# An Extraordinary West A Narrative Exploration of Western Canada's Future

SHEILA O'BRIEN & SHAWNA RITCHIE CANADA WEST FOUNDATION



cover photo: Merid, Saskatchewan Jon Dirks

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Grain elevator, Farrow, Alberta Jon Dirks

## Introduction

#### AN EXTRAORDINARY WEST: YESTERDAY, TODAY AND TOMORROW

In the early 1970s, the first wave of the baby boomers was coming of age. These boomers are a bulge in the population that have had a huge effect on society. Forty years ago, boomers were watching *A Clockwork Orange*, listening to Three Dog Night sing "Joy to the World," driving a 365 horsepower Chevy Impala, beginning to exercise their consumer power, and rising in full-throated anger against the Vietnam War. They witnessed the creation of Bangladesh, the banning of cigarette ads on television, the debut of Southwest Airlines, the formation of the United Arab Emirates and the creation of the NASDAQ. Some of them peered through the haze of marijuana, and were very mellow indeed.

In Canada, Pierre Trudeau was the Liberal Prime Minister and was much preoccupied with a national social agenda: the implementation of Medicare, the spread of bilingualism to the entire country and the status of Quebec as a distinct society.

Peter Lougheed was the newly-elected Progressive Conservative Premier of Alberta, Alan Blakeney was elected NDP Premier of Saskatchewan and they joined Bill Bennett, the Social Credit Premier of British Columbia, and Ed Schreyer, the NDP Premier of Manitoba, as western leaders. Although they were from different parties, each was ambitious for his province and the region, and understood the power of interprovincial cooperation to create negotiating strength.

There was one federal cabinet member from each of Manitoba, Saskatchewan and Alberta, and three from BC. Of the nearly 22 million people living in Canada in 1971, 5.8 million (approximately 26%) lived in the four western provinces. The GDP of Canada was \$96 billion, of which \$25 billion originated in the West. The manufacturing industries of Ontario and Quebec dominated the economy and those two provinces were home to 13 million people, nearly 60% of the total population of the country. It was small wonder that the concerns of the two large provinces received the focused attention of the federal government while the West felt like the hinterland, from within and without.

In the West, frustration was growing with systemic dysfunctions that held back the economic health and aspirations of the region.

The Crow Rate (part of federal transportation and tariff policy) had the effect of subsidizing the Ontario and Quebec manufacturing industries and creating a disadvantageous tariff on goods leaving western Canada. This policy made the upgrading of exports from the West uneconomic, and prohibited western Canadians from importing cheaper manufactured goods from the US in favour of goods shipped in from central Canada. Beef was exported on the hoof, rather than as value added products, and grain was sent to markets where the processing and related jobs benefitted the economies of other places. The farmers and ranchers were not happy. Neither were the captains of the energy industry.

The previous 20 years of exploration investment and infrastructure development in oil and gas made the industry ready for lift-off. To this point, the economic rent supplied by the industry came mainly from Crown leases, rather than production. Associated gas (natural gas found in crude oil wells) was burnt off rather than harvested, and sulphur was regarded as a waste by-product. Canadian markets east of the Prairies were closed to the region's oil and gas industry. The Montreal to Sarnia pipeline flowed east to west, and brought crude oil to central and eastern Canada from Venezuela. The West sat atop vast reserves, with ready production, but faced a blocked domestic market. Added to this was the fact that the whole Canadian banking system had mind and management in Toronto and Montreal, with little understanding of the needs of the West, while westerners were still able to remember the devastation caused by "Eastern bankers" during the Depression.

Westerners shook their heads in wonder at the federal government's social policy. What did bilingualism and Quebec culture have to do with them? There was no coherent voice for the West at the federal table. The lack of attention to the region's concerns, and the discriminatory policies that were holding it back had been on simmer, but it was getting hotter.

This was the context within which the Canada West Foundation was created. The Foundation grew out of the 1970 One Prairie Province? conference in Lethbridge, Alberta. Unifying the prairie provinces was rejected as a viable option, but there was a strong consensus that research on the West (including BC and the North) should be expanded by a new organization. The Canada West Foundation received its Letters Patent on December 31, 1970 and began operations in 1971. The central premise of the Foundation was that there cannot be a strong Canada without a strong West.

Now, 40 years later, much has changed in the West. The region is a key economic driver in Canada, and has the opportunity to define a future within Canada and the world that capitalizes on its huge potential. The situation has reversed since the 1970s and we are now discussing the West from a position of political strength and economic power. The West is now a global player. Where do we go from here? What is our pathway to get there?

To mark the 40<sup>th</sup> anniversary of the creation of the Canada West Foundation, and to celebrate the remarkable changes that have taken place in the region, we decided to explore the narrative of the West though a series of "extraordinary conversations" with 50 western Canadian community and thought leaders. From these conversations, we have identified the key opportunities and challenges facing the region.

We chose the participants of the Extraordinary Conversations initiative from across the four western provinces, from various sectors, and multiple disciplines. The overriding criterion was an ability to see the big picture and articulate the region's possibilities and potential. We began each conversation with the following question: "What do we need to do to ensure that the West remains a great place to live in the 21<sup>st</sup> century?"

While our question was forward looking, our conversations were often rooted in our history, and a consistent set of themes emerged.

• The West's strength is based on the characteristics of the people who chose to come here to create a better life for themselves and their families. We are risk-takers at heart.

• Accomplishment trumps pedigree in the West. There is limitless opportunity for those who work hard and success is the province of the hard workers, the innovators and the dreamers. When things do not work out, westerners are there to lend a helping hand and assist those who fall on hard times.

- We are blessed with abundant natural resources, but we have an obligation to steward them responsibly and protect this place for future generations.
- Our geography imprints us. The prairies, the mountains, the ocean, and the big clean sky help define how we see the world and offer opportunities for us to welcome the world, both as visitors and as new Canadians.
- We are westerners and we are proud Canadians. We are all stronger if we work in concert, and with a generous spirit.

Fifty extraordinary conversations have yielded an embarrassment of riches. In order to capture their essence, we have created five themed chapters on demographics, Aboriginal peoples, environment, economy, and collaboration. Each chapter explores the key issues we must debate and resolve for the West to reach its full potential.

Western Canada faces the same demographic issues as many other places. Our population is aging, which will result in a huge labour shortage. In order to address this we will need to rely on immigration. The challenge is ensuring that western Canada attracts and retains the immigrants it needs, and affords them the opportunity to be full and meaningful participants in the economy.

The West is home to almost 60% of the Aboriginal population in Canada. Their numbers are growing at three times the rate of the non-Aboriginal population, yet they fare worse than the general population in regards to educational achievement, economic participation and social wellbeing. While they represent a rich source of culture and history, many endure lives of desperation. This is a most pressing issue for the West.

The environment can be an accelerating factor or a limiting factor in the growth of this region. Our resource-based economy makes huge demands on the environment, including our water resources, and it takes generations to repair degradation and damage. If we fail to protect and preserve our natural capital there will be economic, political and cultural implications for the region. Our challenge is to ensure that we are protecting our resources by using sustainable development practices. We need to ensure that we are a global leader in our environmental protection and resource development.

Our economy must remain both robust and agile. We are blessed with an abundance of natural resources but we must make thoughtful choices about our ultimate customers, and ensure that we can export our products safely. It will be necessary to find ways to diversify our economy, move up the value chain of production, and encourage greater commercialization and innovation while building global trade linkages. Determining how to exercise our economic strength in an increasingly competitive, carbon-constrained world is one of the most exciting opportunities we face.

The population of the West is small in both absolute and relative terms so cooperation is crucial to the region's success. We have the opportunity to cooperate both through the reduction of barriers within the region and through collaboration on key issues. Our education system could be a key accelerator to a healthy future, and is an obvious candidate for a more cooperative approach to optimize the value of education.

These are the challenges and opportunities for the West and each of them will be explored in detail in the following chapters. Overarching all of the discussions are two questions: What are the most important features in western communities, and how do we preserve our history while moving forward in this century? Who is responsible for fulfilling the potential of the West?

The "extraordinary conversationalists" who took park in this exercise offered creative ideas and even some off the wall solutions. We thank each of them for their time and their commitment to the process.



Taxi standing in Gastown, Vancouver, British Columbia Natalia Bratslavsky CHAPTER TWO

### Demographics

#### INTRODUCTION: THE PEOPLE OF THE WEST

In 1995, Ruth Smillie was driving east across the Prairies of western Canada with her three kids. She was moving from Edmonton, Alberta to Regina, Saskatchewan to start a new job as the Performing Arts Consultant with the Saskatchewan Arts Board. As she drove, she listened to a phone-in show on CBC radio about the fate of Saskatchewan's beloved football team, the Roughriders, who were teetering on the edge of bankruptcy.

As Ruth drove toward her new home, she was interested to hear the outpouring of love and support of the people of Saskatchewan for the financially troubled team. People were calling from all over the province, and although many of those calling probably didn't go to any of the games, the message was clear: the Roughriders were important to the identity and collective consciousness of the people of Saskatchewan.

Three years later, when Ruth Smillie began her tenure as the Artistic Director and CEO of Globe Theatre, that radio show was pivotal because it led her to decide that she wanted the Globe Theatre to be the Roughriders of the performing arts. She wanted the Globe to be as valued and as integral to Saskatchewan so that there would be an outpouring of support if they should ever fall into difficulty and that performing arts would infiltrate the consciousness of Saskatchewanians everywhere. That was her vision and her opportunity.

Since that time, the Globe Theatre has tripled in size and is Saskatchewan's largest professional theatre company, has Canada's only professional, permanent theatre-in-the-round, and operates a popular theatre school for children, adolescents and adults. Ruth has been awarded the Queen's Golden Jubilee Medal, the YWCA Women of Distinction Arts Award, the Saskatchewan Centennial Medal and was named one of the province's ten women of influence by Saskatchewan Business Magazine.

At first glance, this may not seem like a story about demographics, but it is. Demography is a broad term that encompasses the collective effects of many factors including birth rates, death rates, interprovincial migration, immigration, and average life spans of a population. At the heart of all of these variables are two things: opportunity and vision. It is always a major life decision to move to another province or country, to start a new job and to chase an opportunity. It can be easy to lose sight of the people behind the numbers but if western Canada is not going to be a victim of demographic trends, then it is imperative that we understand the motivations behind people's decisions to move, to stay and to have children, and not just stop at the numbers.

Western Canada's success as a region is intimately connected with the age distribution, fertility rate, immigration rate, settlement patterns and the general mobility of its population. To be successful and active in the world economy we need innovative ideas with a labour market that can bring them to fruition, we need world-class education facilities that can train our young people to think creatively for an uncertain future and we need programs in place to care for the young and the old.

Given that, western Canada is in something of a demographic bind. Although our population is getting larger year over year, the proportions of the population are changing. We now have more seniors and fewer children than we had in the past, which means a smaller labour force in the years to come. At the same time, the population is becoming increasingly concentrated into a small number of urban areas. And, although Canada receives significantly more immigrants than the average for OECD<sup>1</sup> countries<sup>2</sup>, we are having trouble attracting enough skilled labour to address our internal demographic shifts. In order to remedy this, we need to understand what kinds of opportunities compel people like Ruth Smillie to come and stay in western Canada, and what is required for people like her to realize their visions for the future.

#### BACKGROUND: WESTERN CANADIANS YESTERDAY, TODAY AND TOMORROW

The population of western Canada today is over 10 million, up from just 5.8 million in 1971. Ten million is either relatively small or relatively large, depending on how you compare it. As a proportion of the Canadian population, western Canada accounts for 31% of the national population. Conversely, it is just over half the size of the New York metropolitan area (19 million).

There is no question, however, that the landmass of western Canada is very large. The four provinces that comprise the West consist of 2.9 million square kilometers and about 30% of Canada's entire landmass. Although the population of the West could easily fit into the metropolitan area of New York, in terms of space, we are roughly five times the size of France and could fit the state of California inside the West seven times. This large landmass and small population means that western Canada, at 3.9 persons per square kilometre, has one of the lowest population densities in the world.

#### Urbanization

Even though we have all this space, the majority of westerners live in a small number of urban centers, in the southern portions of the provinces. Western Canada has a strong farming and frontier heritage, but to see the West as a primarily rural population is anachronistic. The population of western Canada is highly urbanized. The overall rate of urbanization in the West is 80%, which is similar to the rate of urbanization in the US, but much higher than the global average. Saskatchewan is the least urbanized with only 65% of the population living in an urban area compared to 71.5% in Manitoba and over 80% in both Alberta and British Columbia.

This is a significant change from a century ago. In 1911, only 39.1% of the population lived in an urban area. By 1971, that had changed to 70.3% of the population and today's rate is the highest in Canadian history. This poses many challenges for the West, particularly around the issues of governance and resource management. Governance is difficult because there needs to be a balance between representation by population with regional variations. Resource management is difficult because the majority of westerners do not live in, nor are they familiar with, the natural resource base that supports the regional economy.

<sup>1</sup> Organization for Economic and Cooperative Development.

<sup>2</sup> Immigrants represent 19.3% of the total Canadian population, compared to an OECD average of 7.8% according to J.C. Dumont and Lemaître G., 2004. *Counting Immigrants and Expatriates: A New Perspective*, OECD, Social, Employment and Migration Working papers.

#### Getting Older

As a whole, Canada's population has been steadily getting older. In 1971, the median age in Canada was 26.2 years. That has risen to 39.5 years in 2009—which means that almost one Canadian in seven is aged over 65 (13.9%) and only 16.8% of the population is younger than 15—and the median age is projected to be 44.3 years by 2031<sup>3</sup> (see Figure 1). Although Canada still has one of the younger populations among OECD countries, this aging trend is not going away any time soon. Indeed, it is going to get worse.

The western prairie provinces are some of the youngest in the country. Manitoba and Saskatchewan have the highest proportion of youth (19%) while Alberta has the lowest average age at 35.7 years and the lowest proportion of seniors among the provinces. This may be because many of Alberta's seniors decided to retire in BC, which is the only province west of Quebec to have a median age above the national average. The youngest populations across all measures, though, are in the North, primarily due to high fertility rates and lower life expectancy.

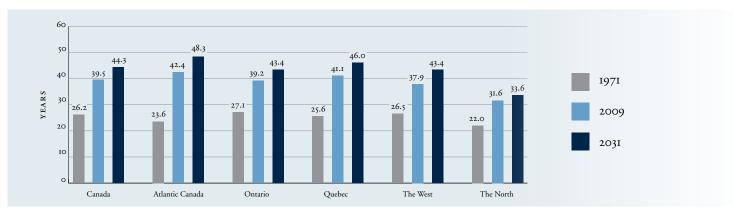


Figure 1: Median Age of the Population 1971, 2009, 2031

Derived from Statistics Canada CANSIM Table 051-0001 and Catalogue 91-520-X.

Median age projections for a population are affected by fertility rate and life expectancy calculations. Life expectancy measures how long a baby born in a given year is expected to live, on average. It is striking to notice that Canadians' life expectancy has been steadily rising. For example, if you were born in the early 1920s in Canada you could expect to live around 60 years. By comparison, if you were born in 2008, you can expect to live to be 80.7 years, on average. A difference of more than 20 years in less than a century is rather remarkable. There are many factors that contribute to increased expected lifespan including access to health care, advancements in medicine and access to clean water.

Fertility rate is the measure of how many children are being born, generally calculated as a per woman figure. In 2007, Canada's fertility rate per woman was at 1.7, which was the highest total fertility rate since 1992, but it still remains well below the replacement level of 2.1. Women are simply having fewer children, which means that the population—barring immigration—is decreasing as a whole. By comparison, the average child to woman ratio in 1960 was 3.7. That's more than double today's ratio! Canadian women today are having fewer than half as many children as they were in the 1960s.

<sup>3</sup> Median age is the point where exactly one-half of the population is older, and the other half is younger.

It is the combination of longer life expectancy and lower fertility rates that is driving Canada's median age up, and even though the West is on the younger side of this trend, the median age is still rising. Another factor exacerbating the trend toward more and more seniors in the Canadian population is that the baby boomers, that massive cohort which begins with those born in 1946, will start turning 65 in 2011. Once this happens, the ranks of Canada's seniors will swell. Statistics Canada forecasts that seniors will account for 23-25% of the total population by 2031, more than double their current proportion.

The implications for society and government of this reversal are numerous and significant. At present, there is a large cohort of working age Canadians to help pay for the social programs used by young people and seniors. These programs include our public education system, universal health care and Old Age Security. As the population continues to age, however, there will be fewer working Canadians to help pay for these programs. Additionally, there will be a greater demand for programs on the part of the burgeoning senior population. Serious consideration needs to be given to how to face this demographic difficulty and there are no easy solutions. Simply raising the taxes of the working population will have negative consequences on the entire economy and, while some have suggested that we privatize portions of our social programs, Canadians are generally resistant to the idea of privatization. Given these trends, the current problem with wait times for medical procedures may soon seem like the good old days of fast access.

It's hard to argue with demographic trends. Canada's fertility rate has been below the replacement rate since the 1970s. Short of forcing people to have more children (a bad idea!) there is really only one solution to our demographic difficulties: immigration.

#### Immigration in Canada

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Canada is a land of immigrants and all Canadians, excepting Aboriginal people, have traceable origins in another country or region. Given that almost all Canadians, or their ancestors, arrived from somewhere else, the population is remarkably disperse and can be difficult to categorize.

First, a clarification of terms: there are many words used interchangeably with *immigrant* including visible minority, foreign born, second generation, and refugee and it is important to be clear that these are not necessarily synonymous. The term immigrant refers to a person who moved here from another country for the purpose of settlement. Once someone has been granted the right to live here permanently, they are considered an immigrant even if they become a Canadian citizen. This means that when we talk about immigrants, it could mean someone who arrived yesterday or someone who has lived here for 60 years. The only criterion that matters is that they came from another country. The children of immigrants, however, if they are born in Canada, are not considered to be immigrants (though they may be called second or third generation immigrants in some cases).

An important distinction to keep in mind is that between immigrant and visible minority. Visible minority applies to any person who is non-Caucasian in race or non-white in colour, with the exception of Aboriginal peoples. The Canadian population is still dominantly Caucasian, although this varies by region. Since immigration statistics make no distinctions on race and colour, it must be remembered that the terms immigrant and visible minority cannot be conflated. Many people of different colours and ethnicities have been in Canada for generations and many people who choose to immigrate to Canada today are Caucasians.

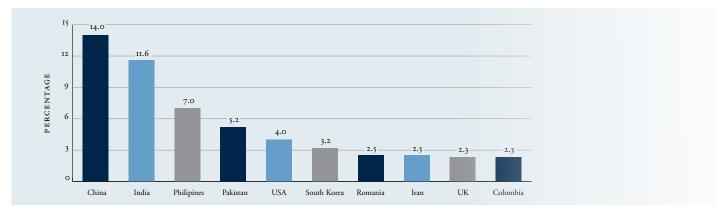


#### Where are immigrants coming from?

Although Canada has a long history of immigration, there are some fundamental differences between the immigrants arriving today compared to those who arrived 40 years ago. One major difference is where immigrants are coming from.

Prior to 1981, the top five source countries for Canadian immigrants in order were: United Kingdom, Italy, US, Germany and Portugal (Citizenship and Immigration Canada). By comparison, the top five source countries in 2006 were: China, India, Philippines, Pakistan and US. You can probably spot the differences; prior to 1980, a vast majority of immigrants were from western European countries. In the 1970s, only 12.1% of immigrants were from Asian countries. Today that trend has been reversed and more than 58% of all immigrants are from Asian countries. Figure 2 shows the top ten source countries of immigrants for 2006.

