer) and Moose Jaw Asphalt (asphalt).


See Nicolas Houde and L. Anders Sandberg, “‘To have your cake and eat it too’: Utility, Ecology, Equity and Québec’s New Forest Act, 2001” in Cahiers de Géographie du Québec 47, no. 132, (December, 2003), 413-432.


Kesteman et al., 368.


See Appendix B. Reduction the areas of health and education were achieved by decreasing funding to third parties in the following manner between 1992 and 1995: hospitals by 8.5%, K-12 schools by 8%, universities by 7%, SIAST by 9%, urban municipalities by 28% and rural municipalities by 18.7%. See also Government of Saskatchewan, 1992 Budget Speech, 14 & Government of Saskatchewan, 1993 Budget Speech, 29.


As mention in the chapter on the Blakeney government, a cut to the tax rate of all taxpayers is advantageous to high income earners because 2% of $100,000 is considerably more than 2% of $10,000.


In 2002, the PQ began the automatic indexation of tax brackets in relation to the inflation rate. In practical terms, this mean an across-the-board decrease of 2.7% in all income tax brackets in 2002 which disproportionately benefited high income earners since 2.7% of $100,000 is considerably more than 2.7% of $20,000.


André Gélinas, 305-310.


André Gélinas, 398.


See Francis Vailles, “La dette a augmenté de 11 milliards même s’il n’y a plus de déficit” in La Presse, March 13th, 2003, D1.


Adams, 267-293.

For a full description of Saskatchewan’s hospital closures in the 1990s see Amanda James “Closing Rural Hospitals in Saskatchewan : On the Road to Wellness” in Social Science & Medicine 49 (1999), 1021-1034.

The NDP’s percentage of popular vote in small rural cities dropped by 7% between the 1991 and 1995 elections while its popular support in rural areas dropped by 5% during the same time period.


Gouvernement du Québec, La réforme de la sécurité du revenu: un parcours vers l’insertion, la formation et l’emploi, (Québec City: Gouvernement du Québec, 1996), 34.


For a description on the process which led to the creation of the PQ’s anti-poverty law see Pascale Dufour, “L’Adoption du projet de Loi 112 au Québec: Le produit d’une mobilization ou une simple question de conjuncture politique?,”Politique et Sociétés 23, (no. 2-3), (2004), 159-182.


Both Weyerhaeuser (forestry) and The Co-operators (insurance) were the only private sector members of the program. However, it should be noted that several corporations in Saskatchewan, such as CIBC, had internal employment equity programs but these initiatives were not in any way connected with public institutions.

Saskatchewan Department of Health, *Advisory Committee on Family Planning to The Honourable Louise Simard, Minister of Health* (Regina: Saskatchewan Health, June 1993), 1.


For instance, pre-kindergarten programs were targeted to poor neighborhoods and daycare subsidies were increased for teen parents.


For a detailed explanation of these criticisms see Marie-Thérèse Chicha, “L’adoption et la mise en oeuvre de la Loi québécoise sur l’équité salariale : l’existence d’un double standard,” *Lien social et politiques* 47, (Spring 2002), 85-95.


For example, see Saskatchewan Department of Social Services News Release, “Agreement signed with Beardy’s-Okekena First Nation”, May 15, 1997.


Ibid.


See Statistics Canada’s CANSIM II table 3840001, Series Entitled “Québec; Gross Domestic Product (GDP) at Market Prices”.


After adjustment for inflation, Québec’s international exports rose steadily from $57 billion in 1995 or 33% of provincial GDP to over $93 billion in 2000 which represented 43% of provincial GDP. As the full effect of free trade took hold, the percentage of Québec international exports destined for the United States increased from 80% to 85% over the same time period. Calculations made from the following Statistics Canada CANSIM II tables: 3840002, Series Entitled “Québec; Chained (1997) Dollars; Exports to Other Countries”, 3840002, Series Entitled “Québec; Current Prices; Exports to Other Countries” and 3840001, Series Entitled “Québec; Gross Domestic Product (GDP) at Market Prices”. Data on Québec’s trading partners and exports by products and industry was found in the trade data on-line section of Industry Canada’s Strategis website at <http://strategis.ic.gc.ca/sc_mrkti/tdst/engdoc/tr_homep.html>, accessed on 17 August, 2006.

Saskatchewan NDP Government documents from the time period illustrate an awareness of this phenomenon. One document notes that “Interprovincial trade agreements, as well as the North American Free Trade Agreement, mean that the Government of Saskatchewan has less ability to intervene in the Saskatchewan marketplace when it comes to regulating the sale/distribution of basic utilities”. Crown Investments Corporation of Saskatchewan, Talking About Saskatchewan Crowns: Final Report (Regina: Crown Investments Corporation of Saskatchewan, 1996) 36. Annual reports of Hydro-Québec from the 1990s make similar points. See in particular, Hydro-Québec, E=Energy: 1997 Annual Report, (Québec City: Hydro-Québec, 1997), 20.

