

A RESILIENT FEDERATION? PUBLIC POLICY CHALLENGES
FOR THE NEW DECADE

Building Bridges: Toward a Reform of Canadian Intergovernmental Relations

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THE CONTEXT

Global crises have a way of easing regional tensions in Canada, at least temporarily. Faced with a common external threat like the Great Recession, federal and provincial governments tend to put aside partisan and regional animosities in the name of the greater good. Disagreements over means and priorities may persist – such as how much to invest in recovery or which sectors to bail out first – but Ottawa’s willingness to loosen the purse strings makes it easier to generate consensus. Amid the financial crisis of 2008-2009 for instance, Prime Minister Harper was able to induce provinces to chip in to the recovery effort by offering to cost-match shovel-ready infrastructure projects.¹ His Economic Action Plan resembled those of Mackenzie King and Louis St. Laurent, both of whom financed the postwar growth of provincial welfare states using fifty-cent dollars. Beyond the money, the public’s willingness to “rally around the flag” in the midst or aftermath of global crises also helps convince provincial premiers there is little alternative but to support Ottawa’s leadership.

We have seen evidence of a similar calming of the waters amid the COVID-19 pandemic. Heated fights over carbon pricing and pipeline construction have given way to a national consensus on the importance of flattening the curve. As in the past, Ottawa has used a combination of increased funding and deference to provincial autonomy to maintain the peace. To date, the federal government has sent over \$30 billion to the provinces in the form of unconditional and conditional grants to cover everything from personal protective equipment and contact tracing to child care and public transit. This amount does not count the sector-specific support that benefits provincial economies dependent on oil and gas or fisheries. While touting the fact that the funds must be spent on a particular set of federal priorities, provinces maintain considerable autonomy over how to spend the cash.

These periods of “emergency federalism” have been few and far between and short lived, however.² Regional tensions may be pushed below the surface, but they do not disappear entirely. Following brief periods of cooperation, battles between Liberal prime ministers from Pearson to Trudeau and Western conservative premiers like Manning, Bennett, Thatcher and Lyon were every bit as pitched as those between Harper and the likes of Williams, Wynne and Notley. The tensions re-emerged as Ottawa turned off the fiscal taps and first ministers hit the hustings in the first set of post crisis elections. With less money to go around, challenges lingering and electoral accountability looming, premiers looked around for other leaders to blame. If history is any guide, we are about to enter a similar phase in the COVID-19 pandemic, and it is worth asking whether similar regional and partisan cleavages will re-emerge in the months to come.

¹ D. M. Brown, “The Financial Crisis and the Future of Federalism in Canada,” in *The Future of Federalism: Intergovernmental Financial Relations in an Age of Austerity*, ed. R. Eccleston and R. Krever (Cheltenham: Edward Elgar, 2017), 73-94, accessed July 27, 2020, <https://www.elgaronline.com/view/ed-coll/9781784717773/9781784717773.00011.xml>.

² D. E. Smith, “Emergency Government in Canada,” *The Canadian Historical Review* 50, no. 4 (1969): 429-448, accessed July 27, 2020, <https://www.utpjournals.press/doi/pdf/10.3138/CHR-050-04-04>.

THE PROBLEM: TRIBALISM, PARTISANSHIP AND REGIONALISM

Notwithstanding a bump in the prime minister's popularity across the country early in the pandemic, federal party support remains balkanized: with less than half of the seats in the House, the governing Liberal Party caucus is rooted in Central and Atlantic Canada; the Bloc Québécois has emerged as a regional force; and the Conservatives remain entrenched in Western Canada.

Coupled with the rise of province-first parties in several jurisdictions,³ these partisan fortresses have hardened regional divisions across the country. Regional leaders are at odds with each other on some of the most fundamental questions facing federal and provincial governments today, including the proper role of government in society, the economy and the environment. Yesterday's struggles for Quebec sovereignty find echoes in the nascent separatist movement in parts of the West.⁴ And we are once again hearing rumblings of constitutional amendments to achieve a fairer deal for certain provinces in confederation.⁵

This balkanization has coincided with the demise of Canada's great "brokerage parties." Partisanship has been both a divisive and a unifying force throughout Canadian history.⁶ In periods of stability, mainstream political parties have brokered competing regional, ethnic, linguistic and ideological demands within national party organizations and through pan-Canadian appeals and campaigns. This style of brokerage politics has waxed and waned over the course of Canadian history, interrupted by periods of intense inter-regional conflict over the terms of national unity.

During these times, parties become entrenched in specific regions of the country, and their coalitions can break down,⁷ spawning splinter parties at the federal and/or provincial level. The Cooperative Commonwealth Federation, Social Credit, Reform and the Bloc Québécois are familiar manifestations of this pattern, as are provincial parties like the Parti Québécois, the Saskatchewan Party and the United Conservatives in Alberta. Inter-regional conflict spills outside the confines of internal party politics and becomes the subject of intense partisan and intergovernmental debate.⁸ National unity falls under threat at the elite level, despite the fact that citizens are less divided than their leaders.⁹

³ T. Naumetz, "Ford and Western Premiers Line up Against Trudeau for Leaders' Summit," *iPolitics*, March 11, 2020, <https://ipolitics.ca/2020/03/11/ford-and-western-premiers-line-up-against-trudeau-for-leaders-summit/>.