Figure 2: Top 10 Source Countries for Recent Immigrants 2006



Source: Statistics Canada. Catalogue no. 97-55-XIE.

Broken down regionally, the source area of immigrants paints an even more interesting picture. Of all the immigrants who came to western Canada in 2006, more than 60% of them were from Asia and the Pacific Rim. This number ranged between provinces, of course, with 70% of the immigrants to BC from Asia and the Pacific Rim compared to 38.7% for Saskatchewan. Immigrants to the rest of Canada are somewhat more diverse. About 40% are from Asian or Pacific countries but the rest of the country also receives relatively more immigrants from Africa, the Middle East, and South and Central America. Additionally, a larger proportion of immigrants to the rest of Canada are refugees (10.4% compared to 5.8% in the West).

The implications of shifting source countries for immigrants are unclear. Many of the people we spoke with during the interview process were optimistic that western Canada was well placed to become the economic focal point in Canada for a shifting economic reality. This is because having a strong and diverse immigrant population makes Canadian cities, businesses and economies more global in their outlook and more easily adaptable to a global economic structure. More specifically, because of the high concentration of immigrants from Asian countries, it

is hypothesized that western Canada will be in a position to take advantage of a global market that is shifting away from the US and Europe toward the BRIC<sup>4</sup> countries. As Extraordinary Conversations participant Kevin Peterson, former publisher of the Calgary Herald, remarked, "in western Canada, our immigrant communities are more Asian and we are probably better placed to attract significant economic immigrants and less 'economic-based refugee' immigrants. The economy of Asia will likely improve steadily during this period, whereas my guess is that 25 years from now Haiti won't be any better off economically than it is now, and probably worse."

This idea was echoed by Stephen Toope, President of the University of British Columbia who said to us, "I think that there could be some very good news for western Canada because, if we get our immigration policies right, the chances of having stronger and stronger ties with some of the most dynamic economies in the world should be enhanced." It seems clear that, if China and the other Asia-Pacific countries continue to grow, the West will be in a very good position to capitalize on that economic shift. What is less clear is what impact that shift could have on the balance of economic and political power within Canada and globally.

#### Where are immigrants going?

Another major different between the immigrants of today and the immigrants of 40 years ago is where they are going. In 2007, 238,000 immigrants came to Canada. Of these, the majority chose to settle in Ontario (52.3%) while 30.2% went to western Canada, 17.5% to Quebec, 1.2% to Atlantic Canada and 0.1% to the northern territories. Overall, the West's share of immigrants is almost identical to its share of the population (30.8%). This was due to growth in immigration to Alberta and Manitoba and a decrease in immigration to Ontario compared to previous years.

Within western Canada, the majority of immigrants choose to go to British Columbia, in fact, more than half of them (52.7%) went there in 2007. This is actually a decline in BC's share of immigrants from 1997, when they were the destination for 73.1% of all immigrants to the West. Alberta and Manitoba, however, have both experienced increases in their share of immigrants, at 28.0% and 15.0% respectively in 2007. Saskatchewan attracts less than its share of immigrants, though, with only 4.3% of immigrants to western Canada choosing to arrive there in 2007.

Almost all recent immigrants settle into a major metropolitan area. According to the 2006 Census, 94.9% of Canada's immigrant population and 97.2% of recent immigrants lived in an urban community. Comparatively, only 77.5% of the Canadian-born population lives in an urban centre.

They are not, however, choosing to live in just any city; immigrants show a marked preference for three particular urban areas: Toronto, Montreal and Vancouver. These three cities are home to more than two-thirds of Canada's total immigrant population. As a comparison point, Toronto and Vancouver actually have a higher percentage of their population that are immigrants than Miami, Los Angeles or New York City.

In the West, Vancouver was the destination of 48% of the immigrants that landed in western Canada in 2007 (14.4% of all immigrants to Canada). This was followed by Calgary at 15.7%, Winnipeg at 10.2% and Edmonton at 8.5%. No other western city attracted more than 2% of the immigrants. Vancouver's share is down compared to five years earlier while Calgary, Winnipeg and Edmonton have seen stronger inflows.

Overall, the West receives immigrants roughly in balance with its population. The immigrants who do come to the West almost exclusively go to cities and almost half of them go to British Columbia.

<sup>&</sup>lt;sup>4</sup> Brazil, Russia, India and China.

Given where these populations are choosing to settle, a dystopian view of the future would depict the face of Canada as highly fragmented with, on the one hand, large, culturally diverse, "global" cities surrounded by, on the other hand, a sparsely populated landscape with pockets of aging (mostly Caucasian) rural citizens. That may be a bit extreme, but it is easy to see the potential tension. The populations of both British Columbia and Alberta are growing and a greater proportion of their populations are living in urban areas. By comparison, the populations of Saskatchewan and Manitoba are not keeping pace and their urban areas are smaller.

There is also the potential for tension between the rural and the urban populations. This is particularly apparent in provinces like British Columbia and Manitoba, which are dominated by a large, diverse and highly urbanized population concentrated into one metropolitan area and a dispersed, shrinking rural population. In Manitoba, 60.8% of the population now lives in Winnipeg and over half of the population in British Columbia lives in metro Vancouver. This imbalance has the potential to seriously impact the relationship between a dominant, diverse and globally focused urban population and a rural population that lives in and amongst the natural resources of the provinces. There will be challenges figuring out how to accommodate and manage very real demographic tensions in the years to come.

The bottom line from looking at our current demographic situation, both in terms of rates of reproduction and immigration trends, is that we are going to need more people. It may seem as though Canada's rate of immigration is already high but the reality is that even with those high numbers, our population is still projected to decline. The question then becomes, what kind of people do we need? Is it simply a case of getting people in the door, or, do we need certain sorts of people?

Camille Dow Baker, CEO of the Centre for Affordable Water and Sanitation Technology (CAWST), illustrates the point: "In my own organization we have people from ten different countries in a staff of twenty. Of the remaining ten people only two are native Calgarians. They all came from somewhere else. For us, immigration is absolutely essential because we could not find the skills we need in Calgary."

#### IMPLICATIONS OF A DEMOGRAPHIC REALITY

The question of what kinds of immigrants we need was a point of divergence among interview participants. Some thought that we should be targeting people who are the top of their field—people who can do groundbreaking, world class research and can help to usher the region into the new era of a knowledge-based economy. Others noted that where we are currently short of workers is not at the upper end of the employment segment but rather around the bottom and middle, and so we should bring in people to do those jobs. Still others thought that we should not be targeting certain professions or educational backgrounds, but focus on source countries on the grounds that it is more valuable to have immigrants from places in the world where we are interested in establishing strong trade partnerships.

The reality is that positing this as a choice of one over the others establishes false divisions. Really, we need all kinds of immigrants and some fit more than one of the categories mentioned above. Those that argue for knowledge-based immigrants note that increasingly businesses are not making things in North America. It is so much cheaper to make things elsewhere that the labour requirements in North America in the future will not be for high numbers of unskilled workers, but rather smaller numbers of highly skilled people who can create and innovate.

"You aren't going to have labour intensive industries so you aren't going to need the kind of immigration of the past. What will be important is attracting knowledge-based immigrants," states Kevin Peterson. Incidentally, the majority of the people who are highly skilled in such fields as computers, technology, engineering, and architecture are coming from the very countries that we need to be connected to in order to survive in a global economy, namely China, India, Taiwan and Singapore.



Unique homes, Vancouver, British Columbia Steve Rosset



Alberta Children's Hospital, Calgary, Alberta Jeff Whyte

There are more than just economic issues at stake here and it is important to think about the implications of our immigration policies. For example, we need to think carefully about the basis of our immigration. How much of it should be focused on family reunification, which would enable immigrants to settle and integrate more thoroughly? How much should be focused on credentialing and meeting the needs of our social and economic health? How much should be focused on humanitarian immigration and opening our doors to those who are in need of a safe haven? These questions must be carefully considered and debated in order to have a balanced discussion of what kind of immigrants we need in Canada.

#### Getting the People We Need

As we were interested in the question of what exactly it takes to attract top quality people to western Canada, we sat down with Dr. Stephen Duckett, CEO of Alberta Health Services. Duckett has spent his professional life working in leadership, policy and education in health care in Australia, and as a consultant in Hong Kong, Singapore, Thailand and New Zealand. He has doctoral degrees in health administration, health policy and higher education management. Duckett moved with his family in 2009 from Australia to Edmonton to take on the role of CEO for Alberta's public health provider. We met with him to understand what attracted him to come here and compelled him to leave behind much that was familiar and known in order to come and do something different in a new country. The bottom line is that he came for opportunity.

There are many different ways of designing a health care system, ranging from a regional model to a model that uses more of an activity-based, or quasi-market mentality. Canada has always been very strong on the regional approach but Alberta was interested in something different, and in order to accomplish this they sought out Stephen Duckett. He told us, "it was an exciting opportunity to demonstrate a different way of thinking in Canada." That opportunity was enough to convince him to give up his life and career in Australia, relocate his family and start a job in an environment that was unfamiliar. There was an allure around the opportunity to do something completely new.

It turns out that opportunity is a common theme. After taking a look at the current state of our demographic trends, we were left convinced that more people were needed in Canada in general and western Canada in particular. The questions that are important to ask in that case are: Why do people come here? Why do they stay? And what compels them to leave? In a macro sense, the answer is opportunity, but there are many different variations on opportunity.

#### Why do people come?

For some immigrants, opportunity was something they would be able to provide to their children in Canada. Russel Marcoux is CEO of the Yanke Group, one of the largest transportation companies in western Canada, and has been involved with recruiting workers from Eastern Europe. During this process, he has gone to Ukraine several times and asked potential candidates why they were interested in coming to Canada. The answer they all gave was so that they could work and provide a better opportunity for their children. Many of those coming were in their 40s and 50s. They were not interested in their own success, *per se*, they wanted to provide opportunities for their families. As Marcoux notes, "they don't see any future for their children in Eastern Europe and they see Canada as a land of opportunity. So they said we are prepared to do whatever we have to do to get to Canada, and once there, we just want to work, make some money, be able to educate our children and be able to provide them with a better quality of life."

The opportunity to try something new, to advance your career, to find economic and political stability or to give your children a better future is compelling and likely accounts for the decisions of many of Canada's immigrants. We were interested in a slightly more specific question, though, and that is: Why do immigrants come to *western* Canada, in particular? Why do more than 30% of all immigrants choose the West and why has the West experienced a net population increase of more than half a million from interprovincial migration over the last 35 years?

The answer we received from many interview participants was that western Canada is a meritocracy and, as such, accomplishment triumphs over pedigree here. There is limitless opportunity for those who work hard and dream big. Western author and professor of literature, Aritha van Herk observes, "there's a sense of awareness of first of all seizing the moment and second, the consequences of what happens when you fall. Here in the West there is a profound sense that we don't have all the time in the world, so let's get on with the job at hand. We don't want to examine everyone's genealogy, we don't want to ask, 'how long have you been here?' Those questions of pedigree don't matter." Similarly, Satya Das, author of *Green Oil*, notes: "Western Canadian cities, Edmonton and Calgary especially, are an acceleration of cultural mingling. Because of the economic opportunities in this province [Alberta], people are too busy to care about where you come from." This lack of emphasis on history, pedigree and ethnicity opens up the door for people to think creatively and try new things. It is also a powerful draw and this culture of opportunity is part of the reason why people are choosing to come to western Canada.

#### Why do people stay?

In addition to identifying why people choose to come to the West, it is important to understand what makes people stay. This is true not only for the immigrant population, but also for those born in the West. In order for the West to achieve its full potential it is imperative that young people choose to stay and invest their knowledge and creativity in the region, and that those who are recruited here are willing to stay. If people are not willing to stay here once they have arrived, the task of recruiting new immigrants will be Sisyphean<sup>5</sup> in character.

By design, many of the people we interviewed were those that had chosen to stay. These are people who could have gone anywhere and yet they chose to be here, so what made them stay? There were two answers: people stayed for love of the community, and for family. There is little that can be done from a governmental perspective to influence family decisions, but it does speak to a virtuous (or vicious) cycle. The more that people stay, the more likely their children and grandchildren will be to stay and invest in the region.

Richard Florizone is an example of someone who fits into the family category. Originally from Saskatchewan, he moved away in order to complete a PhD in Nuclear Physics at the Massachusetts Institute of Technology. From there he worked as a Director of Strategy for Bombardier Aerospace and as a Project Leader with The Boston Consulting Group. He was recruited back to Saskatchewan and now holds the position of Vice President Finance and Resources at the University of Saskatchewan. When we asked him what compelled him to come back and what caused him to stay, although there were many factors, one of the most important ones was family: "My wife and I were both from here and our extended families are here and so once we had our first child ... you start to think about when you were a kid how great it was to be around your cousins, and the shorthand is that family was a big draw." Family was obviously not the only factor and Richard went on to state that although family is a big draw, it is not enough on its own—there has to be more.

<sup>5</sup> In Greek mythology, Sisyphus was a king punished by being compelled to roll a huge boulder up a hill, only to watch it roll back down, and to repeat this for eternity.

The second main reason that people said they chose to stay was for a love of the community. In a broad sense community can refer to a corporate culture or even just the community of people in the West. Peter Tertzakian, prominent energy economist and author, talked about one of the reasons he has stayed in Calgary all these years, even though the opportunity has come up to go elsewhere. He referred to it as the buzz of downtown, the culture of community in the oil and gas sector, the sense that there was a vibrancy and a pervasive innovative spirit that made it worth it to stay. The person who perhaps spoke most eloquently about this was Aritha van Herk. Aritha has written nine books, both fiction and non-fiction over the course of her career. She spoke about the challenges and opportunities of staying in the West as an author: "We know that if you don't live in Toronto, you are unlikely to become a big name Canadian writer. So why do we stay here? Because we don't care. Our risk is that we want to tell the stories of this place. We know that failure is almost coded into the risk and yet we try to do it anyway because we care so passionately about this place and because there is genuine freedom to the way we can exercise creativity out here."

Love of family and community may not seem like good hooks to hang public policy on, but there is an important message here. If we can ensure that people are well integrated into their communities, if they can find a place for themselves inside their communities and they can settle themselves and their families, they are more likely to stay and invest in those communities and their children are more likely to stay and invest. That means we need to be making sure that we are doing everything possible to integrate immigrants, and their families, into our communities. They need to be able to find a place for themselves or they will leave for somewhere where they can find a community.

#### Why would people leave?

The answer to the question of why people leave is the inverse, in some respects, to why they come. They leave when there are better opportunities elsewhere or when they can't see a place for themselves in the community they are in. This could be a young ballet dancer being forced to move to the city in order to dance professionally or a bright graduate student unable to find a company to utilize her technical skills. When discussing why people leave, Satya Das says, "it breaks my heart when I see talented people leaving this province to go to the Massachusetts Institute of Technology because that's where the opportunity is for their IT and knowledge economy ideas." The problem isn't so much that they are going away to study, but that they are staying away.

Opportunity is not always linear, however, and increasingly it is the opportunity to do something of a higher normative value that compels people to leave (or stay). This is particularly the case for the younger generations who, some argue, are less compelled by wealth and materialism than previous generations. If we want to figure out how to stop people from leaving, we need to figure out what kinds of opportunities will make them stay.

Aiden Livingston touches on this idea in his book, *The Secrets of Advertising to Gen Y Consumers*. He notes that there has been ample evidence in most Gen Y's lives to believe that large organizations worship only one thing, the dollar, and they will do anything to get it. As a result, many Gen Y's are, "almost irrationally loyal to companies they believe value people over profit" (Globe and Mail, May 27, 2010). They are willing to spend more than twice as much for a product or be inconvenienced through wait times as long as they are convinced that the companies and people are invested in something positive.

Although Livingston is talking about marketing techniques and how to get people to buy products, the same logic applies to recruiting people and getting them to work for a company. According to this argument, Gen Ys have a sense of social stigma if they work for companies that are perceived to be environmentally or socially unconscious. This is opportunity writ large; one of the ways that businesses in western Canada are going to be able to recruit and retain good employees is by *value branding* themselves. Businesses need to give people the opportunity to work creatively toward solutions on global issues rather than contributing to global problems.

This is precisely the message we heard from Dave Mowat, CEO of ATB Financial. Dave made a name for himself in the banking community in Vancouver. He was president of VanCity, now Canada's largest Credit Union. VanCity is a financial institution and it does all the things that you would expect it to do, but under Dave's leadership it became known for its triple bottom line. The triple line means it is committed to financial success as well as environmental and social sustainability.

There are a number of benefits to this model from a business perspective, including setting the business apart from its competitors in a positive way, but there is also a recruitment benefit. As Dave told us, "if you want to hire someone out of university and you want the top of the class, chances are you better be solving environmental issues, not creating them or you won't get those top people."

This idea, this philosophy, really seemed to work for Dave. Under his leadership, VanCity was named the number one place to work in Canada, one of Canada's Top 100 Employers, one of 10 Best Companies to work for, Canada's Most Admired Corporate Cultures, and it has done very well financially. It seems if we are interested in figuring out how to attract and retain people, this is something of a model that could be used.

This is a fundamentally different attitude than saying the only motivation is money, and it speaks to a changing cultural consciousness. That a person's worth and effort should be about more than material gain, that it should be about thinking creatively about how to effect positive change in the world. The implications of this are actually really important to western Canada. It is what Peter Tertzakian referred to as the importance of being on the winning team.

Arguably, the understanding of what it is to win has changed, and this has the potential to impact our ability to recruit top people in the years to come. Peter is Chief Energy Economist and Directing Manager of Arc Financial Corporation in Calgary. He has been involved with and studied the oil industry in Alberta for decades and he has a very important caution. He observes, "there is an implicit view that fossil fuels are yesterday's news, it is dirty and the losing team, so why would you want to come here? I see this as a real threat to attracting good people." He further notes that even if a petroleum engineer is aware of the fact that the oil and gas industry is a highly technical and challenging career, he will not succeed without a host of IT support, mapping software engineers and support services. If oil and gas is perceived to be the losing team, the process of retaining and recruiting top talent will be harder and harder.

Although that is a message directed at a particular sector, the underlying message is clear: if we want to attract and retain top quality people, we need to be certain that we are appealing not only to their economic wellbeing but also to their social and environmental consciousness. People need to believe in the work they are doing, they need to know that they are making a difference and in order to succeed, businesses, governments and communities need to learn to embrace constructive criticism and figure out how to be part of the solution to collective issues and not part of the problem.

Canada geese at a retention pond, Winnipeg, Manitoba Richard Gillard

#### CONCLUSION

The story of demographics is relatively simple. We do not have enough people in western Canada to take full advantage of the economic opportunities and social responsibilities that will arise in the years ahead. This means that we need to find ways of getting more people, preferably those that have the skills we are most short on, and convincing them to stay. This is the responsibility of everyone in western Canada—from governments and businesses to communities and individuals.

There are two things that we need to be doing better:

- 1) Supporting immigrants in their transition into Canadian economic culture.
- 2) Supporting immigrants and their families in their transition into Canadian social culture.

If the task is to bring immigrants here and not worry about them after they arrive, we have done our job. If, however, the task includes ensuring that the skills and aspirations of new Canadians are put to work and given room to flourish, then we have a lot more to do.