See Alain-G. Gagnon and Mary Beth Montcalm, Québec: Beyond the Quiet Revolution (Scarborough: Nelson Canada, 1990).

In 1999, financing from the SGF allowed Montreal-based Saputo to acquire Culinar instead of an American company. The PQ government took this course of action because the American company had announced its intention to close down the head office of Culinar in Montreal if it bought the company. In 2000, the Caisse blocked the sale of Vidéotron to Rogers, which was an Ontarian company, and instead supported the fusion of Vidéotron and Québecor in which it held shares. Inspired by studies in the Action Natiționale which showed that most of Québécois’ savings were managed outside of Québec, the PQ government in its 1998 budget committed to “promoting management in Québec of Québécois’ savings” through financial assistance to mutual funds managed and administered in Québec, tax credits for hiring of new employees in the Québec portfolio management industry, the creation of international financial institute at UQAM and several tax benefits to international financial centres in Montreal.

François Vaillancourt and Luc Vaillancourt, La propriété des employeurs au Québec en 2003 selon le groupe d’appartenance linguistique, (Québec City : Conseil Supérieur de la langue française, 2005).

When the Lévesque government took power, total provincial government spending up made 20% of the provincial GDP compared to 25% in 1994 when the PQ returned to power. Similarly in Saskatchewan, total provincial government spending accounted for 23% of the provincial GDP in 1991 when the Romanow government took office compared to just 13% when the Blakeney government gained power in 1971 and only 1.5% when the CCF was elected for the first time in 1944.

As a percentage of provincial GDP, personal income taxes collected by the Saskatchewan provincial government accounted for 2% in 1971 compared to 4.4% in 1991. In Québec, the difference was less profound as personal income taxes collected by the provincial government accounted for 7% of provincial GDP in 1994 compared to 6% in 1976. A similar evolution takes place with corporate taxes which account...
for 1.8% of the Québec provincial GDP in 1976 compared to 3.1% of Québec provincial GDP in 1994 and 0.4% of Saskatchewan provincial GDP in 1971 and 0.8% of Saskatchewan provincial GDP in 1991.

920 See Statistics Canada, CANSIM II Table 202-0407, Series entitled "Income of individuals, by sex, age group and income source, 2004 constant dollars, annual".


922 Ibid. 215.

923 Denis Gruending, Promises to Keep: A Political Biography of Allan Blakeney (Saskatoon: Western Producer Prairie Books, 1990), 69-77.

924 See Saskatchewan NDP, Policy Commission Reports, 53rd Annual Saskatchewan NDP Convention, November 17th-19th, 1989, Saskatchewan Legislative Library, CA6NDP1189P51

925 Janice MacKinnon, Minding the Public Purse: The Fiscal Crisis, Political Trade-Offs, and Canada’s Future (Montreal: McGill-Queen’s University Press, 2003), 62-68

926 Ibid.

927 Ibid., 268.


930 See Landry, La cause du Québec, 129-140.

931 See Landry, LA CAUSE DU QUÉBEC, 129-140.


936 Carbert, 157.

937 ‘Critical mass’ theory stipulates that when the number of women elected to a legislature or appointed to cabinet passes a certain point that there will be a transformation in the institutional culture, political discourse and policy agenda of a government. See Drude Dalherup, “The Story of the Theory of ‘Critical Mass’” Politics & Gender 2, no. 4, (December 2006), 511-522.


939 Using Canadian Election Studies, I calculated that while 58.3% of female voters in Saskatchewan supported the provincial NDP in 1974 only 40.6% did so in 1984. On the other hand, the NDP had increased its support among female voters to 51.7% by 1997. While the significance on these findings (with exception of the 1997 finding) is above 0.05, they are nonetheless suggestive of the loss of women’s votes experienced by the provincial NDP during the 1980s.


Fraser characterizes Lévesque’s first cabinet as being dominated by the “word industry-teaching, journalism, law, civil service” and notes that Lévesque added a number of businesspeople throughout his mandate. Graham Fraser, Rene Lévesque and the Parti Québécois in Power, 2nd Edition (Montreal: McGill-Queen’s Press, 2001), 82. Similarly, PQ cabinets from 1994 to 2003 had the following occupational breakdown: 17 civil servants, 14 teachers and university professors, 7 businesspeople, 7 lawyers, 3 journalists, 1 doctor, 1 private sector human resources manager, 1 actor, 1 farmer and 1 tennis professional.

During the Lévesque government, the small group in the PQ cabinet and caucus that came out the union movement included Robert Burns, Pierre Marois, Guy Chevrette, Guy Bisallon and François Gendron. Similarly, from 1994 to 2003, the PQ cabinet and caucus contained very few members with a background in the union movement such as Guy Chevrette, François Gendron, Denise Carrier-Perreault and Jean-Pierre Jolivet.


A clear leader of the left wing faction of the PQ party in the PQ caucus or cabinet never emerged in the 1990s and 2000s. One may argue that Jean-Pierre Charbonneau was a representative for this faction but he never clearly identified himself as such.