⁴ L. Cecco and D. Argen, "Wexit: Alberta's Frustration Fuels Push for Independence from Canada," *The Guardian*, November 25, 2019, <https://www.theguardian.com/world/2019/nov/25/wexit-alberta-canada-independence-separatism>.

⁵ "Fair Deal Panel," Government of Alberta, accessed July 27, 2020, <https://www.alberta.ca/fair-deal-panel.aspx>.

⁶ M.A. Engelmann and F.C. Schwartz, *Political Parties and the Canadian Social Structure* (Upper Saddle River: Prentice Hall, 1967).

⁷ R. K. Carty, William P. C., and L. Young, *Rebuilding Canadian Party Politics* (Vancouver: UBC Press, 2000).

⁸ A. L. Esselment, "A Little Help from My Friends: The Partisan Factor and Intergovernmental Negotiations in Canada," *Publius* 43, no. 4 (2013): 701-27, accessed July 27, 2020, <https://academic.oup.com/publius/article-abstract/43/4/701/1939741>.

⁹ L. Berdahl and E. Montpetit, "Canada: Is It Really a Country Divided?" *The Conversation*, accessed August 6, 2020. <https://theconversation.com/calada-is-it-really-a-country-divided-118514>.

These partisan and intergovernmental tensions border on more “tribal”¹⁰ forms of political contestation. Rather than being adversaries united by an allegiance to common goals and a respect for the rules of the game, partisans can become entrenched as enemies, challenging the core institutions of the state and the very legitimacy of their opponents to govern.¹¹ The forces are more developed in the United States but show signs of spreading to other countries, including Canada.¹² How do we reform our institutions to promote trust-building over tribalism?

THE SOLUTIONS: BUILDING TRUST

At the root of the problem: elites from different parties and jurisdictions have few opportunities to develop close relationships, be they professional, transactional or personal. Establishing new, routinized, rules-based environments can help foster these trust ties.¹³ Conversely, ad hoc, distanced and one-off or infrequent encounters engender more competitive and combative behaviours based on dog-eat-dog (zero-sum) calculations.¹⁴ Leaders who know they must encounter their intergovernmental counterparts on a regular basis are more likely to treat them as adversaries with whom they share common goals, as opposed to enemies that need to be vanquished. They are more likely to model good behaviour if they expect others will have the opportunity to reciprocate. Short-term trade-offs may be negotiated and compromises achieved in the name of a longer-term, more stable set of interactions. Institutionalization helps to establish these sorts of norms, rules and routines.

There are three types of institutional innovations that can help take the tribal edge off Canadian intergovernmental relations by building stronger and more durable trust among public officials of different regions and parties. All of them find precedent or familiarity in various corners of Canadian politics.

REFORMING EXECUTIVE FEDERALISM

Interactions among premiers and prime ministers can be improved in a number of ways. First ministers’ meetings should become more institutionalized. The ad hoc and top-down nature of first ministers’ meetings creates a sense of gamesmanship and

¹⁰ S. E. Hobfoll, *Tribalism: The Evolutionary Origins of Fear Politics* (Cham: Palgrave MacMillan, 2018), accessed July 27, 2020, <https://link.springer.com/book/10.1007%2F978-3-319-78405-2>.

¹¹ M. Ignatieff, “Enemies vs. Adversaries,” *The New York Times*, October 16, 2013, <https://www.nytimes.com/2013/10/17/opinion/enemies-vs-adversaries.html>.

¹² “Tribalism Is Tearing Canada apart,” *Maclean’s*, January 11, 2019, <https://www.macleans.ca/politics/ottawa/tribalism-is-tearing-canada-apart/>.

¹³ P. G. Thomas, “Trust, Leadership, and Accountability in Canada’s Public Sector,” in *The Evolving Physiology of Government: Canadian Public Administration in Transition*, ed. O. P. Dwivedi, T. A. Mau, and B. M. Sheldrick (Ottawa: University of Ottawa Press, 2009), 215-48, accessed July 27, 2020, <https://books.google.ca/books?uid=113709351670954014717&hl=en>.

¹⁴ J. Wallner, *19th Century Division of Powers, 21st Century Problems: Understanding Canadian Intergovernmental Relations* (Ottawa: Canada 2020, 2014), accessed July 27, 2020, https://canada2020.ca/wp-content/uploads/2014/05/2014_Canada2020_PaperSeries_EN_Issue-05_FINAL.pdf.

tension between the prime minister and premiers.¹⁵ As agreed to in the Charlottetown Accord,¹⁶ annual first ministers' meetings would have made the events more frequent, routine and predictable. Agendas should be set jointly among first ministers, allowing all participants to table items of importance. The pandemic has necessitated weekly teleconferences among first ministers, but these have been directed by the federal government. A more permanent and collaborative process would help address tribal tendencies.