One of the most obvious ways to support the transition into the economic culture of Canada is to do a much better job of recognizing foreign credentials. It does not help anyone when we have doctors and lawyers driving taxis because their degrees are not recognized by Canadian professional associations. In the last decade, recent immigrants accounted for 70% of our net labour force growth, and it is anticipated that before the middle of the next decade almost all of our net labour force growth will come from immigration. The immigrants we are receiving today are more educated than ever before. For example, more than half of immigrants aged 25-64 have a postsecondary degree, and many have only been allowed to immigrate because of their educational achievements. The problem is that once they arrive, their credentials are often not recognized and many immigrants find themselves underemployed or unemployed even though many employers are short on skilled labour.

Canadian governments acknowledge this discrepancy and have put some policies in place to facilitate the process of credential recognition. This is a good start but more needs to be done. With over 400 accreditation bodies in Canada, the process of change is extremely difficult. The responsibility for professional accreditation generally lies with the provinces, but each province and their regulatory bodies have different standards. Thus, recognition of foreign credentials varies from province to province and from occupation to occupation (Rivera 2010).

It is equally important that more support be provided to immigrants, and their families, so they can integrate into the social and cultural community of Canada. This support includes language training, cultural integration, community orientation and more. We need to have additional supports in place not just for the working population of immigrants, but also for their family members to help them connect with other members of the community, navigate the health and education system, and feel as though they are part of the community.

One of the reasons immigrants settle in urban environments is because the support networks, as well as other immigrants from their home country, are already in place. If we want to encourage more immigration to smaller centers and rural areas, it is important to recognize that these support systems need to be available. This was the opinion of Vianne Timmons, President of the University of Regina. Timmons observes, "when you look at the demographics and the potential labour shortage, we need to be making our communities—and not just our urban centers—more immigrant friendly."

This is more than just an economic issue; it is also a cultural and social issue. There could be a tendency in immigrant communities to remain internally focused and not to integrate into the broader Canadian culture. This is obviously contingent on the individual, group and setting, but a generalization can be made that this poses a risk to the unity and sense of camaraderie of Canadian culture. For example, Vancouver is heralded as one of the most multicultural cities in the world with one of the highest standards of living, and yet those who are familiar with it note that there are actually four or five dominant cultures represented in Vancouver and that these groups often have little to do with one another. This is true at a community level and it carries through to the university and work cultures as well. Stephen Toope notes about Vancouver, "there is a growing tendency for some immigrant communities to remain largely internally focused and actually not well integrated into the broader political, social, and to some extent, economic culture."

A final comment on integration of immigrants, the purpose of this is not to assimilate immigrants into a broader Canadian narrative that suppresses their individual and cultural identity. The purpose is to consistently interact and engage with one another so that together we can re-imagine what it means to be Canadian. Aritha van Herk notes, "one of the errors we make is when we think of ourselves as older and more established citizens; or when we think we need to bring immigrants up to some level that is appropriate or optimal. I believe that newcomers are a part of our advantage; we need to go into diverse communities and ask them how they see the next 40 years." She correctly observes that in many cases it is the immigrants who have the most invested in the success of western Canada. They have moved here from another country because they see the opportunity and potential of this place. We need to be interacting and engaging with that sense of opportunity at all times so that we can have a clear and collective vision for the future.

The demographic situation in western Canada has changed dramatically in the last 40 years and it is going to continue to change. In many ways, demographics are the story behind the story, and what we are seeing here is that the face and the character of the people of western Canada have been shifting noticeably over time. The most obvious changes have been in the move away from small, rural communities into the larger urban centers and the increased diversity of the population. Although the population of western Canada has been diverse for a long time, the countries of origin and where immigrants settle has changed with time. These changes have many implications for the future success of western Canada both in terms of economic opportunities and the western psyche. It is important to understand where we have come from in terms of our demography, where we are now, and where we are going, because demographics forms the backbone of many other issues including economics, education and the environment. Without a firm understanding of what constitutes the people of western Canada none of these other issues can be understood properly.



#### CHAPTER THREE

## Aboriginal Peoples

#### INTRODUCTION: ABORIGINAL PEOPLES IN CANADA

As we were interviewing people for this project, there was a drama unfolding at the First Nations University of Canada (FNUC). FNUC is a federated college of the University of Regina. Formerly the Saskatchewan Indian Federated College, it was opened in 2003 to much fanfare. The stated intent of FNUC is to serve "the academic, cultural and spiritual needs of First Nations students." It is the only First Nations-controlled educational institute in Canada and was designed to serve as a model for First Nations education.

As early as 2007, questions were raised about the governance, finances and academic integrity of the institution. The FNUC was placed on probation in 2007 by the Association of Universities and Colleges of Canada but then reinstated in 2008. In 2009, both the federal and provincial governments withheld money, citing lack of progress on prescribed changes.

In early 2010, allegations of financial mismanagement surfaced once again. The university's Chief Financial Officer raised concerns about inappropriate spending and was subsequently relieved of his position. The provincial government suspended funding in April, which resulted in the dissolution of the FNUC Board of Governors, and the federal government announced it would cease funding at the end of March. Just before the March 31 deadline, however, the Province of Saskatchewan restored funding, and in June the federal government committed \$4 million to keep the school open until March 2011.

As a result of these financial difficulties, the sustainability of the institute is in question. The tragedy of this situation is that the FNUC is a wonderful Aboriginal education model. The model has been extremely successful educationally, and yet the institution's reputation is marred by the actions of a few. The saga of the FNUC illustrates many of the issues, concerns and questions that surround Aboriginals in Canada. How can Aboriginal communities be integrated into the economic and cultural fabric of Canada without compromising their cultural identity and integrity? Who is ultimately responsible for the wellbeing of Aboriginal communities and individuals? Should financial integrity be a condition for Aboriginal control over resources and education?

#### Why Does This Matter? What Are the Landmines?

The West is home to almost 60% of Canada's Aboriginal population. This means that Aboriginal issues are of particular importance in the West. Unfortunately, they are also some of the most difficult to talk about. During our interviews, participants were very clear about the magnitude of the problem. Richard Florizone described the issues around demographics, Aboriginal education and workforce engagement as "a tsunami of an issue." Bob Linner, a long-serving municipal leader in Saskatchewan, was even clearer when he said, "if we do not address the Aboriginal population in Saskatchewan and Manitoba, the demographics will overwhelm us, and we are doing a woefully bad job." There is no question that the issues are very real, complex and important. Even though many of the issues are known and recognized, they are rarely spoken about (notwithstanding a good amount of platitudes) and few new solutions are offered because this is a topic rife with potential landmines.

One of the first landmines is racism. There is, unquestionably, racism in western Canada against Aboriginals. This hinders the conversation because those who are racist rely on stereotypes and demeaning generalizations while, conversely, others interpret criticism, even if offered constructively, as racism. The problem, concisely stated by Todd Hirsch, Senior Economist at ATB Financial, is that issues around Aboriginals are ones that "no one wants to talk about even if they are not racist lest they sound racist."

Another landmine is the issue of responsibility. Aboriginal people in Canada have endured significant injustices at the hands of the settler population. Not the least of these was the residential schools tragedy that pulled young Aboriginal students out of their communities, away from their families and attempted to assimilate them into European culture. This practice, abhorrent already, was compounded by the frequent abuse practiced on the children at the hands of their so-called educators. These injustices have contributed to the social, medical, psychological and cultural difficulties of many Aboriginal people. No one can deny the injustices done, but a question no one is prepared to ask, or answer, is: how long can the people of Canada be held responsible for these actions?

A final landmine is that in a political and social climate where multiculturalism reigns supreme, there is an understanding that whatever is traditional or cultural is sacrosanct. This means that nothing that is traditional or cultural can be criticized or changed. The word "traditional" has become synonymous with correct. This places a very real constraint on the capacity of Aboriginal communities and governments to critically examine the current state of Canada's Aboriginal people and communities.

The irony is that accepting responsibility, being careful to avoid racism and honouring traditional culture has resulted in today's challenges. Aboriginals currently fare worse than non-Aboriginals with respect to health, education, unemployment, poverty and addictions, and yet these are issues we can't talk about seriously in the public sphere. David Keith, university professor and director of ISEEE Energy and Environmental Systems Group, notes that this is an issue that no politician, either from the right or the left, can tackle and survive. The situation has become unmanageable.

It isn't all bad news, though, and there are some wonderful success stories in the Aboriginal communities of western Canada. The focus of this chapter, then, is on coming to an understanding of where we are today and what the implications are of the current situation. We will look for a potential vision for Aboriginals in western Canada with a view to understanding what it would mean to succeed. This is an important discussion and one that must be had because if we fail here, we fail in all things.

#### BACKGROUND

Canada's Aboriginal population is growing at a rate that exceeds the non-Aboriginal population. This is because of high fertility rates and a younger median age than the non-Aboriginal population. Increasingly, Aboriginals are choosing to live in cities and off reserves, they have much lower success rates with regards to education and labour force participation than other populations, and they have higher than average problem rates with social and health conditions.

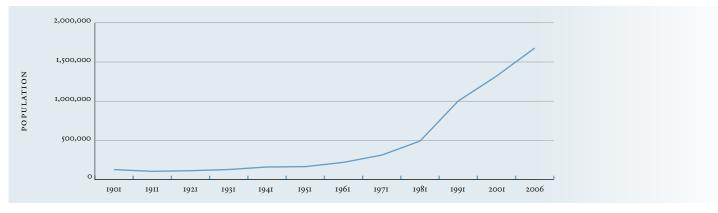
While the Aboriginal population faces many challenges and many individual Aboriginal Canadians suffer from poverty, addiction and poor health, this is not the case for the tens of thousands of Aboriginal people who are not impoverished, not addicted and in good health. As always when dealing with statistics, it is important to not lose sight of the individuals behind the numbers. The following discussions focuses on the Aboriginal population as a whole and explores current status of Aboriginal peoples as compared to the non-Aboriginal population. What is true for the whole, however, cannot be generalized to the individual.

#### **Aboriginal Population**

In 1971, there were 312,765 people in Canada who reported Aboriginal ancestry. Today, the Aboriginal identity population is more than 1.1 million, 3.8% of the total population.<sup>6</sup> This is due to high fertility rates in the Aboriginal population as well as a greater number of people who are reporting, and taking pride in, their ancestry (See Figure 3).

There are three categories that constitute the Aboriginal population: North American Indians, also known as First Nations (698,025), Métis (389,780), and Inuit (50,480). It is important to remember that although references are made to the Aboriginal population as a whole, there is a great deal of diversity within that population.

Figure 3: Population reporting Aboriginal ancestry, 1901-2006



Sources: Statistics Canada 2003 and Statistics Canada 2008.

Canada's Aboriginal population is growing faster than the general population, increasing by 20.1% from 2001 to 2006. Of the three Aboriginal groups, Métis had the largest population growth, with an increase of 33.3% between 2001 and 2006. Population projections estimate that Aboriginal people could account for 4.1% of Canada's population by 2017.

In the West, 7.5% of the population is Aboriginal. This varies considerably by province; Manitoba has the highest percentage of Aboriginal people at 15.5% followed by Saskatchewan (14.9%), Alberta (5.8%) and British Columbia (4.8%).

In western Canada, the Aboriginal population grew 15.7% between 2001 and 2006, which was almost three times faster than the non-Aboriginal population. This growth is expected to continue and it is estimated that by 2017 the proportion of Aboriginals in Saskatchewan could be 20.8% and 18.4% in Manitoba.

<sup>&</sup>lt;sup>6</sup> Note that in 1971 the only census mechanisms that captured Aboriginal people were questions about ancestry and ethnicity. Questions about Aboriginal identity were added in the 1986 census for the first time. The Aboriginal ancestry population is consistently larger than the Aboriginal identity population. Unless otherwise noted, all statistics post-1986 will refer to the Aboriginal identity population.

The Aboriginal population is significantly younger than the non-Aboriginal population. In 2006, 31.7% of Aboriginals were under 15, compared to 17.2% of the non-Aboriginal population, and nearly half of all Aboriginals are 24 years old or younger. This means that in Saskatchewan and Manitoba, the 20s cohort will soon be made up of one-quarter Aboriginals. It is no surprise, then, to realize that the median age for the total Aboriginal population is lower than the non-Aboriginal population. In fact, it is a full 13 years lower with a median age of 27 years. There is also provincial variation: Alberta has the highest median Aboriginal age at 34.8 and Saskatchewan the lowest at 21.7 years.

More than 50% of the Aboriginal population now lives in an urban area, compared to 26.3% who live on a reserve and 20.5% who live in rural areas. In the West, this trend is highest in Alberta and lowest in Saskatchewan. This is not to indicate that the growth of the urban Aboriginal population is happening at the expense of the reserves as the data indicate that the Aboriginal population is growing both in the cities and on the reserves.

One-quarter of Aboriginal people live in ten Canadian cities. The top five are Winnipeg, Edmonton, Vancouver, Calgary and Toronto. The ratios are also interesting; Aboriginals account for 8% of Winnipeg's population and 9% of Saskatoon's population, which can be compared to Toronto (0.4%) and Montreal (0.03%).

The reality is that none of these demographic trends would cause any concern if Aboriginal people were as healthy, productive and educated as any other group in Canada. In fact, given the aging of the general population but relative youth of the Aboriginal population, this would be thrilling news. Unfortunately, Aboriginal people in Canada are not doing well socially, economically or medically. Kevin Libin, a reporter for the National Post, observes, "the Aboriginal population and the non-Aboriginal population are headed in two very different demographic directions. When baby boomers, the largest working generation, retire en mass by 2011—living longer, consuming record levels of social and health care spending—and cease contributing to the tax base, their mounting demands on the system are fated to collide with the stark reality of a younger generation increasingly unable to provide for them" (Libin 2008). This is problem is particularly acute in provinces like Saskatchewan and Manitoba where Aboriginal people represent a large proportion of the population.

#### Education and Participation in the Workforce

It is disconcertingly easy to identify the problems facing Aboriginal people in education and participation in the workforce. Quite simply, a very high number of Aboriginal youth drop out of school before they have completed high school and, as a result, are unable to enter into the workforce in a meaningful way because they have few marketable skills.

We spoke to Marty Klyne, a Cree-Métis who is currently Publisher of Regina's major newspaper, the *Leader-Post*. When asked about the state of Aboriginal education he had this to say: "The dropout rate in Aboriginal communities is dismal. We need to start turning that around. I have all the time in the world to listen to self-governance and other good stuff, but we all need to make sure those kids stay in school. I can think of very few jobs that don't require 16 years of education. That can be four years in a tech school or postsecondary, but very few jobs, especially in the future, will not require this."

Teepee looking up into the blue sky Melissa Ketler Marty was not exaggerating when he talked about the dropout rates being high. In 2006, 40% of Aboriginal people between the ages of 20-24 did not have a high school diploma. This can be compared to the 13% of non-Aboriginal Canadians without a diploma. The rates are even higher for those living on reserves (61%) and for Inuit living in remote communities (68%).

Aboriginal people have significantly lower economic success than non-Aboriginals. They are less likely to have full-time jobs and more likely to be employed in seasonal positions. They are also more likely to be employed in manual trade work, such as construction, than in white collar, professional jobs.

The median income in 2005 for Aboriginals was \$9,000 lower than for the non-Aboriginal population across Canada (\$16,796 compared to \$25,955) and roughly half of Canadian Aboriginals survive on an annual income of less than \$10,000. This is the impact of lower education levels and fewer marketable skills but it is also the result of discriminatory hiring practices and false assumptions about the abilities of Aboriginal workers.

The rates of unemployment for Aboriginals remain significantly higher than for the non-Aboriginal population. In 2006, the highest rates of Aboriginal identity population unemployment in the West were in Saskatchewan at 18.2% (compared to 4.2% in the non-Aboriginal population) and the lowest were in Alberta with 11% (compared to 3.9% non-Aboriginal unemployment). In all of the western provinces, Aboriginals are more than twice as likely as non-Aboriginals to be unemployed.

There is, however, what Statistics Canada calls some "cautious good news" on the education front as school attendance for Aboriginal youth has increased substantially in the last 20 years, the postsecondary completion rates of Aboriginal young adults have grown and the completion rates of urban Aboriginals are getting progressively higher. In 2005, 7% of the urban Aboriginal population achieved university degrees, compared to the 2-4% achievement rate of the rural and on-reserve Aboriginal population. In a study of urban Aboriginals, an Environics survey found that one of the leading life aspirations of urban Aboriginal people was pursuing higher education. They see it as an empowering experience that will enable them to access good jobs and financial independence (Environics 2010).

In a report on Aboriginal postsecondary education, Michael Mendelson at the Caledon Institute of Social Policy says, "the educational failures sown today will be the social and economic costs reaped tomorrow—and in this case, tomorrow is not a distant future" (Mendelson 2006). Those we interviewed were aware of the seriousness of this problem and the magnitude of the opportunity, particularly those living in Saskatchewan. The improvement in Aboriginal educational achievement is very good news and everyone needs to be doing whatever possible to encourage and foster these aspiring students, but there is much work left to be done.

#### Social and Health Conditions

The social conditions of Aboriginals in Canada are not good. This is true both on and off the reserves although generally reserve conditions are worse. Across every measure of social wellbeing, Aboriginals fare worse than non-Aboriginals in Canada.

It is estimated that 44% of on-reserve houses are in need of significant renovation, 11% of Canadian Aboriginals live in crowded dwellings, 21% of Aboriginals report some form of physical or sexual violence from a spouse, and more than half of all Aboriginal kids are living in poverty. Aboriginal adults accounted for 22% of incarcerations across the country in 2008—while representing only 3% of the Canadian population.

This number is even higher in the West. In Saskatchewan, for example, Aboriginal adults represented 81% of the admissions into custody in the 2007/2008 year. Finally, there are dramatically higher rates of violence, injuries, suicide and addictions in Aboriginal communities (Perrault 2009).

"The reserves in northern Saskatchewan are as bad as conditions I saw in rural China," notes Bob Linner. "They are awful. The housing is deplorable and the sense of responsibility and accountability is atrocious." For those who have spent time on reserves, there is a no question that the conditions are far from optimal. David Keith succinctly states, "Look at reserves, they are obviously not working."

There are some diseases that have become so prevalent in the Aboriginal population they necessitate specific mention. The most obvious disease facing Canada's Aboriginal population is diabetes, which is now so prevalent it is being called an epidemic. Although rates of diabetes, especially Type 2 Diabetes, are increasing throughout Canada, the age-standardized prevalence for Aboriginals is 3 to 5 times that of the general population, an estimated 20% of the adult Aboriginal population, and expected to increase. The social and economic costs of soaring diabetes rates in the Aboriginal population will have enormous impacts on the economy and government expenditure of western provinces in the years to come.

#### A VISION FOR CANADIAN ABORIGINALS

When asked about issues facing the Aboriginal community, interview participants were clear on two things:1) it is one of the most important issues facing western Canada and one of the greatest opportunities; and2) nobody knows what the solutions are.

There was a sense of hopelessness as many people felt that much had been attempted but even more had failed to succeed. Those that had thought about it in detail were at pains to emphasize that there is no such thing as an easy fix, a silver bullet or an immediate solution.

Many solutions have been proposed over the years including the granting of private ownership of land and houses to Aboriginal people, the abolishment of the reserve system, self-governance that would accord the Aboriginal people of Canada nation status, and changes to the structures of funding for education. These solutions frequently become bogged down in details and debate, and they rarely move forward.