In the 1971, 1975 and 1978 elections the NDP took an average of 59% of the province’s rural seats while the NDP took an average of 60% of the province’s rural seats in the 1991 and 1995 elections.


Breton, 23-30.


The exception in this regard was the Douglas CCF government who did not have control over its personal income taxes. When the Lloyd CCF government did gain control over personal incomes in 1962, it simply raised all personal income taxes by 2% in order to pay for Medicare.


Ibid.
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Appendix A

Government of Saskatchewan Revenues from 1965 to 1982 in 1975 Constant Dollars

<table>
<thead>
<tr>
<th>Party</th>
<th>Year</th>
<th>Personal Income Taxes</th>
<th>Corporate Income Taxes</th>
<th>Transfer Payments</th>
<th>Sales Taxes</th>
<th>Gas Tax</th>
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<tr>
<td>Liberal</td>
<td>1965</td>
<td>38468</td>
<td>19074</td>
<td>55874</td>
<td>68057</td>
<td>50208</td>
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<td>1966</td>
<td>54384</td>
<td>25791</td>
<td>59726</td>
<td>77247</td>
<td>56383</td>
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<td>Liberal</td>
<td>1967</td>
<td>79606</td>
<td>26309</td>
<td>60581</td>
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<td>1968</td>
<td>87138</td>
<td>24616</td>
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<td>1969</td>
<td>88986</td>
<td>28531</td>
<td>47202</td>
<td>101423</td>
<td>72108</td>
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<td>1970</td>
<td>99185</td>
<td>31371</td>
<td>61220</td>
<td>93131</td>
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<td>1971</td>
<td>96517</td>
<td>21264</td>
<td>129347</td>
<td>95700</td>
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<td>94037</td>
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<td>1982</td>
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<th>Party</th>
<th>Year</th>
<th>Tobacco Tax</th>
<th>Liquor Profits</th>
<th>Resources Revenues</th>
<th>Motor Licenses</th>
<th>Other</th>
<th>Total Revenues</th>
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<td>1965</td>
<td>5973</td>
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<td>60222</td>
<td>16584</td>
<td>39062</td>
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<td>1966</td>
<td>6190</td>
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<td>73150</td>
<td>16965</td>
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<td>624906</td>
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<td>1967</td>
<td>6529</td>
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<td>1968</td>
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<td>87287</td>
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<td>1974</td>
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<td>1975</td>
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<td>1977</td>
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<td>17006</td>
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<td>60070</td>
<td>1458003</td>
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Source: Saskatchewan Public Accounts, 1965-1982

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Appendix A Continued

Government of Saskatchewan Expenditures from 1965 to 1982 in Constant 1975 Dollars

<table>
<thead>
<tr>
<th>Party</th>
<th>Year</th>
<th>Agriculture</th>
<th>Education</th>
<th>Health</th>
<th>Highways</th>
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<tbody>
<tr>
<td>Liberal</td>
<td>1965</td>
<td>20,377</td>
<td>123,430</td>
<td>143,338</td>
<td>70,429</td>
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<tr>
<td>Liberal</td>
<td>1966</td>
<td>23,519</td>
<td>137,858</td>
<td>145,714</td>
<td>90,997</td>
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<tr>
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<td>1967</td>
<td>20,260</td>
<td>157,868</td>
<td>166,082</td>
<td>86,164</td>
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<td>1968</td>
<td>21,881</td>
<td>172,732</td>
<td>175,167</td>
<td>92,974</td>
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<td>1969</td>
<td>20,936</td>
<td>184,009</td>
<td>193,263</td>
<td>86,354</td>
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<tr>
<td>Liberal</td>
<td>1970</td>
<td>20,982</td>
<td>190,920</td>
<td>196,770</td>
<td>97,099</td>
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<tr>
<td>Liberal</td>
<td>1971</td>
<td>21,907</td>
<td>200,433</td>
<td>227,908</td>
<td>93,171</td>
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<td>1972</td>
<td>22,288</td>
<td>208,965</td>
<td>223,490</td>
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<td>1973</td>
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<td>217,674</td>
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<td>1978</td>
<td>38,304</td>
<td>294,612</td>
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<td>1979</td>
<td>36,618</td>
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<td>NDP</td>
<td>1980</td>
<td>38,121</td>
<td>295,718</td>
<td>357,446</td>
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<td>NDP</td>
<td>1981</td>
<td>44,563</td>
<td>292,737</td>
<td>355,231</td>
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<td>1982</td>
<td>45,486</td>
<td>278,992</td>
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Source: Saskatchewan Public Accounts, 1965-1982

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# Appendix B


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*Source: Saskatchewan Public Accounts, 1983-2000*
Appendix B Continued

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## Appendix C

Per Capita Revenues of Quebec Provincial Governments from 1971 to 2002 in 1985 Constant Dollars (In Millions)

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Source: Quebec Public Accounts, 1971-2003
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in 1985 Constant Dollars (In Millions)

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*Source: Quebec Public Accounts, 1971-2003*
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*Source: Quebec Public Accounts, 1971-2003*