In addition, first ministers should convene joint cabinet meetings with their counterparts across the country. This includes the federal government travelling to other parts of the country to meet with other governments on a government-to-government basis. Interprovincial meetings have merit, as well. Such joint cabinet meetings have a history in Western Canada,¹⁷ with provincial governments meeting on an occasional basis in the early twenty-first century. The federal government has made a habit of hosting *cabinet retreats* outside Ottawa, but these seldom involve formal, joint meetings with cabinet colleagues in the host province.

INTERLEGISLATIVE FEDERALISM

Beyond first ministers and their cabinet colleagues, relations among backbench members of federal and provincial assemblies can also be enhanced.

Parliamentarians across Canada should establish an Interlegislative Council. Senators and members of parliament participate in a number of parliamentary associations¹⁸ and "friendship groups"¹⁹ with their counterparts in other countries. These well-structured organizations are meant to foster the exchange of ideas, information and experiences across borders. No similar organization connects federal, provincial and territorial (FPT) legislators within Canada, although cabinet ministers meet at least annually with their FPT counterparts at sectoral meetings. These forums of interlegislative federalism have been recommended repeatedly throughout the last several decades.²⁰

Federal, provincial and territorial governments should also establish an interlegislative exchange program. Legislators from certain regions should be paired with those with

¹⁵ J. P. Meekison, H. Telford, and H. Lazar, ed., *Reconsidering the Institutions of Canadian Federalism* (Montreal: McGill-Queen's University Press, 2004), accessed July 27, 2020, <https://www.queensu.ca/iigr/sites/webpublish.queensu.ca/iigrwww/files/files/pub/archive/SOTF/SOTF2002.pdf>.

¹⁶ J. Makarenko, "Charlottetown Accord: History and Overview," *Maple Leaf Web*, February 10, 2009, <https://www.mapleleafweb.com/features/charlottetown-accord-history-and-overview>.

¹⁷ L. Berdahl, "Region-Building: Western Canadian Joint Cabinet Meetings in the 2000s," *Canadian Public Administration* 54, no. 2 (2011): 255–75, accessed July 27, 2020, <https://onlinelibrary.wiley.com/doi/abs/10.1111/j.1754-7121.2011.00173.x>.

¹⁸ "Parliamentary Associations," Parliament of Canada, accessed July 27, 2020, <https://www.parl.ca/diplomacy/en/associations>.

¹⁹ "Friendship Groups," Parliament of Canada, accessed July 27, 2020, <https://www.parl.ca/diplomacy/en/friendship-groups>.

²⁰ T. Hueglin, "Treaty Federalism as a Model of Policy Making: Comparing Canada and the European Union," *Canadian Public Administration* 56, no. 2 (2013): 185–202, accessed July 27, 2020, <https://onlinelibrary.wiley.com/doi/abs/10.1111/capa.12013>.

alternative viewpoints from other parts of the country. Legislators would spend time with each other in their respective districts, shadowing each other when meeting with local stakeholders, citizens and colleagues to formulate a better sense of how politics operate in other parts of Canada.

INTRALEGISLATIVE FEDERALISM

At the federal level, interparty regional caucuses should be established and institutionalized. Most federal and provincial parties have internal regional groups of legislators who meet on a regular basis. And there are dozens of issue-based interparty caucuses in Ottawa and the capitals of the larger provinces (e.g., the Diabetes Caucus). Yet, outside the Senate, there are no interparty regional caucuses in Canada akin to those found in the United States, where formal groups like the Northern Border Caucus and Western Caucus meet to generate consensus around common legislative priorities. Setting up formal, routine meetings of federal legislators from the same region would be of benefit in generating trust ties across partisan lines. It would also allow partisan adversaries to disagree in private without resorting to public disputes. If extended to the Upper Chamber, it could help build bridges among senators and MPs. If these caucuses were to meet outside the National Capital Region on an occasional basis, it could open opportunities to meet with provincial legislators, breaking down jurisdictional barriers in the process.

These are not silver-bullet solutions, of course. None address the effects of a media bent on generating and sensationalizing conflict among parties and across regions. Collectively, however, these new institutions would help build trust and protect against the threats to national unity that often accompany the coupling of partisanship and regionalism in Canada. Critics will charge that the reforms amount to “taking the politics out of politics.” Some amount of disagreement and conflict is desired and expected in a democratic society. If this conflict comes at the expense of common cause and purpose, however, it can threaten the integrity of that society’s political institutions, which are designed to allow for peaceful discourse and productive debate about the common good. The last time Canada’s party system was as regionally divided as it is today, we came within a few thousand votes of facing the existential crisis of losing a province from Confederation. While calls for disintegration are quieter and coming from another corner of the country, they are nonetheless indicative of the same destructive tribal tendencies. As the national unity of the early months of the pandemic wears off, modest steps can be taken to encourage our political leaders to prevent us from reaching that point.



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