One of the challenges with proposing any one particular solution over another is that there is rarely consensus around what it would mean to succeed. There is general agreement that we need to be doing better than we are now, but is that enough? We don't think it is. The following is a list of goals that should serve as the endpoint for the steps taken to improve the situation of aboriginal people in Canada living on- and off-reserve:

- Accountable democratic reserve self-government: Aboriginal leaders will be chosen from within their community in a free and fair way and be accountable for their actions and fiscal management; responsible for the success, or the failure, of the community under their leadership; and required to earn and maintain the respect of the community in order to retain power.
- Economically sustainable reserves: Aboriginal communities will have ownership over reserve resources and be able to leverage their resource wealth to encourage entrepreneurial activity, job creation and economic activity in a way that will make them economically sustainable.
- · Healthy: Aboriginals are healthy in all respects including physically, psychologically and socially.

• Integrated: Aboriginal people are integrated in a way that enables them to participate in the opportunities of mainstream Canadian culture in the 21<sup>st</sup> Century while maintaining and celebrating their unique cultural heritage.

• Educated: Aboriginal students are able, and desire, to access education programs that are of a high quality and holistic in their approach.

• Acceptance: Mainstream Canadian culture fully embraces Aboriginal peoples, respects their culture, and racism is a thing of the past.

#### BARRIERS TO SUCCESS

The barriers to achieving many of the goals listed above are cyclical, interwoven and have long-rooted histories. Many of the barriers are also systemic in nature. For example, in order to improve the health and physical wellbeing of Aboriginals, who have a greater propensity for diseases like diabetes, it is important that they, as a population, eat healthy and well-balanced meals. The reality is, however, that many Aboriginals live on reserves where there may not be easy access to fresh fruits and vegetables for much of the year and where milk costs more than carbonated soda.

The barriers are complex, which requires that the solutions also be multi-faceted and take into account both the broad cultural and historical picture as well as the realistic particulars. It is not enough to launch an education campaign telling Aboriginals they should be eating five to ten vegetables and fruit a day and not addressing the transportation and logistic difficulties that prevent that from happening in reality. As such, this section will not be a comprehensive list of all potential barriers but instead will focus on two particular ones, accountable governance and jurisdiction, with the caveat that these are but two in a complex and systemic web.

#### Accountable Governance

The Canadian system of Aboriginal governance is rooted in history, complex treaty agreements and constitutional rights. Governance is essentially a shared responsibility between the local Aboriginal leadership and federal and provincial governments. Although this is a vast oversimplification, this functions through the distribution of federal and provincial money to the Chiefs and Councilors of individual bands. Band members choose these leaders through an electoral process and then leaders distribute the money as needed in their community. The money is spent on housing, health programs, education programs, reserve facilities, band salaries, maintenance and more. Although there are some very good elements of this arrangement, there is a systemic lack of transparency and some problems of accountability.

This issue came to the forefront in Alberta in the spring of 2010 when it was revealed that the Chief of the Enoch Cree Nation earns a tax-free salary of \$180,000 a year—more than Alberta's premier. This salary is actually a reduction for the Chief whose predecessor was making more than \$300,000. The Chief's salary and the salaries of band councilors (who earn roughly the same) were reduced from that high in response to the recession and the \$8 million deficit currently facing the band.

Incidentally, the average annual income of Enoch Cree band members (of which there are about 2,000) was \$16,000, only a third of members have jobs and the records show that the band receives about \$9 million a year in federal funding. The Chief defended his salary by noting, "If we don't get re-elected in our second term, we have nothing" (CBC News, April 20, 2010).



**Rural school bus route** Henryk Sadura



*First Nations performer Catherine Jones* 

Although this is an exceptional case, there is currently little accountability for this kind of behaviour. The band members are not privy to information about how money is spent and the leaders are not held responsible for the conditions on the reserve.

Recently a Conservative MP introduced a private members bill that proposes the salaries and expenses paid to First Nations chiefs and councilors should be publicly disclosed, as they are for other publicly elected representatives in Canada. This proposal has not been well received either by the Assembly of First Nations or by other politicians. Currently the federal government budgets around \$7 billion for Aboriginal communities; this includes the salaries of elected officials as well as programs and initiatives.

Although there is no question that accountability and transparency are issues that need to be addressed, it is important to remember that the many Aboriginal leaders are working for the betterment of their communities and are choosing to govern transparently. Additionally, remember that Aboriginal leaders are operating within an imposed system and accountability goes two ways. As important as it is for the Aboriginal leadership to be demonstrating accountability, it is equally important for the federal and provincial governments to demonstrate it. Unless there is accountability for how money is spent at the provincial and the federal level, it is going to be very difficult to overcome some of the other barriers to Aboriginal success.

#### Jurisdiction

Tied up with questions of accountability are questions of jurisdiction. If the local bandleaders are not held responsible for the social and health conditions of their community, then who is? Technically, the federal government is responsible for those who live on-reserve because the more than 600 reserves in Canada are located on crown land. What is unclear, however, is if the federal government is also responsible for Aboriginals living off-reserve, or if that is the domain of the provinces and municipalities.

The reality is that many of the problems facing Canada's Aboriginals spill out on to the provinces and municipalities—the effects of a less educated populace that is more likely to be unemployed, have substance issues, in need of social assistance, incarcerated, and in need of the health care system have a huge impact on the provinces and cities they live in, but few want to take on the liability of being responsible.

The result is that Aboriginal issues have become a political hot potato in Canada, passed around from government to government. An example of this can be found in Canada's urban Aboriginals. The federal government declaims responsibility because they are not living on reserves, the provincial governments say they are the domain of the federal government, and municipal governments hide behind a small tax base and the responsibility for daily operations such as snow and waste removal.



Another example of where jurisdiction matters can be found is in water issues. "Water issues in Canada are broken down into provincial responsibilities, except for First Nations communities," explains singer and humanitarian Tom Jackson. "There is no clear jurisdiction, which means that First Nations water issues are in limbo. Water issues on First Nations communities don't fall under Indian Affairs, Health Canada, the province or municipalities and nobody is taking it on ... nobody wants to take on the liability."

Aboriginal issues are ones that no western province or city can afford to ignore and there must be greater cooperation between the various levels of government. Marty Klyne suggests, "the premiers need to lead the way on this and say, we don't care whose jurisdiction this is, it's going to cost us money, so if the feds aren't willing to take action, get out of the way." Conversely, Peter MacKinnon, President of the University of Saskatchewan, called for a "Marshall Plan"<sup>7</sup> for Aboriginals, arguing that there needs to be a national strategy that involves everyone.

The need for a vision is imperative. Vianne Timmons, President of the University of Regina, cautions us on the dangers of having too many organizations involved without consensus. She has been intimately involved with the negotiations happening around the First Nations University of Canada and she notes, "you have the federal government, the provincial government, the First Nations government, the board of the FNUC, our board, and the community at large and it is complex because there are so many key players."

Without a clear delineation of who is responsible for what it becomes impossible to hold any government or individual to account. This is a failure of leadership and we need to be doing better.

#### SOLUTIONS FOR SUCCESS: EDUCATION

The barriers to success are easier to identify than the solutions. Although myriad solutions have been proposed over the years, the only thing interview participants agreed upon was the need to improve the quality and accessibility of Aboriginal education.

The logic is straightforward and compelling. If the quality and accessibility of Aboriginal education is improved, more Aboriginal students will finish high school, go on to postsecondary, obtain much needed jobs skills and get good jobs. This, in turn, will improve their socioeconomic situation, which will result in increased stability, a reduction in the symptoms of poverty, reduce the incidences of health and medical problems and will contribute to making effective Aboriginal self-governance a reality.

Everyone wins when Aboriginal education is improved and it is for this reason that Shawn Atleo, Grand National Chief of the Assembly of First Nations, has dedicated his term to the promotion of Aboriginal education (Atleo 2010).

Education is a great solution but, as the case of the FNUC illustrates, providing it effectively requires more than just a desk and a few teachers. Social support for parents, teachers and students; high levels of accountability; and a vision for the educational agenda must accompany it.

Marty Klyne emphasizes the need for a holistic approach towards education by noting that too often people focus on building up the hopes and dreams of Aboriginal students by showing them role models but fail to think about what happens when those students get home. He notes that "they go home to a place where maybe the power isn't on; maybe the parents aren't there; maybe there's some Kraft dinner, if they are lucky. Quite likely the environment is not nourishing those dreams and those ideas because there is no one whom they can share this excitement with. I doubt they are getting the nourishing, wholesome response that allows them to continue pursuing that dream."

<sup>&</sup>lt;sup>7</sup> The Marshall Plan was a massive coordinated effort by the United States to rebuild Europe after the devastation of World War II.

As a result, he believes that any solution needs to start in the home. There needs to be an effort made to create a sense of dignity and opportunity for the parents as well as the kids so that the dreams of the children can find rich soil in which to take root. Without a strong sense of support and a healthier home life, all the education strategies in the world will not make a whit of difference.

We had the opportunity to speak to Tom Jackson about this issue. Tom was born on the One Arrow Reserve in Saskatchewan, moved with his family to Alberta and at the age of 15 left home and lived on the streets of Winnipeg. Since then he has become an internationally recognized singer, actor and philanthropist. Tom emphasized the need to provide opportunity to young Aboriginals either through school or through technical training. He notes that if you going to take industry into an Aboriginal area, then you have a responsibility to provide opportunity for the people who live there. "We live in a work-reward society. You have to create, however small, the work-reward ethic," he says.

Providing high quality, accessible education is about more than teachers and school buildings, it is about creating an ethic, a sense of opportunity and the social supports necessary to support those opportunities.

The case of the First Nations University of Canada perfectly illustrates that educational institutions without high levels of accountability are not sustainable. There needs to be a strong commitment from government, administrators, boards and students to ensuring that the money given to educational institutions is being used appropriately and is directed toward the goal of improving the experience of students.

There also needs to be consensus around the goals of Aboriginal education. Is the goal to emphasize the separateness of Aboriginals in Canada? Or, is the goal to celebrate the uniqueness of Canadian Aboriginals but strive for integration into mainstream culture?

These quite different goals are played out on the two major university campuses in Saskatchewan. The First Nations University of Canada is located on the University of Regina campus, but it is essentially a separate entity. It has its own building, Aboriginal instructors, Aboriginal administrators and, although the University of Regina provides all of their course approval and accreditations, they are somewhat isolated from the main campus. This enables Aboriginal students to integrate and transition into university life more easily, but it nonetheless creates two worlds rather than bringing them together to form a more interesting whole.

Conversely, the University of Saskatchewan has employed a more integrated model, wherein Aboriginal students are present everywhere on campus just like any other group of students. Peter MacKinnon, President of the University of Saskatchewan, talked to us about this issue. He told us that shortly after becoming President he received a call from the then-President of FNUC who told him they wanted to come up to Saskatoon, build a building and take over their Aboriginal education. He respectfully declined and explained, "we will pursue Aboriginal students with a view to having them engaged in the University of Saskatchewan in every one of our classes and colleges. That is a major goal and is a very different model from one that locates students in a separate college and building." Peter is at pains to point out that he is interested in being integrative with his policies—not assimilationist—and his model seems to be working as the University of Saskatchewan is the home of 1,800 self-identified Aboriginal students, more than three times that of the FNUC.

Education is one of the best social programs out there and can be the tide that lifts all boats. It is an extremely important ingredient in the success of Canada's Aboriginals but it only works as a package deal. Education without social support, accountability and a clear vision is not sufficient, so this solution will require the cooperation of all governments, Aboriginal leaders and Aboriginal people.

#### CONCLUSION

Aboriginals in western Canada represent both our largest challenge and our greatest opportunity. If we can get this right, it will benefit every westerner and if we get it wrong it will be to the detriment of every westerner. Improving the lot of Aboriginal people is not "their problem" it is something everyone needs to get behind. We need to be asking what our *collective* vision is for this is and what it would mean to succeed. Then we need to have the courage of conviction to bring that vision to fruition. This is much easier said than done.

It is easy to become overly negative when looking at the statistics and status of Canada's Aboriginal people. The reality is though that statistics are never the complete picture and there are numerous Aboriginal success stories. These successes are extremely important because they provide an example of, and a road map to, how change can come about. Here are two examples:

- The Osoyoos Band in British Columbia's Okanagan valley is considered to be one of the most economically successful bands in Canada. They own several successful businesses including a winery, vacation condo development, golf course, RV park and more. An economic development corporation isolates the businesses from political interference and runs daily operations. The band today is completely selfsufficient economically.
- The Blood Tribe in Southern Alberta is working hard on a family and child services program that uses holistic programming, traditional values and elder participation to accomplish the goal of seeing children and young adults in the community become positive, healthy, contributing members of the community. The programs include everything from teaching parenting skills, youth-at risk interventions to a youth ranch and naming ceremonies.

These success stories need to be celebrated and shared as they are a glimpse into the future. Success on all fronts is likely generations out and will require the cooperation of Aboriginal leaders, the business community, education sector, governments at all levels, and Canadians in general. The potential of Canada's Aboriginals, though, is also enormous and in order for the West to achieve its full potential, Aboriginal people need to achieve their full potential.

As a final comment, it is worth noting that frequently public discourse about the status of Aboriginal Canadians does not get us very far. These conversations are often uninformed, rely on hollow rhetoric and are not frank. It is for this reason that we have chosen to be more candid in this discussion—perhaps too much so—in the hope that increased dialogue can move western Canada forward not in apportioning blame, but in identifying which levers to pull in order to improve conditions for Aboriginals both on and off reserves. Aboriginal people deserve better and we all need to be working tirelessly to make that happen. Perhaps an open and honest conversation about the challenges and opportunities is a place to begin.

Cathedral Grove, Vancouver Island, British Columbi Lynn Amaral

ALC: NO.

#### CHAPTER FOUR

# Environment

#### INTRODUCTION: THE ENVIRONMENT

In the early history of Canada, the West was in some ways the last, best west. The last place you could move to and find cheap land, freedom and the opportunity to create your own destiny. Although that time is now long gone, the frontier mentality is still prevalent in western Canada. There is a sense that this is a place where you can make something of yourself, where you are not constrained by your class, blood ties or social standing.

Many of those we interviewed referred to the idea of the frontier and, in many respects, it is one of the best features of the region. Joe Clark, former Prime Minister of Canada, comments: "I think the frontier is important to all of North America, I think it is a defining feature of North Americans." We still have, "relatively new space and thinking, not manacled yet by traditions," according to Peter Robinson, CEO of the David Suzuki Foundation. This openness, this space and ability to grow is a wonderful attribute. Interestingly, this attribute may also be a detriment to our ability as a region to grapple with, and succeed on, environmental issues.

The idea of a frontier is ultimately one of conquest. It's the idea that you leave aside an old, washed up place and you move to somewhere new. Someplace where there are endless resources and opportunities. It is about motion and change and the underlying premise of a frontier is that new territory is always around the corner.

Hunters killing buffalo almost to extinction, fur traders expanding further and further into the unknown exemplified this frontier attitude of consumption. In some cases, that continues to be the attitude today of those who give little thought to the impact of their actions on the broader environment. It is an extension of the frontier mentality that allows people to feel hope when they hear that Mars once had water and therefore could possibly sustain human life should we utterly destroy this planet.

The idea of the frontier is a difficult one because it contains so much that is good including innovation, entrepreneurialism and equality of opportunity. The reality is, though, that there is no new frontier in western Canada. We have reached the limits of our allotted territory and we cannot afford to consume it and simply hope another space will open up.

The central questions of this chapter are: How is Canada, and western Canada in particular, doing in regards to our environmental performance? And, what are the implications of a good, or bad, environmental performance? For example, what would it mean at the individual, regional, national and international level if we as western Canadians failed to live up to our environmental responsibilities?

#### BACKGROUND: HOW ARE WE DOING?

It is important to remember that the question we asked interview participants to answer was one about the future. We did not ask them, for example, for an assessment of western Canada's current environmental record and, as such, this background information is not a reflection of what we heard during the interviews. Instead it is intended to serve as a backdrop, to illustrate the context within which participants were speaking. Western Canada's environmental performance has faced much criticism and this backdrop, although not explicitly detailed by interview participants, is important to understand as it forms the bedrock from which people viewed the future.

It is no secret that western Canada is resource rich and that given the breadth and quality of our natural resources and our relatively small population we have one of the most amazing environments in the world. So, how well are western Canadians stewarding and protecting those resources? The answer, unfortunately, is not well. That may seem like an unnecessarily negative answer because you can still find wilderness environments in the West. That is a reflection, however, not of our stewardship of resources, but rather of the plentitude of our resources. Frankly, western Canada is so resource rich that we have been able to exploit our natural resources without paying the full environmental costs; because we have abundance we have not taken care with what we have.

It can be hard to get a good handle on the current status of Canada's environmental performance. Most of the people talking about this issue in the public sphere have an agenda. As a result, environmentalists have tended to exaggerate the extent of the problems and have been reluctant to acknowledge progress. Conversely, governments and industry have tended to downplay environmental problems and overstate their successes. The truth, as with most of these debates, lies somewhere in the middle (Boyd 2003). Canada has made progress in our environmental performance, but not in all areas and not nearly as much as we can and should.

Depending on which international environmental measurement you look at, Canada ranks anywhere from the bottom eighth to lower middle of the pack on environmental performance among industrialized countries and receives grades ranging from C to F. Although it would be possible to quibble over the exact ranking, the overall message is clear: Canada's environmental has much room for improvement.

The Organization for Economic Co-operation and Development (OECD) publishes an environmental report that ranks member countries according to 25 environmental indicators. In the 2004 report, Canada was ranked second to last, better only than the United States. The reason for this ranking is that Canada is not among the five best countries on any measure and is among the five worst on 17 of them. In particular, Canada was the worst performer on three measures: volatile organic compounds emissions, carbon monoxide emissions and nuclear waste; and the second worst on energy intensity and environmental pricing.

There are many reasons for Canada's high energy intensity and high emissions including a large land mass, cold northern climate, natural resource-based economy, and poor environmental policies and enforcement. Those are not excuses, however, simply observations. It's hard to do much about the size of the land mass or our cold climate, but there is much work that could be done on the way that resources are developed, processed, transported and consumed; and on environmental policies. Unfortunately, though, Canada's performance on these measures continues to worsen. Water and energy consumption continues to increase, although there have been improvements in industrial and municipal water usage; there are higher numbers of endangered species; declining fish populations; more motor vehicles; increased use of commercial fertilizers; and many more deductions from our stock of natural capital.

The news is not all bad. Canada's record is improving on some measures including the reduction of air pollution, improved sewage treatment, increased recycling and the creation of more protected areas. There is a greater awareness of the environmental imperative in the West today and many individuals and organizations, in both the public and private sectors, are working tirelessly to raise awareness, develop new technologies, exemplify sustainable business practices and much more. These actions and improvements are commendable and need to be continued.

In spite of environmental innovations, initiatives and local environmental successes, Canada's overall environmental performance still ranks poorly on the international stage. The environmental imperative exists for all nations, however, and this is something we could be using to our advantage. Canada can learn from the experiences of other countries and implement best environmental practices. "Answers to our environmental challenges exists and are being successfully implemented elsewhere, most notably Europe. Sweden, for example, is a northern nation with many similarities to Canada," observes David Boyd (2003, 10).

Few environmental assessments break data down into the provincial, or regional, components. The information that is available, however, indicates that western Canada is contributing more to Canada's poor environmental record than to improving it. For example, between 1990 and 2005 Canada's greenhouse gas emissions increased by 25%. Of that, the highest per capita emissions came from Alberta and Saskatchewan. These two provinces witnessed the largest growth in total emissions over the past 15 years of any province in Canada and their rates of increase continue to be higher than other provinces. Western provinces also use the most pesticides and fertilizers, particularly Alberta and Saskatchewan, which have a known impact on water quality due to erosion and run off.

This information is perhaps unsurprising given that these two provinces contain almost 85% of the nation's farm area, have extensive uranium and coal deposits, are in a land locked geographic position, and are home to the Athabasca oil sands.

The bitumen found in the oil sands is thick and low grade, which means it must be upgraded before it can be sent to refineries. The entire process requires a great deal of energy and water, much more than conventional oil extraction. For example, currently oils sands mining operations are licensed to divert 349 million cubic meters of water a year from the Athabasca River—approximately twice the amount of water used by the city of Calgary. There is no question that the nature of the resources in these provinces has been an environmental challenge.<sup>8</sup>

Comparatively, it is important to note, both British Columbia and Manitoba have emerged as environmental leaders nationally. British Columbia has an energy plan designed to increase biofuel production to 50% or more of fuel requirements, achieve electricity self-sufficiency, and to become a "clean energy powerhouse" in the world. The provincial government also introduced a carbon tax in 2008, the first in North America. Similarly, Manitoba has adopted the *Climate Change and Emissions Reduction Act*, which makes it the first jurisdiction in North America to adopt Kyoto emissions targets. Manitoba has also adopted rigorous building standards and biofuel mandates to ensure energy efficiency and sustainability and has made a commitment to become coal free.

The overall message is that work is being done to improve western Canada's environmental performance, particularly by BC and Manitoba; but as a region, there is much room from improvement.

<sup>&</sup>lt;sup>8</sup> It is also important to remember that the energy resources of Alberta and Saskatchewan contribute a great deal to the economic prosperity of Canada and any policy that strives to address environmental performance must take into account the national economic costs of that policy. For a more detailed analysis of the contribution of western Canada's energy resources please see: Dr. Roger Gibbins and Robert Roach. 2010. Look Before You Leap: Oil & Gas, the Western Canadian Economy and National Prosperity. Canada West Foundation.

## Water

Although water is one of the considerations upon which overall environmental performance is measured, it is important on its own because of its unique humanitarian, political and economic characteristics. Canada is home to vast water resources. In fact, 20% of the planet's freshwater resources are located in Canada and 7% of the total renewable water flow. These resources are not evenly distributed across the country, however. In the West, Manitoba has almost half of the freshwater resources as measured by surface area while British Columbia has four-fifths of the stream-flow. Canada is considered to have one of the highest water qualities in the world, ranking second according to the Environmental Performance Index 2010.

Having this water abundance, however, has not made Canada appreciative of it. As a population we use tremendous amounts of water for drinking, household use, manufacturing, industry, thermal power generation, oil and gas processing and mining. Canadian water usage, per capita, is the second highest in the world. The conclusion, then, is that water in Canada is taken for granted, undervalued and overused.

Water issues are starting to come into the policy discourse in a more dominant way and have the potential to alter political, humanitarian and economic relationships around the globe. Both Peter Lougheed, former Premier of Alberta, and Camille Dow Baker, the CEO of CAWST, a NGO that provides clean drinking water in developing countries, emphasized the importance of water as a global concern. The reality is that with increased population densities around the globe, there is a serious limitation on fresh water. In Africa, Camille points out, the average woman walks six kilometers to access fresh water. This has caused many to see water as a commodifiable resource that could be sold to other countries.

Water quality and access are not only problems of the developing world, they are issues faced across North America as well. In Canada, many Aboriginal reserves suffer from poor water quality and access is becoming a very real issue in the western United States.

Water is an element of the environment and climate, undeniably, but because it is also directly tied to human health and wellbeing, it is also an important humanitarian and political issue. Although water issues are becoming more pressing in the policy world, they have not yet moved onto the public agenda in western Canada. As Camille reminds us, we are "so lucky in terms of water resources it never enters people's minds. Here, drinkable water comes out of the tap." That is remarkable from a global perspective and this is an issue that needs to be elevated in importance before it is too late.

#### IMPLICATIONS OF OUR ENVIRONMENTAL RECORD

It is clear that Canada, and western Canada in particular, could be doing better when it comes to environmental stewardship. This was an area of concern for those we interviewed and they were especially concerned about what the impact will be for western Canada if this environmental record is not turned around. The degree of difficulty is heightened in the West because our economy relies heavily on natural resources, because the effects of environmental policies (not to mention the policies themselves) vary across the region and the country, and because western Canadians have a close connection to the land, with many only a generation or two away from the farm. If western Canada cannot get a good handle on the correct balance between environmental stewardship and economic sustainability, its future will be bleak. The stakes are high.

Lake Winnipeg, Winnipeg, Manitoba Richard Gillard

#### **Economic Impacts**

The environment does not exist in a vacuum and it is important to remember that action on environmental initiatives will have economic impacts. Some people believe that the economy and the environment are fundamentally opposed to one another and that taking concrete steps to reduce things like greenhouse gas emissions could emaciate the livelihood and living standards of millions of Canadians. Others, more moderately, believe that a reduction in our prosperity will undermine our capacity to protect the environment in the many ways we already do.

Although a shift towards environmental over economic considerations would undoubtedly produce winners and losers, the idea that they two are fundamentally in conflict fails to capture the complexities of the situation and those we spoke to were at pains to falsify the idea that the environment and the economy are on opposing sides of a global tug-of-war.

Failure to do well on the environmental front will have diverse implications on the economy. Given both the reality and the perception of the importance of environmental considerations, if companies and governments in western Canada fail to protect the environment, there may be a consumer backlash. This has already started to happen. In 2010, Bed, Bath & Beyond and US grocer Whole Foods Market announced that they would no longer use oil that comes from Alberta's oil sands. This was at the urging of the environmental group ForestEthics who is running a campaign encouraging other Fortune 500 companies to do the same.

Critics were quick to point out that this is difficult to do in reality and is more a publicity stunt than anything else, but those who think that this is the end of matters are sorely mistaken—it is just the tip of the iceberg. It is foreseeable that if this announcement proves to be profitable for the companies, other companies will follow suit and eventually there will be ways of making sure that oil is certifiably "clean" in how it is produced.

#### **Political Impacts**

One of the major implications of not getting our environmental house in order is the potentially disruptive effect it could have on our provincial, national and international political relationships. There is a great deal of difference within the West in terms of greenhouse gas emissions. BC and Manitoba's hydro resources allow them to produce relatively clean electricity. In Alberta and Saskatchewan, a lack of hydro resources means that they are much more reliant on coal-fired electricity and, as a result, emit more carbon per person. At the same time, Alberta is home to the controversial oil sands, which set it apart from the other provinces. Hollywood film directors and top US politicians are not touring Ontario's nuclear plants, Quebec's pulp and paper mills or the exhausted fisheries of the East Coast. Alberta stands alone in this particular spotlight.

Peter Lougheed cautions, "the hardest part of the relationship between the western provinces right now is in the environmental issue with hydro vis-à-vis coal. Those are complications that make it more difficult for the western provinces to work together." Similarly, Janet Keeping, President of the Sheldon Chumir Foundation for Ethical Leadership, stresses that since the development of the oil sands has national implications, there needs to be cooperation between the federal and provincial governments on how that resource is developed and regulated. When speaking about his optimism for British Columbia to lead the region in green energy technologies, Stephen Toope cautioned, "I think the challenge for western Canada, and here I get into the more negative, is how do we integrate that with Alberta? And how can we see ourselves as working together toward a post-carbon or a not-as-reliant-on-carbon world?" Without a sense of common purpose, or at the very least, consensus around a few key objectives, the environment has the potential to be a wedge between the western provinces.

There is a real possibility that if Alberta does not change its environmental tune, we could end up with an Alberta versus the rest of the West, or Alberta versus the rest of Canada scenario—something that would have huge national and international implications. This has already started to happen, as demonstrated by the Copenhagen Climate Conference in the fall of 2009 where Quebec denounced Alberta and the oil sands as environmentally offensive and Canada's reputation on the global scene was portrayed quite negatively.

Preston Manning, former Leader of the Official Opposition and founder of the Reform Party, suggests that one thing we could do to improve both our environmental performance and our international political relationships is develop a cooperative sustainability fund with the United States. Preston believes that, "we ought to talk the Americans into a joint fund like NASA (we could call it the North American Sustainability Agreement) to jointly decide how to invest money in making the oil sands more environmentally friendly ... an environmental equivalent to getting a man on the moon."

Getting a man on the moon is a good metaphor because it emphasizes the need for cooperation between government, industry and citizens; vision; planning and implementation. That is precisely the kinds of actions that need to be taken if we don't want environmental issues to become a wedge between provinces, regions and nations. Peter MacKinnon succinctly states that in order to have political harmony, there has to be confidence across the region, nation and world that we western Canadians have "identified as reliably as we can what is required for environmental stewardship and have that in place."

#### Culture and Identity Impacts

A final implication interview participants identified for western Canadians if we fail to steward our natural resources is the impact of a damaged environment on our sense of self and cultural identity.

Canadians frequently identify the natural environment as being important to them. One of the few things that unify Canadians in national polls is a love of nature. For example, 98% of Canadians state that they view nature in all its variety as essential to human survival, 90% considers time spent in nature as children as very important, and 82% say nature has very important spiritual qualities for them personally (Environics 1999). If this seems discordant with western Canada's current environmental record, that's because it is. One of our main challenges is in figuring out how to close the gap between our environmental performance and our feelings about the environment.

This association with nature came through in the interviews as well. Those in Manitoba spoke of lakes and open spaces, in Saskatchewan it was the open prairie landscape and the dynamic skies. Albertans and British Columbians spoke about the mountains and the ocean. Even those living in urban environments have a connection with nature. Peter Robinson expressed doubt that people in the West could be unconnected with the environment. "I don't think that's possible in Vancouver. In Vancouver, it is everywhere and even coming into this office, you would have seen the mountains and the green trees; people in Vancouver are constantly reminded of the ocean, mountains, rain and the forest, you just can't escape it."

This connection with nature seems to surpass mere appreciation. In every province, the people we spoke to referred to their unique relationship with the land as being a defining characteristic, something that explained, codified and shaped them as individuals and as a populace.

When asked what makes the people of Saskatchewan unique, the unanimous answer was the connection with the land. There was a sense that connectedness to the land fosters integrity, hard work and a spirit of cooperation. Playwright Eugene Stickland notes that for him and many Saskatchewan artists, the Prairies provide the perfect metaphor for creativity. "For me it's not empty, it's alive, but it's not overly populated or developed and so it leaves the possibility of anything."

Comparatively, Aritha van Herk described the people of Alberta as being defined by the Chinook winds. "The winds come up, hot and dry from over the mountains, making everyone drive too fast and take too many risks. This is our metaphor too; when we fail, we simply pick ourselves up, dust off and try again when the next winds of change blow in."

Artistic Director of the Royal Winnipeg Ballet, André Lewis, spoke to us about the spirit of the people and the place in Manitoba. He notes that having a close proximity to a large lake "gives a certain sense of openness, a romantic outlook."

In British Columbia, people talked about their independence, freedom of thought and quality of life, and the reason for this was the barrier of the mountains, that the mountains isolated them from the rest of the country and from Ottawa in particular. This has resulted in, according to Janet Smith, former federal Deputy Minister, nicer people and more relaxed living.

Western Canadians define themselves by their geography, even if it is not a geography they regularly interact with. For example, people in Calgary define themselves and their city by the mountains and yet many of them do not visit the mountains regularly. Todd Hirsch notes about himself, "I don't go to the mountains that often, but I like the idea that I *could* go to them." Somehow the ability to see the mountains, to experience their impact on the weather and to know they are there is important to their sense of self and of city. It's as though the height and weight of the mountains are so overwhelming that they have impressed themselves on the mindset of people living in Calgary.

This awareness of nature is common in western Canada and frequently when we require symbols or representations of our land we choose those natural characteristics that come from our geography. In British Columbia, the towering cedars and spawning salmon are iconic images. Saskatchewan's tag line is "Land of Living Skies." This connection to nature is important to how we understand ourselves.

The question then becomes: if the salmon stock collapsed, if the lakes became too polluted to swim and boat in, if the grizzly bears became extinct, what impact would that have on our psychological and emotional health as individuals and as a collective?

The environment is more than just a byproduct, more than something that pleases the eye. The physical space that we live in matters to western Canadians; it defines us as a people and shapes our understanding of the world. One of the clear messages from these interviews was that place matters and our physical environment matters at a very profound level. A failure to protect and preserve our environment could have implications at a very personal level and could fundamentally change the way that we see ourselves in the world.



#### WHAT ARE THE SOLUTIONS?

Unfortunately, identifying the problems is much easier than identifying the solutions. Some people, like Ron Mannix, businessman and philanthropist, advocate starting with a relatively simple environmental policy like green roofs and then going on from there. Others suggest that the solutions need to be cooperative or they become meaningless.

Overall, interview participants were agreed on three things that are important as we move forward: 1) business cannot go on as usual; 2) we can use the wealth of our current resources to create and build opportunity in other areas; and 3) we need to focus on our strengths and be strategic in our direction.

## Not Business as Usual

"This is some of the highest cost oil in the world, so it would not take a very big bite out of the upper end oil business, through a combination of energy security concerns, electric vehicles and climate policy, to kill it," says David Keith. This was a message echoed by many we spoke with. The fundamental assumption of the business-as-usual model is that all the external factors will remain the same, and—regardless of western Canada's environmental performance—global demand for our resources will continue unabated. This, interview participants pointed out, is very unlikely to happen.

Sanj Singh, director of the Brett Wilson Centre for Entrepreneurial Excellence, comments that it is dangerous to assume that the demand for western Canada's natural resources will remain high. He notes that right now, China, India, Brazil and other developing economies who do not have the oil and gas infrastructure of North America have a vested interest in not only improving on existent technology but also in leapfrogging it if possible. It is extremely unlikely, he argues, that these economies will be content to import their resources forever and instead they will be investing heavily in technologies that strive for greater efficiency and alternative sources. He says, "I think western Canadians should take a lesson from history and not rely on their laurels because the world is not going to continue to operate the same way it has."

There is also a very real role for technology in a changing world. Ken Lyotier, founder of United We Can, raised the question of how long people were going to remain willing to commute long distances just to work downtown when technology is making the idea of tele-working a reality. If more and more workers start working from home, or from outside of the city core, companies could eventually realize that downtown rents are uneconomical, something that would fundamentally transform our cities, our understanding of work and our demand for infrastructure. Ken says, "suddenly the value of commercial real estate drops or changes over time ... that changes the nature of our traffic patterns, people going in and out of work, and changes our consumption of fuel and our need for an automobile." These are changes that have only come about in the last few years, and technology is advancing at exponential speed.

It isn't possible to predict the future, and although it seems unlikely that the global demand for natural resources, including oil and gas, will dramatically decline, it would be foolish in the extreme to assume that changes in technology and cultural norms are not going to impact how we use those resources in the future. Professional Futurist Ruben Nelson takes this idea one step further and argues that we may be at one of those rare times in history when not only do we shift our course, but all of our foundational assumptions change as well. He states, "most people assume the riverbed of western industrial civilization as we know it is stable and sound. Yes, there will be some changes in the course of the river, we talk about new technology and the knowledge society, but the question I'm raising is what happens if this turns out to be one of those rare times in history when the river begins to flow in a different bed?"



Edmonton LRT train, Edmonton, Alberta Anthony Lim



**Hydroelectric dam, Manitoba** Ian Graham

"The key message I have," says David Keith, "is that thinking strategically means thinking about how we build a set of businesses that use the skills we have and that can succeed 30 or 40 years out. If you accept the reality of the climate-carbon constraint, it's pretty unlikely we are going to be investing in new oil sands operations in 40 years, no matter what we do to clean up the process. And, it's the investment in new plants that drives the high-value jobs. If we want this province to work for our kids we have to think strategically and play to win, pretending that the climate problem is going away is a recipe for economic disaster." We need to find new ways of doing business, ways that are more sensitive and respectful of the environment because business as usual is not going to be good enough.

## Use the Wealth of Our Resources

Whether you like the fact that western Canada is a natural resource-reliant economy or not, the reality is that resources have been a major economic driver for the region and the country. One of the common suggestions from interview participants is that we could be using the wealth of our resources, including the oil sands, to finance research and development of more sustainable technologies and energy sources.

Right now, John Cross, a third generation Alberta rancher, notes we are using the wealth that has accumulated here for thousands of years to create a very high cost, low benefit system. We are relying on the accumulation and growth of the past and we are not investing in a sustainable future. This is particularly the case in Alberta, according to Jock Finlayson, Vice President of Policy at the Business Council of BC, who notes that Alberta has "a sort of historical tendency to spend the rents that can temporarily be generated from resource wealth rather than investing them." These rents have been spent on current consumption and on keeping taxes low—a popular political move but not sustainable in the long-term.

We should be using the wealth we have today to create a very low cost, high benefit system. This means using the wealth of our natural resources to figure out new ways of generating energy, ways that are renewable and reduce our reliance on very costly sources of energy.

One solution, proposed by Satya Das, is that we implement a carbon tax model that levies a single digit tax against anything that leaves the state of nature and that money goes straight into a green fund. That green fund would then be used to finance green future technologies. In this way we would be using the wealth of our natural resources today to develop technologies aimed at protecting those resources in the future.

Not only do we have an environmental imperative for figuring out how to be more sustainable, there is also a global leadership imperative. The oil sands in Alberta and Saskatchewan are one of the only major oil reserves located in a democratic and meritocratic society and we need to be demonstrating global leadership in how that resource is extracted and managed. The resource wealth of this region is extraordinary but we shouldn't assume that it is unlimited. Using the wealth that comes from our resources, we should become world leaders in sustainable resource development, transportation, technologies and consumption so that we can protect and preserve our natural heritage for future generations.

## Focus on Our Strengths

A message that came through almost all our interviews was the need to focus on our strengths. As David Emerson, former federal Cabinet Minister, cautions, "building from no jurisdictional advantage to being a global leader in some particular technology cluster is just absolutely fraught with peril and absolutely unlikely to succeed unless there are the jurisdictional advantages that give you those enduring competitive advantages." All the interview participants were acutely aware that although it may be desirable to rely solely on sustainable technologies, that was not realistic in terms of their energy production capabilities or their economic driving potential. For some, the most obvious conclusion is that western Canada needs to be focusing on the areas where we have a comparative advantage natural resources—and figuring out innovative technologies and techniques for making us world leaders in sustainable and environmentally sensitive resource development, transportation and consumption. Peter Robinson asks, "could the West, for example, show the way for how to treat nature and natural resources in such a way that we look after the very attributes that we have here in a positive way? The reason I would love to see that happen is because I know intuitively that is not going to happen in Russia, Siberia and Northern China. I think we have the ability to demonstrate how to do it the right way and not lose entrepreneurship, innovation, passion, energy and wealth in the process."

Others believe that western Canada's strength is in the energy industry, as a whole, not just resource development. This broader understanding enables a scenario wherein the West could build upon existing energy expertise to expand into new markets, including alternative and renewable energy markets. "One potential is resource upgrading or investing in alternative, renewable energy sources," says Todd Hirsch. "Maybe the West could become a leader in niche areas of renewable energy. It would be building on the strength and expertise we already have in solving energy problems."

Arguably, if western Canada can change the way it does business, use the resource wealth of the oil sands, uranium production, hydraulic power and other existing sources and focus on our strengths with the common vision of improving our environmental performance we can mitigate some of the economic impacts of a changing environmental reality. The first step in accomplishing these goals, though, is realizing that the environment is not the enemy of economic growth and if you sacrifice good environmental practices in the name of business, you will ultimately lose. Colleen Vancha, Vice-President of Viterra's Investor Relations and Corporate Affairs Division, succinctly summarizes this point: "The biggest risk [for western Canada] is environmental and sustainability issues. These can destroy our brand, and reputation is everything."

## Final Thoughts on Solutions

Mishka Lysack, assistant professor in the University of Calgary's Faculty of Social Work, poses the question we need to be asking as we go forward: "What does our generation want to leave as an environmental legacy to our children?" When we think about the issue that way, it allows us to focus more clearly on the goals and the objectives and to not become so ensnared in the partisan political issues, divides and acrimony. This question also frames the environment as a moral as well as a generational justice and equity issue, rather than simply as a science or technological issue.

Divides are present at all levels and it is disconcertingly easy in environmental matters to point fingers and adopt a *not me* attitude. For example, most people blame Alberta's poor environmental performance on oil and gas companies. There is no question that these companies contribute to Alberta's environmental record, but it is important to remember that they would not be supplying oil and gas if there were not demand and that everyone who drives a car, uses plastic and buys synthetic clothing is contributing to the demand for those products. It is also important to remember that although energy is often at the forefront of the environmental debate, it is not the only contributor to environmental degradation. Finally, those companies are operating according to the environmental standards put in place by the provincial governments—governments that we as citizens elect and hold accountable.

In national polls, nearly eight out of ten Canadians state that the environment is very important to them and yet most people are not willing to sacrifice their quality of life for environmental goals, there is a sense that someone else should have to give up theirs instead.

Any solution to our current environmental problems needs to involve an amalgamation of personal actions (such as recycling, reduced use of motor vehicles, and green consumer choices), but also social and political actions, including stricter government environmental policies that will demand and enforce environmental best practices, and corporate compliance and innovation on sustainability and technological advancements. Mishka Lysack compares the kind of amalgamation needed to achieve environmental goals with the abolition of slavery movement in the UK in the 1700 and 1800s. He notes that fighting abolition was a project involving social, political and moral dimensions; everyone, from all classes, became involved in the fight. There was collaboration on many levels about the goals and direction of the abolition movement; and that is what is needed for effective environmental change to happen in western Canada.

The bottom line is that if we want to have environmental resilience as a region, we have to change how we live our lives. This means we will have to give some things up (there will be costs) but the end result will be better than if we do nothing.

#### CONCLUSION

In today's globalized, technologically-oriented and interconnected world there is no getting away from the environmental imperative.

Striving to do better environmentally does not mean that we all need to live in sod houses and give up warm showers. Changes need to be made, certainly. We need to find ways of doing more with what we have and we need to be aware of the full impact of our actions on the environment. Prominent Vancouver businessman and former Chancellor of Simon Fraser University, Milton Wong believes that in order to do this we need to get back to first principles, where we understand and internalize the idea that all living things are remarkably similar on a DNA level, which means that when we think about owning something we recognize that along with ownership comes an imperative for stewardship.

Thomas Friedman summarizes the economic, environmental and humanitarian imperative in his book *The World is Flat:* "When three billion people from China, India, and the former Soviet Empire walk onto the flat-world platform in a very short period of time, and every one of them wants a house, a car, a microwave, and a refrigerator, if we don't learn how to do more things with less energy and fewer emissions, we are going to create an environmental disaster and make our planet unlivable for our children. So there are going to be a lot of jobs involving the words "sustainable" and "renewable"—renewable energies and environmentally sustainable systems. This is going to be a huge industry in the twenty-first century" (Friedman 2006, 293).

That is the challenge and the opportunity. There is a gap right now between western Canada's environmental performance and our vision for the environment. This is an issue that matters deeply to all Canadians and the challenge ahead lies in bringing our environmental performance in line with our sense of urgency on the issue. We all need to be asking: how can we enable and sustain a high standard of living without sacrificing the environment in the process? Western Canada is in a unique position to do very well on this because we have wealth, education, social and environmental consciousness and the innovative spirit that is necessary. There is an incredible strength of human capital in the West and that enduring frontier mentality, which contains so much that is good, gives us the opportunity to build upon existing innovation and continue to make environmental considerations a focus of our collective creative energy.

Downtown Calgary, Calgary, Alberta Belova Larissa FREE

#### CHAPTER FIVE

# Economy

#### INTRODUCTION

No one knows more about the importance of finding a market niche and the value of being a nimble and responsive company than Clive Beddoe. In a business that averages a 98% failure rate, he managed to help build and grow WestJet from a small player to the second largest airline in Canada.

In 1988, Canada deregulated the airline industry, taking the market away from the exclusive domain of Air Canada and Canadian Airlines. Clive Beddoe and several colleagues seized the opportunity in the early 1990s, raised the capital, bought some airplanes and replicated the model of Southwest Airlines. By relying on this low cost model, WestJet was able to lower the prices of their fares and increase the number of passengers flying. Across the country, WestJet caused an increase in passenger traffic that frequently exceeded 100%. In the process, they revolutionized air travel in Canada and created an extremely successful airline.

The example and success of WestJet is exceptional but the principles of what it takes to be successful are universal. Charles Loewen told a similar story. Charles was at the helm of Loewen, a century-old family business based in Steinbach, Manitoba, for almost 20 years. When speaking to us about the history of Loewen, Charles was careful to mention that their product is a reflection of their cultural, geographic and historical reality. He explains:

"The Mennonite community culture is not good at short changing people. If you are going to be a low cost producer, you have to be ruthless in some areas, and many business people are, but our culture doesn't lend itself to that easily so that was eliminated as an option. We had to look at the community ethos, the climate, the geography, etc., take in these givens, understand what the environmental inputs were, find a strategy that built on those foundations and then seek the markets of people with money."

*Know thyself* was the common theme among interview participants in the context of our economic future. The West, as a region, needs to know what its strengths are and how these fit into a global market place. Westerners need to acknowledge the region's limitations and remember the importance of being nimble and responsive. So, how are we doing? The economic potential of the region is unparalleled, but what do we need to do well to take full advantage of that potential in the years ahead?

#### BACKGROUND: THE RESOURCES OF THE WEST

With a population of just over 10 million people, the four provinces of the West collectively punch above their weight in the world. This region sits atop vast natural resources, and is a strategic supplier to the globe of commodities in high demand.

We are the world's largest potash producer, with a reserve base in Saskatchewan that dwarfs that of the rest of the world. We produce a large percentage of the world's uranium, with a significant volume of the world's reserves resting in Saskatchewan. British Columbia leads the world in exports of softwood lumber, and is the world's second largest exporter of metallurgical coal, the cleanest burning variety of that commodity.

Manitoba is home to the lowest energy costs in North America, thanks to the 110,000 lakes in that province with interconnecting rivers, less than half of which are currently used in electricity generation. We are second only to Saudi Arabia in our proven crude oil reserves. Depending on the year and the weather, we are number two or three in the world in wheat exports, with 90% of our crop leaving Canada to feed the world.

The economic story of the West today is the story of both performance and potential. It is also the story of a region that must be resilient, nimble and strategic, as our economic health depends on commodity riches, and commodity cycles oscillate deeply and suddenly. It is difficult to manage businesses which experience huge fluctuations in demand and price, and potash, uranium, lumber, oil and gas and wheat are all subject to global forces which dictate the value of those commodities in the marketplace. Since all of these commodities are affected by the health of the world economy, when things are good for one they are good for all. Conversely, when a downturn hits, the falling tide grounds all of our boats.

Each province has been generously endowed with natural advantages, and with this endowment comes opportunity and challenge.

## Manitoba

Manitoba is at the centre of the country, both literally and figuratively. Over the course of our history, Manitoba has acted as an interpreter of the regions of the country, and a translator of the aspirations of the West to central Canada, and vice versa. It is a transportation hub through which our goods can travel, and the port at Churchill is the closest North American port to Northern Europe and Russia.

Transportation and warehousing contributes over two billion dollars to the GDP of the province, and the industry moves goods both across Canada, and to the mid-western US. Fed-Ex, Purolator and UPS all take advantage of Manitoba's central geography to expedite their cargo. Manitoba is also the country's largest manufacturer of inter-urban buses, as well as a significant manufacturer of furniture, doors, windows and cabinetry.

Mining of nickel, zinc, copper, gold, and petroleum production contribute over \$2 billion to the economy of Manitoba annually. The industry has eight producing mines, three operating smelters and two refineries.

But by far the greatest opportunity for the province is its hydroelectric capacity. With such vast water resources it has already become a leader in North America in the generation of clean and reliable energy, and has ample room to grow. It has among the lowest industrial electricity costs in the world. The water resources of northern Manitoba have twice the generating potential of Niagara Falls, with only half of the rivers harnessed for their generating capacity to date. Electricity is exported to markets in both Canada and the mid-western US, and the province's expertise in planning, design and operating hydroelectric plants has been exported to over sixty countries.

In addition, financial services and insurance are important industries and key enablers of the economic development of the province, and western Canada.

#### Saskatchewan

Saskatchewan is in its ascendancy as an economic player in Canada. Thanks to abundant resources, and careful development of those resources, it is currently the fastest growing economy in the country. Mineral exports have overtaken agricultural exports as the key driver of the economy, and the rise of developing world economies bodes well for its key commodities.

As the world population grows, so does its need for food. There is a finite amount of arable land, and the only way to grow more food is to make the land more productive. Saskatchewan is the world's largest source of potash, a key ingredient in fertilizer. Saskatchewan produces about 30% of the world's potash, and has over 60% of the world's potash reserves. There is no substitute for potash, at least today, and the need for more food will continue to grow.

The province is similarly well endowed with uranium. The richest deposits of high grade ore are found in the Athabasca Basin of the province, and competitive production costs have allowed Saskatchewan to produce 30% of the world's uranium. Semi-processed uranium (yellowcake) is shipped out of the province for conversion in end use markets.

Horizontal drilling technology was first used in Saskatchewan in 1987, and this step-out technology has liberated oil and gas reserves which were previously uneconomic, and has opened up new energy frontiers across the industry and the world. Saskatchewan is second only to Alberta in oil production in the country, and the Bakken formation in Saskatchewan may be the largest conventional oil discovery in Canada since 1957. Both the Bakken play and the potential of shale gas have accelerated the rate of industry expansion in the province, and have been major factors in its rapidly heating economy, attracting both investment and talent.

Wheat remains a major factor as well, as 45% of the total area of the province is farmland. Saskatchewan produces half of Canada's total wheat production, and is the world's largest exporter of pulse crops (peas, beans, lentils). The Saskatchewan Wheat Board developed the world's first canola crop, and continues to foster agrarian innovation.

Saskatchewan is also home to the Canadian Light Source, a third generation synchrotron that is used to analyze a host of physical, chemical, geological and biological processes. Built at an initial capital cost of \$173 million, the synchrotron is one of the largest science projects in Canadian history and is a world class research facility.

### Alberta

In 2006, Alberta's deviation from the national average GDP was the largest in Canadian history. The place was on fire! The convergence of high and escalating oil prices, oil sands production coming on stream after years of construction, and a worldwide economic thirst for oil and gas led to this startling fact.

Alberta leads the country in exports of crude oil, natural gas, and synthetic oil. It is the world's second largest exporter of natural gas. Two world class petrochemical plants in Red Deer capitalize on the feedstock advantage in the province, and make a dent in diversifying Alberta's reliance on a single, but highly valuable resource.

The oil sands in Alberta are estimated to be the second largest oil reserve in the world. New technologies developed in Alberta have lowered production costs to levels that are more competitive with conventional production. Clearly, the story of Alberta's future is the story of the oil sands development. This is a long lead time, highly capital intensive business. Because of the certainty of the size and location of the resource, and the rapid developments in extraction technology, investment is flowing into Alberta to fuel oil sands development. Over ten billion dollars was invested in oil sands development in 2009 alone.

Pipelines and other infrastructure improvements will be required to keep pace with this rapid development, and will provide value-adding work in engineering and construction. Financial, legal and technology services grow in lock-step with the expansion of the oil sands.

Agriculture remains a key feature of the economy. Alberta has 3 million head of cattle, and produces half of the beef in Canada. Wheat, canola and softwood lumber are also major export products.

## British Columbia

British Columbia is blessed with spectacular natural beauty, which was on display for the world to see during the 2010 Winter Olympics. Tourism is the number one industry in the province, and it remains to be seen if this will grow as a result of the success of the Olympics. A mild climate, the mountains, the ocean, the Okanagan fruit and wine region, the beautiful and diverse urban landscape of Vancouver and the vibrant charm of Victoria make it hard to beat as a vacation destination.

The service sector is a leading economic driver in the province, fuelled by tourism and associated industries.

Because of its geographic position as the Gateway to the Pacific, and its welcoming of immigrants from Pacific Rim countries, BC enjoys a robust trading relationship with that region. Trade with mainland China increased 50% between 2005 and 2009. Key commodities exported to China were pulp and paper products, coal, and copper.

British Columbia is the world's leading producer of softwood lumber, and a leading producer of pulp and paper, wood fibres and kraft paper. Clean burning metallurgical coal is a foundation in this mineral rich province, and it is the second largest exporter of the commodity in the world. Half of the copper produced in Canada comes from BC, and the province is a leading producer of molybdenum in the world.

The Horn River Basin in Northeastern BC is the largest shale gas find in Canada, and has caused investment and people to stream in to the region in the last several years. Sales of Crown leases have broken all previous records, and the directional drilling and infrastructure investment to bring the gas to market quickly are enriching that region of the province.

The Green Economy preoccupies BC today, and its investment in green technology, and commitment to environmentally sustainable businesses and industries attracts both talent and investment from other places. An environmental ethos is pervasive in BC, and is a key competitive advantage in attracting green industries to the province.

Hornby Island, British Columbia Brad Steels

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#### WHAT IS OUR FUTURE?

Given that we are so richly endowed with so many resources, how should we think about our future? Should we just keep on keeping on, should we look for a bold new direction, or should we harvest our abundant resources, secure in the knowledge that they will be here for a very long time?

There was remarkable agreement among many interview participants about what we need to do to ensure that the West remains a great place to live in this century and their thoughtful commentary clustered around six key themes.

## Build on Our Current Strengths

"If you are just operating your assets, you should be very worried," cautions David Keith. His point is that industries in the world are accelerating their performance rapidly, and if you are merely turning valves, the opportunities of the next phase of development will pass you by. In every enterprise, it is necessary to become a learning organization, extracting from the sum of the work the next generation of knowledge, and figuring out how to create value from that knowledge. Industries in the West have been very good at that to date, and the uranium business in Saskatchewan proves a good illustration of the concept at work. Uranium has been produced in Saskatchewan since the 1950s and has been a key lever in the success of the province. But Saskatchewan did not merely turn the valves and deplete the resource. The province enabled the industry by investing in research and development, and the industry and the universities collaborated to create in Saskatchewan a centre of knowledge around nuclear technology. In 2004 The Canadian Light Source (CLS), a third generation synchrotron became fully operational in Saskatoon, delivering on the promise of the nuclear experience delivered by uranium production. The vision of the CLS is to be a global leader and a recognized centre of excellence in synchrotron science and its applications.

Similarly, the agricultural business in Saskatchewan rose above its hardscrabble roots, and invested in ensuring that it continued to lead the way in agricultural innovation in the world. The primary resources of the industry are the land and the people, and by partnering those with the emergent potash industry to maximize the contribution of each, Saskatchewan has been responsible for the development of canola, and is the world's leading producer of pulse crops.

In the oil and gas industry, every well bore provides opportunity for continuous learning. Because the industry is structured in such a way that most wells are funded by more than one company, and different companies can operate wells in the same formation, there is a built-in sharing of information about best practices and evolving technology. So, when one operator discovers a better way to do something, the information is readily available to the industry, and best practices evolve systemically.

Every industry has embedded skills that only come to the fore with a purposeful examination. Through understanding what makes the industry successful, we can sow the seeds for its next move up the value chain.

We explore for and produce oil and gas and minerals. In order to do this successfully, we must have mastery of a set of skills that are transferrable to other industries and other geographies. We work in harsh climates, so excelling at engineering and operating practices is essential to being successful in the hostile conditions we face. These capital intensive industries require raising large amounts of money from international sources and managing megaproject budgets. Legal and financial services underpin the capital structures of these enterprises. Successfully navigating the interests of multiple stakeholders and creating win-win solutions yield a license to operate. Although there have been accidents, western Canada has not had an industrial or environmental disaster of the scale of those in other parts of the world, so although some of that may be due to luck, we are clearly imprinted with a culture of safety. The regulatory framework that enables the work leads to a high standard of performance.

As Satya Das points out, "there are five large and significant oil reservoirs in the world. In order of size they are Saudi Arabia, Alberta, Iran, Iraq and Venezuela. Four of these five are committed to perpetuating a culture of violence."

Why, then, do we not capitalize on our peaceful place, our expertise, our knowledge of the industry, and the transferrable knowledge we have amassed in the pursuit of oil and gas to become consultants to the world, engaging in tradable services in addition to tradable goods? The emerging economies of the world are developing their infrastructures right now—and will need the expertise we have here and now to successfully build their nations.

Preston Manning urges us to think about being world leaders in sustainable development. "If the West could get serious about environmental issues rather than resisting them, and decide that we will be at the forefront of this movement, we could be world leaders." All of the interviewees with an interest in the economy expressed the need for us to move the environment to the forefront of our thinking.

We must be global players, as our commodities are global commodities. In addition to operating globally, we must organize our enterprises on a global platform, so that the companies are fully valued in the marketplace, and not subject to being taken over by companies who can take them global and risk the head office jobs in this region.

And finally, Dave Mowat reminds us never to give up on our natural resources. Time and again we have seen that technology liberates resources that seemed uneconomic in earlier days. Additionally, by focusing on technology we can be not only an exporter of hydrocarbons but an exporter of technology as well, which ultimately multiplies our wealth as a region.

## Be Strategic About Our Markets

China's consumption of commodities is massive and growing but the US is also a major importer and is still the world's largest economy, and our biggest trading partner. To whom do we sell? Well, to both, of course.

China's rapid growth guarantees that they will need what we have to sell. They have a robust economy, pay their invoices, have developed sophisticated international linkages, and have good relations with both western Canada and Canada. It is a market we cannot ignore, and must cultivate and grow. It behooves us to think beyond the mere selling of resources. What other ways can we establish linkages with China that benefit both parties? We often think of opening our universities to Chinese students—a good idea. We should think about sending our students to China. The largest market in the world needs scrutiny from close up. The only way to learn the Chinese culture of taking the long view is to experience the culture from within. We will be better trading partners if we understand our customers.

Much attention has been devoted to Chinese investments in Canada's companies and resources. But, should we invest in their companies? Should we consider joint ventures, and technology transfers that strengthen both countries? We mustn't be order takers—passively waiting for what comes over the horizon. The relationship with China will be a key strategic advantage for the West in the very near term. A proactive and strategic approach is essential to a successful relationship.

"The last century was the century of the Atlantic, the 21<sup>st</sup> century will be the century of the Pacific," says Ron Mannix. "It is imperative that everyone in western Canada starts to understand China. Of the five biggest banks in the world, four are Chinese. There are 60 cities of more than a million people in China today and there are going to be more. The scale alone is beyond western peoples' imaginations."

The US is our most valuable trading partner. In addition to an enduring trade relationship, the US is the protector of the continent, and safeguards our security while looking after their own interests. Much of their society is fuelled by oil, and western Canada is the best source of imports for the Americans. What unites us is greater than what divides us, and in spite of some tensions that flare up from time to time, safeguarding the relationship is essential to the economic wellbeing of the West.

"The US will continue to be very important to us. The main market for our oil sands will be the US. So we mustn't ignore what has been so important to us, but must maintain that relationship while we develop new relationships in the developing world," is Kevin Peterson's view.

India, Brazil, Russia and other rapidly emerging economies are natural trading partners. Of these emerging economies, Brazil is growing the fastest, with its economy reaching record levels of growth, unemployment at very low levels, and an emergent class of people with money to spend. Growing economies are hungry for commodities. But rather than just meeting the external demand, it is important for the West to do win-win deals, and create mutually beneficial relationships. India in particular has been a rich source of immigrants to Canada, and happy immigrants become zealous recruiters for others to join them. There are huge opportunities for new trading patterns in the West—but successfully delivering on their promise will require focus, and deliberate decision-making.

## Invest in Infrastructure

"The key threat to our future prosperity is losing our best brains," says Peter Tertzakian.

"People are our infrastructure," states former Deputy Prime Minister Anne McLellan.

If a cornerstone to our prosperity is the attraction and retention of bright young people, what are the implications for this region? We have safe and beautiful geography. But that is not enough. Our communities must be welcoming, exciting places for everyone to live, magnets for the ambitious and the gifted. We must invest in social infrastructure, vibrant cultural institutions, excellent education systems, and high quality affordable health care. Our artists and eccentrics must be as celebrated as our scientists.

We must protect and enhance the reputation of the region, ensuring that we are not vulnerable to attacks on the integrity and environmental record of this place. Green is the future, and our municipal systems, our industries and our collective attitude must support that.



Winnipeg floodway, Winnipeg, Manitoba Richard Gillard



**Center pivot irrigation** Dean Kerr "Young people are enthralled by the prophets of the future and want to be part of the new, progressive, environmentally responsible team," cautions Peter Tertzakian. He adds that we must come to grips with the implications of a wired world on the culture of work. It becomes less necessary for people to show up at an assigned office to do their work, and young people do their work from different places at different times. Getting in front of this trend is important, as it will have implications on how both work and space are configured in the near future.

The physical infrastructure is also essential to our ability to realize our potential. We are an exporting region, and goods and services must move freely and seamlessly, both across the region, and to our largest trading partner in the US. Our ports, ships, rails, roads, air corridors and pipelines are our lifelines. Russel Marcoux worries about the weak link—the road system—on our capacity to export. "The availability of people willing to make a profession of driving a truck is decreasing. We are finding it increasingly difficult as an industry to find people who are willing to go through the hassles of crossing the US border. There are something like 23,000 registered unemployed truck drivers, and 99.5 % of them are not qualified to cross the border or run in long distance trucking or in a team operation." Similarly, regulations governing intra-provincial trade and transport can be disincentives, and add cost to the transportation of our goods. "We are sending all these signals to farmers to tell them to think about marketing their own crops, to think about niche markets, and differentiation of products, yet we don't afford them the reliable transportation modes for doing that as we are still stuck in bulk modes," says Cameco Corporation's Grant Isaac. In a region whose future is so dependent on an unbroken line of transportation, this issue deserves prompt attention.

## Steward Our Resources

"When I took over the ranch, all the water for the cattle was at the bottom and all the grass was at the top of the hills. We've taken the water from the bottom and put it on the uplands. We've increased stocking by about 20%, as it gets better quality of water to the livestock and keeps the uplands more in grassland," says John Cross. John understands author Tom Freidman's sentiment that, "in order for things to stay the same around here some things are going to have to change."

Looking strategically at our natural resources and developing them in a way that optimizes both their current value and their long-term potential was a resonant theme throughout our conversations. The natural resources of the West are an inter-generational asset, and each successive generation stewarding them must evaluate what must be done to balance current and future value.

The consequences of getting this wrong, even a little bit wrong, could be dramatic. "We are developing the forests in BC, the oil and gas in Alberta, the land in Saskatchewan, and then all our polluted water runs into Manitoba and they are trying to clean out the lake. Yet we are supposed to be very wealthy. I don't see us as being very wealthy, I see us getting poorer and poorer every day," says John Cross.

Clearly, we have to balance the use of the land—agriculture versus development. Once agricultural land is gone, it's not coming back. A decision to devote farm or ranchland to an alternate use has a cost, one that may not be readily evident when that decision is made.

Fresh water is in high demand for domestic and industrial use. But there is a finite amount of it available. The demands on the system increase annually, and while we make choices day by day, year by year, are we making these choices fully informed, and with the long view and big picture in mind?

Portage Avenue and Main Street, Winnipeg, Manitoba Don Harpor

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### Protect the Oil Sands

While the oil sands currently account for 55% of the crude produced in Canada, that figure is predicted to go to 80% of production by 2015. The oil sands represent a key economic platform of our future. Ten billion dollars was invested directly in the oil sands in 2009, and that does not account for the spin-off effects generated by this huge investment. Jobs, our regional prosperity, and our national energy security rest on the oil sands. It is important to everyone that the operators continue to succeed. Yet they are under siege by environmentalists, and the drumbeat could grow louder. We must defend on two fronts—the environmental performance of the industry must be stellar, and the reputation of the industry must be enhanced. This is a resource that is crucial to the future of both the region and the country, and everyone has to play a part in its protection.

The international environmental movement has the oil sands firmly in its sights. Referring to them as *tar sands* to reinforce a dirty stereotype of the bitumen, they are active on several fronts. In Europe, they are pressuring investors to drop oil sands producers from their international portfolios, and making themselves heard at corporate annual meetings, often making articulate and passionate cases against the oil sands, which then gain the attention of the international media. The other tactic which appears to be gaining some currency is the boycotting of products derived from oil sands. Both Bed, Bath & Beyond and Whole Foods have extensive distribution networks and move inventory millions of miles annually by truck, as do most other large US-based retailers. Their customers are demanding a higher standard of environmental performance by the companies, and oil sands are an easy target.

In June of 2010, the city of Bellingham, Washington passed a resolution calling for the city to avoid purchasing fuel derived from oil sands for their municipal fleet. While it is not surprising that this happened, it is surprising *where* it happened. Bellingham is a near neighbor to Alberta, shares tourists with both Alberta and BC, and would have seemed to be one of the least likely cities to take an aggressive stand.

Oil sands producers ignore these signals at their peril. Every media outlet and environmental group in the world has access to the images of oil soaked ducks, and can pull them up on a moment's notice to mobilize against the industry. Because things are quiet right now does not mean the issue is going away. What is required is a fact-based campaign, much like the plastics industry in the US has mounted, to describe the benefits of the oil sands, the breadth of their use—we all drive over bitumen based road materials and use oil-based products every day, and their place relative to other alternatives currently available. Not just a media campaign, though, these facts need to be backed up by an improved and stellar environmental performance.

Dave Mowat, of ATB Financial, is serious about the need to help the world understand the oil sands. He arranges tours of the oil sands when colleagues from other parts of Canada visit Alberta. Information is power. The vastness of the mines, the supersized equipment, and the relentless drive to reduce environmental impact never fail to impress the visitors. His strategy is to make people understand, one at a time.

There is another warning signal that comes from many places—we must pace the development of the resource. It is not going anywhere, and will always be available to exploit. The rise of SAGD (Steam Assisted Gravity Drainage) technology has reduced the costs of producing the oil sands, but more importantly, created a more palatable environmental performance in an industry that has been labeled as dirty in many parts of the world.

Peter Lougheed is "optimistic, sort of, that the technologies that drive what's going on right now will change its environmental impact. One of the advantages of slowing down the pace of the oil sands is that it gives developers some time to focus on the environmental issues, both the air and the water impacts of the development. This is important, because the environmental issue can disrupt everything else."

Peter Tertzakian poses the question: "Do we have a longer term plan to venture out and set the wheels in motion for twenty years down the road? We are still paying the price for the oil sands frenzy that went on between 2005 and 2008, that created the elevated levels of inflation in a small population and acted as a pesticide for other industries like the natural gas business that draws on the same labour pool."

A final consideration is the extent to which western Canada should allow and encourage foreign ownership of our crude oil resource. The Chinese have invested close to \$5 billion in the oil sands, and while there is broad agreement that this investment is welcome, the idea of ceding control to foreign interests is unsettling to some. Kent Jespersen, CEO of La Jolla Resources said to us: "I think the amount of capital it is going to take to develop the oil sands is huge. But I would not like to see it dominated by foreign companies." Peter Lougheed agrees, "The owner of the resource is the provincial government and the people of Alberta and when it comes to the development of that resource, we should maintain control."

## Productivity and Innovation

Beware the resource curse, warned John Kenneth Galbraith in *The Affluent Society*. With easy economic pickings can come complacency, and an edge not sharp enough to cut through the problems when things get tough. Several people questioned whether we have become complacent, given that we have had abundant resources, and a ready and close market for our commodities in the US.

On examining that question, Peter McKinnon, President of the University of Saskatchewan, expressed his worries about the productivity, innovation and commercialization performance of the West. While we have done an excellent job of resource development, we score poorly, both as a region and as a nation on the innovation and commercialization scale. A study released in May 2010 placed Canada ninth in the developed world on a scorecard measuring digital literacy. "Digital literacy is not simply using a Smartphone, or typing on a computer. It really is a mindset. Are businesses of all sizes using the technology to its fullest extent? Are they restructuring to take account of the digital way of doing things?" asks Len Waverman.

Len Waverman, Dean of the Haskayne School of Business in Calgary, prepared the scorecard, and cautions that Canada's gap in digital literacy is tied to its poor productivity performance. Because our competitors, and potentially our partners in the global marketplace are digitally literate, we must, as a region, find ways to ensure that we catch up and can negotiate from a position of strength in this digital age. Fortunately, we have the key ingredients to make up this ground quickly. The oil and gas and mining industries rely on high tech applications to drive their businesses. This region has many skilled and savvy IT professionals, who, if deployed to take on this digital challenge, could get us nearer the front of the pack. The key is to make a concerted effort, fully resourced, and share it among the key stakeholders.

#### CONCLUSION: WHAT COULD SPOIL THE PARTY?

#### Beware the unanticipated dangers.

In an instant, the world can change and the viability of an industry can change. In 1979, Hollywood released *The China Syndrome*, a film starring Jane Fonda, which was a fictional account of a nuclear disaster in the US Northeast. Twelve days later, a valve failed on a nuclear reactor in Three Mile Island, Pennsylvania, and life appeared to be imitating art. Because the information about the accident was not clearly communicated, and the causes and effects of the accident were not immediately known, the nuclear industry took a huge reputational hit, and construction of nuclear facilities on North America began their decline. Even though the Kemeny Commission report declared that the increases in incidences of cancer resulting from the accident were "so small as to be imperceptible," the industry still battles a perception problem, and *not in my back yard* is almost an automatic response to the proposal for a nuclear facility.

In April of 2010, the BP Deepwater Horizon rig exploded and sank to the bottom of the ocean off the US Gulf Coast. Eleven men were killed and millions of litres of oil spewed from the broken pipes. It developed into the largest environmental disaster in US history. People the world over watched the underwater camera record the belching oil, and later, images of oil-soaked birds gasping for breath became commonplace. BP was public enemy number one in some quarters as the disaster persisted for months until the leak was blocked. While this is indeed a tragic event, it is not a unique event. There have been many multi-million gallon oil spills. The Exxon Valdez spilled 10 million gallons of oil off the coast of Alaska, and it is not even on the list of the ten worst oils spills. Of the nine most significant spills, seven were related to tanker accidents, one was a well explosion and one was a pipeline rupture. The rupture of Enbridge's pipeline in the US, which spilled almost 20,000 barrels of oil in to a tributary of the Kalamazoo river in July 2010, was a recent stark example of the risks associated with transportation of oil, and caused many politicians in the US to amplify their opposition to new pipelines carrying Canadian crude to the southern market.

As the dust settles and people begin to digest the enormity of the Deepwater Horizon spill, and think about the implications, there will certainly be close scrutiny of offshore drilling safety, tanker transport safety, and pipeline safety. All these issues could impact our ability to move oil to both the US and China. Pipelines and tankers are key to our export capacity, and they are dangerous if not properly regulated, with diligent oversight. We must think proactively about the transportation safety issue, and get ahead of the reactive curve that is sure to come.

Nickel Pig Iron (NPI) is a revolutionary technology perfected by the Chinese that has set the world's nickel market back on its heels. Five years ago, nickel traded in the mid-twenty dollar range. In June of 2010, the price hovered around nine dollars. The difference is that NPI has garnered as much as 10% of the world's refined nickel market. And because of its inherent technical and cost advantages over refined nickel, NPI's market share is predicted to continue to grow. Nickel miners the world over have invested billions of dollars in properties and facilities in the last few years, but the Chinese invention of NPI is risking the economic returns of those investments, as well as their shareholder's equity. Could this happen to one or more of our commodities?

In July 2005, a twenty-six month ban of Canadian beef exports to the US was lifted. The discovery of a single case of a cow infected with BSE in Alberta in May 2003 effectively shut down Canada's beef export industry, as 34 countries banned Canadian beef. It is estimated that this cost the industry eleven million dollars a day. Was this a disproportionate response? Since no one wants to be paralyzed, or even worse, die from the food we eat, it is an understandable response. It begs the question, though, are we ready for a similar event, and have we learned how to respond quickly to limit the damage? Since so many of our exports are agricultural products that end up in the food chain, there is no margin for error in product safety. Could we cope, should this befall us again?

As comic Gilda Radner used to say: "It's always something." Indeed it is. The question is not whether something unexpected will happen, but rather, are we anticipating, innovating and inoculating our industries against a potential catastrophic event or circumstance? Given that the response to many of these catastrophic events could be delivered by the federal government on behalf of the provinces, part of the forward thinking work is to ensure that, in addition to cooperating across the region, we work with the federal government to equip them with a clear understanding of how the West would determine and articulate the proportionate response.





## Chapter SIX Collaboration

#### INTRODUCTION: TOGETHER WE ARE STRONGER

In 1987, the question of free trade with the US was at the forefront of the national agenda. Some industries and governments were convinced that a North American trade agreement would flood out local Canadian producers and cripple domestic industries.

The effects of free trade were particularly important to the discussion at the annual Premiers' Conference of 1987 and Gary Filmon, former Premier of Manitoba, recalled the following discussion that took place during that conference:

"Ontario was very opposed to the free trade agreement, BC was buying in but they were prepared to risk their wine industry despite the fact that the wine industry itself was terrified. David Peterson got into this raucous debate with the other premiers because he was adamantly opposed to it and Don Getty said, 'I'll bet you a barrel of Alberta oil for a barrel of Ontario wine that you will be better off as a result.' At which point Grant Devine quipped: 'Well, they will probably taste the same.'"

The reason Canada's wine industries were so terrified was because at that time their wine was an inferior product and needed protection from free trade. Since the adoption of free trade, both Ontario and BC's wine industries have gone upscale and now rank as world-class wine producers. The industry is currently benefiting immensely from free trade and in BC there are now over 175 wineries with several licenses pending, up from just 13 in 1984.

The benefits of provincial and interprovincial cooperation—both in the sense of working together and of reducing barriers—were on the minds of many interview participants. There was a deep sense of frustration that the cities and provinces of western Canada are often so busy fighting one another that they miss out on larger opportunities.

The central questions of this chapter are: When does scale matter? What are the regional benefits of reducing barriers to trade, labour and goods and services? Where can the western provinces work together to create more centers of excellence? And, what could be achieved if the western provinces ramped up efforts to work together and present a united vision to the national and international community?

Education, at all levels, was also identified as a particularly important area for cooperation, and for this reason this chapter will spend some time discussing the issues and debates around education and the need to balance quality with accessibility.

#### BACKGROUND

Western Canada occupies a large landmass and has a small population. This is a very sparsely populated region, particularly in global terms. India has a landmass of similar size to that of the West, but is home to over a billion people. If we are to feed the world, fuel the world, supply crucial commodities to the people of the globe, we have to act in concert, and with enough critical mass in key areas that we maximize our opportunities.

While we have so much in common, and so much to gain by cooperating, the tendency of the West to behave as "Balkan provinces," as Bob Linner remarked, diverts collective attention from the big picture and the significant and emerging opportunities in the world. While progress has been made, without further cooperation we are duplicating efforts and expenditures, overlapping in key areas, and not minding the gaps.

If we become strategic about how we spend our scarce human and financial resources, we can multiply the effect of our investments, and reach our ultimate potential. If we don't, we run the risk of frittering away opportunities. It's not a "nice to do" any more, it's a "*need* to do"—there was broad agreement on this opinion by our fifty interviewees.

#### HOW SHOULD WE COOPERATE?

The word cooperation is a tricky one. It is a word that almost everyone agrees with in theory, but when it comes to the specifics, it is sometimes harder to find consensus. So, although we can agree that the western provinces should cooperate, it's not always clear how, in what ways or for what purpose. The interview participants' perspectives on cooperation can roughly be grouped into three categories. We should cooperate in order to: 1) improve the efficiency of the current system; 2) realize the power of collaboration; and 3) present a common voice that is more likely to be heard nationally and internationally.

# Improved Efficiency

One of the easiest ways to improve the efficiency of the region is to reduce barriers across the region. This means we must have a free and seamless flow of goods, services, capital, people and ideas across the four provinces. "There has been some really good work done on TILMA," and labour mobility but there is a lot more that can be done across the four western provinces," says Oryssia Lennie, former Deputy Minister of Western Economic Diversification Canada. TILMA was the labour mobility accord between British Columbia and Alberta that came into effect in April 2007. It has subsequently been replaced by the New West Partnership agreement between Alberta, British Columbia and Saskatchewan.

These agreements could be extended across the four western provinces, and perhaps even serve as a prototype for other agreements in and with the rest of Canada that could knock down the remaining artificial barriers that prohibit the seamless commerce that would benefit everyone in the West.

No one assumes that this interprovincial cooperation will be easy, nor do they think it is optional. Gary Filmon speaks from his years of experience in Manitoba politics and warns about the challenges and the imperatives. "The West is going to be the engine of growth for the foreseeable future, and we've got to take ourselves way more seriously in terms of what our opportunities are. When you are dealing with four different political jurisdictions, it is very, very difficult to accomplish big cooperative projects, but that doesn't mean we should stop trying." David Emerson agrees and argues that efficient regional development can only happen with regional cooperation: "When you look at the West and throw in the North, the efficient development of the whole region can only be done if there are collaborative investments, planning and policies done by the subsidiary governments."

<sup>9</sup> The BC and Alberta Trade, Investment and Labour Mobility Agreement.

There are many specific areas that interview participants identified as key barriers to efficiency and development. These include pension and taxation portability, resource royalty regimes, securities regulation and professional accreditation.

Former VP Academic of Vancouver Island University, David Thomas, commented that the lack of pension portability effectively traps workers in provinces. Speaking in particular about university professors, he notes, "in the US, most faculty are in a national pension plan thereby allowing easy recruitment and mobility. Here, faculty members get stuck, which is a problem when you are trying to build teams and increase interprovincial understanding." Something like pension portability is a natural candidate for regional harmonization, and might provide policymakers with a template for co-operating on other more difficult issues.

Similarly, on resource policies, "we need to work together, rather than competing. We should have a common energy policy and energy market," says Carolyn Preston, former Executive Director of Petroleum Technology Research Centre. "We talk about free trade with the States, but there isn't free trade between provinces, let alone throughout western Canada." This is also an issue when it comes to regulations. Grant Isaac notes that nobody minds high regulations that are stringent about the environment, health or human safety as long as they are certain, predictable and there is harmonization between the federal and provincial standards. He states, "we've maximized the marginal benefits of tinkering with the current regulatory system of federal and provincial shared jurisdictions and we are at the point of actually having to change bigger components, like creating equivalency."

Investment capital for natural resource development knows no borders, yet there are four different oil and gas royalty regimes in the West. The effect of this is to set up artificial competition for drilling and production. This impacts the flow of equipment and personnel, land prices and all the economic underpinning of a key industry in this region. Would a common royalty regime with a common incentive structure make sense sometime soon?

The politically loaded question of a single securities regulator is on the table right now at the federal level. Capital flows to predictable jurisdictions, with solid and safe regulations and good governance. Canada, and the West in particular, will require lots of capital to develop our resources in the near term. It is expensive for companies to list on multiple exchanges—and there are many exchanges willing to take the listings of western companies. If there are multiple regulators in the small Canadian market, will this be a major barrier to the companies in the region to raise capital here? Peter Lougheed supports a single regulator in Canada, but readily acknowledges that this is a discordant position in Alberta right now.

"I understand security: I think everyone understands that, and the unfortunate need to ramp up both border security and international security. But it is making it more difficult for us to conduct our business and carry on our trade," says Russel Marcoux. Transportation regulations can be a key impediment to the cost effective transportation of goods to the ports or export points in the US. Since 9/11, security has become a major negative factor in getting goods across the border. Western Canadian goods and services are crucial to the US economy—perhaps a coordinated approach by the four provinces to the US regulators would create the heft to solve the problem.

"If we work in collaboration, rather than competition, there are some really promising things that can happen," says Oryssia Lennie. "I think with the understanding that each province is too small in this global world to go it alone there is a clearer vision."

# The Synergy of Collaboration

The power of clusters was on the minds of many. Silicon Valley in the US and Waterloo in Ontario are living examples of the magnetic power of bringing brilliant like-minded people together in one place to concentrate on a particular issue. Stephen Hawking taught at The Perimeter Institute for Theoretical Physics in Waterloo in the summer of 2010 in his role as Distinguished Research Chair, testament to the fact that the Perimeter Institute is a world class facility. The Institute has been in operation for only ten years, but because of its sharp focus, and the major investments by the Research In Motion founders, it has achieved greatness in this short period of time. Today, the world's great minds in theoretical physics are affiliated with the Institute in various ways. The initial investment of \$100 million is significant but not out of reach in this region, and the Institute's success in just ten years is remarkable. Success breeds success.

The Alberta Heritage Trust Fund for Medical Research was an early example of a cluster that basically created a medical research industry in Alberta, which would not have happened otherwise. The spin-off effects of the research industry are amplified by the connection to various faculties at universities in the West. A more recent example is the Synchrotron in Saskatoon. "It took a number of years to build the facility and get the beam lines up and running and now publications are coming out at about 100 a year. I think you'll see phenomenal things and you may see Nobel prize worthy stuff in the next two decades," says Richard Florizone. "A good cluster is one where every single new entrant creates value for every existing member and that just grows and grows as the cluster gets bigger," says David Emerson.

If we are to address the productivity and innovation gaps in Canada, specifically in the West, it will require greater emphasis on strategic, coordinated efforts, with focused investments and a clear line of sight to the goal. The two major necessary conditions for creating successful clusters are access to capital, and smart creative people. Both are in ample supply in the West.

# A Collective Voice in a Large World

"Copenhagen was really bad news—it was federalism at its worst," says Peter Lougheed. "Of all the challenges the West has, the environment will be huge in finding some common ground. Alberta has to be very careful that it isn't out of step with the rest of the country, particularly when you see where BC is coming from. This is important, because the environmental issue can disrupt everything else."

The federal government negotiates international environmental standards, signs on to climate change treaties, develops energy and trade policies, and creates immigration bills. For all of these reasons, it is crucial that the four western provinces band together to determine and represent the federal policies that will work best for western Canada. Divide and conquer will not be effective. We are a significant driver of the economy. Our concerns and needs must have significant weight at the federal table. Saskatchewan may have slightly different views than Alberta on sources of immigrants, but all four provinces have a shared interest in the efficacy of the immigration system. We all have legitimate views on immigration and refugee policy, and must take shared responsibility for articulating our views from a position of regional strength.

The federal government recently delivered a masterstroke of innovation in recruiting 19 world class researchers through the CERC program,<sup>10</sup> committing to invest \$28 million annually in four areas of national priority. Seven of these researchers are destined for the West, and with them will come prestige, resources, graduate students and additional research dollars. This could not have happened without a coordinated, well-orchestrated effort by the federal government, along with the significant investment that facilitated this impressive result.

<sup>10</sup>Canada Excellence Research Chairs.



"We should try to target immigrants from countries where we want to have stronger economic, cultural, and social relationships, like South Korea, Taiwan, China and India. I would spend a lot of time actively trying to attract outstanding immigrants to Canada, and one of the best ways to do that is through investment in graduate students," says Steven Toope. "There is an increasing flow of people wanting to study outside of their own country, and the flow of international students could increase by almost 100% over the next five years. They are going to go somewhere—why not Canada?" The desire to attract graduate students speaks to the importance of regional coordination on issues of immigration and academic centres of excellence.

Similarly on the international scene, if every province, and every relevant department from every province goes on the road to promote an industry or a sector or even a product, this scattergun approach will yield very tiny results. If the four provinces work together, determine who our key allies, customers, partners and investors are, and go abroad together, large wins are possible. The invention of Team Canada trade missions was the first phase of this. A Team West mission could be even more productive. We all target tourists from the same places, our customers are generally the same nations. Our opportunities are primarily in the same regions.

Imagine what a coordinated collaborative mission could look like—the four western provinces going out in to the world, arm in arm, offering energy, food, technology, and vacations, with a common set of standards, policies and incentives, one stop shopping for some of the world's most valuable commodities and services.

# Education

Many of the solutions of a more cooperative region are fundamentally aimed at governments and policymakers. It is out of the reach of an average citizen to focus time and energy creating a synthesized regulatory regime for the four western provinces or coordinating international trade relationships. One area, though, that received a great deal of attention from interview participants as something that needed improved cooperation occurs at a more local level of life, and that is education.

It would be naïve to assume that there was a singular answer to the question of how western Canada can best make use of its opportunities and deal with its challenges. If there is anything even close to a singular answer, though, it is education. If we can improve the quality and increase the access of our educational institutions, everyone in western Canada will be better off. Joe Clark succinctly summarized that education is the "awareness of possibility."

"Spent wisely, there is never too much money you can spend on education, and I believe that as education rises, the economy rises in lockstep with it. You can never have too many smart and educated people finding their way into business and government to put good policy and good innovation together," says Dave Mowat. "We should have a goal to be the best education jurisdiction in the world." This thought was echoed time and again, and there was broad consensus that we need to invest in world class education systems, and that we need to start now—right now.

If we were to achieve that lofty aspiration, how should we think about it, and what actions should we take?

The first thing we must address, says Kent Jespersen, is the value we ascribe to education. In Asia, education is revered, and is a preeminent value. Asian students are dedicated, focused and committed to their studies. They work hard, and both the students and their parents are prepared to make sacrifices to ensure that they receive the best education. Somehow we need to think about how we could inspire similar values in our society. Our students of today and tomorrow are entering the same world as the Asian students—will they be at a competitive disadvantage if they have not devoted the same effort to their studies?

If we harken back to the early immigrants who chose to come here, education of the first generation of settlers was a driving force in their decisions to pursue better opportunities. Joe Clark recalled his mother's experience as a teacher working with a largely Ukrainian immigrant population. They were the best students she ever had because "the value to them was education, it wasn't wealth or education to become wealthy, it was education to become whole."

The idea that education is about something more than job accreditation was a common theme. The question at the heart of this is: to what end are we educating our students? "Does our system train people to be good citizens, good environmental stewards and engaged political citizens?" asks Mishka Lysack. Similarly, Satya Das says, "is the purpose of education to equip our citizens with the ability to learn and the ability to live well together? Or is it to drive individuals in to highly specialized streams, which they never leave, so that you have almost from the end of high school, an educational apartheid that causes disciplines to not even talk to each other? The life of the citizen, the life of the community, the Platonic ideal is denied from the beginning by a system that focuses on specialized outcomes. The purpose of education is, I think, to produce a well rounded citizen who is capable of adding to the common wealth and fostering the common good. Specialization is fine, but it must be grounded in that foundation."

On a practical level, Gail Asper, president of the Asper Foundation, agrees, and she is a vehement supporter of arts education in the schools. Not so that we can have great artists and musicians, not only for those who display aptitude, but for everyone so that they can learn to love and appreciate art. "I am really offended by the notion that it is important to memorize the periodic table in Grade 11, but not to sing in the choir," she says.

If we are to educate the whole person, if the outcome of education is more than being a good consumer, changes will be necessary at all levels of education from the earliest to the latest. Perhaps we will need to make structural changes. Peter Lougheed suggests we start with something simple, if controversial. "Why don't we extend the school year to eleven months?" he asks. Maybe the solution is to have more schools, like charter schools, with creative programming around artistic or scientific focused curriculums.

Although there was considerable discussion around the purpose and the structure of the education system as a whole, the greatest passion among interview participants was around universities.

# Quality vs. access in our universities

When asked what they want from postsecondary education in the West, people are clear that they want the universities in western Canada to be of the highest quality, world class in every faculty and department. They also want to make sure, though, that the majority of our students can attend university, obtain a degree and enter into the job market as critical and creative thinkers who are ready to take on the challenges of the day.

To a person, interview participants agreed that in order for western Canada to achieve its full potential we must have world class universities. Anne McLellan worries that many CEOs in western Canada send their children to Harvard, MIT, and Stanford, and that these students never return. It is understandable that parents want the best education available for their children—if we don't provide it here, we lose bright young minds, and potential community and business leaders of the future. If western Canada were home to world class universities not only would those local stars stay and continue to participate in our community, but we would also attract top quality researchers, international students, and research funding, and would enjoy the spin off commercial effects of elite intellectual clusters.

At the same time as we want all of this, though, we also want to make sure that all of our students are able to attend university. We want to make sure that there is a program for them, that the admission criteria are not too onerous, and that the tuition is not too high.

There are many good reasons for ensuring that we maintain access to higher education. One of the key drivers of our future success is education and we can only capitalize on that if students are actually able to attend university. It is also important that we recognize all kinds of capabilities, not just the traditional academic stream. And, finally, it is very important that university is available to people from different socioeconomic backgrounds. We know that intelligence does not correlate to socio-economic status and so nobody should be excluded because of an inability to pay.

So we are agreed then, it is really important that western Canada have high quality, world class universities and it is equally important that we do not restrict the access to these universities.

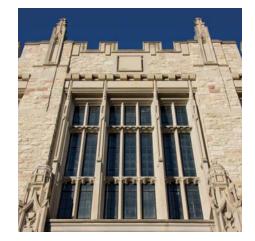
Herein lies a problem.

If we continue to see universities as balanced between the two values of quality and access, eventually we will have to make a choice as a society about which one is more important. The current trend has been leaning toward increased access. Universities are pressured to find space for more and more students without equivalent increases in government funding and despite tuition freezes. This has resulted is a system where universities are forced to sacrifice quality in the name of quantity.

Even with increased access, it is unclear we will have enough to compete in a global market place. As of 2010, there were twenty-five accredited universities in western Canada, with full time enrollments of about 195,000 students. Sanj Singh reminds us that China has more honour students than we have students in Canada, and that there are more engineering schools in the city of Bangalore than the rest of Canada.

The reality is that if we want to compete internationally on numbers alone, we are destined to fail before we even get off the ground. If you think in terms of competition, our best educational hope is to ensure that a higher proportion of the Canadian population is educated (access) and to ensure that those students receive the best possible education (quality).

We need both, but if we continue to see education as a seesaw balanced between quality and access, it is unlikely that much progress will be made. There will always be one thing or another that throws off the balance. Instead we should be focusing on creative solutions that transcend linear projections. Anne Giardini, President of Weyerhaeuser, comments: "The traditional university model needs to change. The idea that you have these few intelligent people that go on and become professors is not going to work in the future. There are solutions, but they require transcending the university model."



Thorvaldson Building, University of Saskatchewan, Saskatoon, Saskatchewan Scott Prokop



Pacific Bell Tower, Asian Center, University of British Columbia, Vancouver, British Columbia Xuanlu Wang

These solutions could be anything from technology to a greater emphasis on the international experience. Today's technology enables things that were impossible even 20 years ago. It is possible with advances in the internet, educational models and communication systems to bring world class educators to local level students. It may not replicate the traditional university system, but it may begin to overcome some of the challenges posed by the access/quality continuum.

Janet Smith spoke to this and expressed concern about the resistance to change in our universities. She comments, "we know that lecturing is not the way everyone learns and yet that's still what we are doing." She goes on to add that rather than investing in even larger lecture halls, universities should be considering how technology has changed our modes of communication and content delivery. Milton Wong, former Chancellor of Simon Fraser University, agrees. He notes that, "universities in the recent past always felt they had a corner on education and refused to change." The time for change, he argues, has now come.

Similarly, with a different perspective toward international education the idea of a global educational environment need not be threatening. Currently in western Canada we think of international students as revenue streams for universities—because they pay more than twice the tuition paid by local students and thus enable a deceptively low cost for local students—and as competition. The competition argument holds that if there are limited seats in universities, then every international student is taking a seat away from a local student. If we switch this thinking around, though, and start thinking about sending our students to universities around the world, while ensuring the opportunities exist for them to return and apply their skills here, the potential benefits are enormous. For one, we will have students attending some of the best universities in the world, gaining valuable cultural and linguistic skills—ones they can bring back with them—and forming bonds with other cultures. There is almost nothing to lose in turning our thinking around about the international student experience.

If we are to deliver on our promise as a region, and have strong and intense commercial relationships in the BRIC countries (Brazil, Russia, India and China), we must understand their cultures, and forge relationships at every level. Sending young people, on the verge of beginning adult life, to foreign countries to learn and bring back global knowledge is a very wise investment in their future and the future of the region. Currently, less than 3% of Canadian students study abroad, a major missed opportunity. Rather than being net recipients of international students, perhaps we should strive to become net senders of international students?

The idea that had the most traction with interview participants around how to transcend the access/quality debate was the idea of increased cooperation.

What this means is that universities should be cooperating provincially and regionally as much as possible to ensure that we can achieve excellence while still balancing access. Anne Giardini's recommendation for this was a ministry of education that supersedes provincial borders. There could be, for example, a single governmental body responsible for postsecondary education in the West that would invest and build centers of excellence throughout the region and develop a model of collaboration where schools do not lose funding when students take courses from another school.

This would enable the government, and universities, to invest more in centers of excellence and build them into world class research centers. "How did Carnegie Mellon become a world class university? They were focused on what they could do well. They killed departments, and faculties. They did not try to cover the waterfront as a full service university anymore. The best parts of CMU are a fun mixture of computer science, electrical engineering, some social science and arts and music," recounts David Keith. This unique mixture of elements has placed CMU at the leading edge of computer animation in the world and its graduates are highly sought after in the burgeoning animation industry internationally. The foundations for these centers are already in place. We have nanotechnology at the University of Alberta, agribusiness at the University of Manitoba, Aboriginal education at the University of Winnipeg, nuclear technology at the University of Saskatchewan, energy and environment at the University of Calgary, and mining engineering and Asian studies at the University of British Columbia.

Although these are already in place, in order for them to flourish there needs to be a fundamental re-think of what becoming world class in these areas will mean. What level of investment is optimal? What disciplines need to go, so the best can flourish? Where do we need to increase our investments? What interprovincial, inter-university synergies are required? Are we prepared to cede ground to other schools to allow ours to excel? These are not easy questions, and yet holistic, integrated learning is a value that must be preserved.

In addition to creating centers of excellence we also need to ensure that access is maintained. This could mean that we restructure some of our universities to deliver excellent undergraduate education exclusively. These schools would place an emphasis on instruction, student/teacher interaction and holistic education and could feed the best students into graduate programs at other institutions.

Additionally, there also needs to be a greater emphasis on trades and technical schools. There are looming labour shortages in western Canada as the demographic bolus moves through the veins of the region. This means that we will need to invest in recruiting and training students for these trades. We need to get far enough in front of this labour shortage curve to avert a pinch point, which will inflate the costs of production, extraction and transportation.

Part of the challenge in this is re-learning as a society how to express value for trades and technical graduates, making those choices as valuable as university. Marty Klyne observes, "we spent so much time at the dinner table telling our kids to get the white collar jobs and now we don't have enough blue collar workers. We are victims of our own advice there."

The bottom line is that both the quality and the accessibility of our universities are important to the future success of the West. In order to achieve both, though, we will need to overcome the current linear thinking around university education and we need to cooperate more. The current model, which forces universities to compete for students and funding rather than acting cooperatively is resulting in a degradation of the quality of education, something none of us can afford. Transcendent thinking is what is required, not incrementalism. That is easier said than done, of course, but important nonetheless. "If we can transcend the current model and make better use of our smart young people, we would have this engine that would never stop running. I think it would be the best possible investment in the West," says Anne Giardini, a passionate advocate for high quality education.

Lest we doubt the impact the education system can have on the future of the region, Aritha van Herk reminds us of a decision taken in Germany after its defeat in World War II. "One of the ways Germany rebuilt itself was by ensuring its universities were fine institutions, making tuition free and offering every student a stipend. The reason Germany grew in the way that it did in the second half of the 20<sup>th</sup> century was because of that. It's education, education, education."

#### CONCLUSION

Increased cooperation is essential to the success of western Canada. We have too few people, too large a landmass and too few resources for every district, city and province to go it alone. The example of education illustrates this point perfectly because it forces us to ask the question: will we be better off with many average educational institutions that are competing for students and resources, or, would we be better off with a concentration on excellence and a restructured educational model that is more cooperative?

One of the reasons cooperation is a difficult idea to put into practice is that sometimes it means creating a system that is the opposite of a competition model—like with our universities—and sometimes it means the reduction of barriers (and the increase of competition)—like with labour and trade mobility. It is also hard because there are many people with vested interests. Think about the BC wine producers before free trade came into effect. They were terrified of the idea of free trade because they knew their product was not good enough to survive comparison but they had no incentive to improve until trade barriers were lifted.

Marty Klyne comments on the problems of vested interest: "Uniting the provinces is not as easy as it sounds, largely because a number of people within industries do not want to cooperate. They don't want to make the pie bigger, they just want to get a larger piece of the pie. For the greater good, we need to figure out how to make the pie bigger and give more people a slice."

The reality is that cooperation can happen at the macro economic level and at the micro community level and no matter how you slice it, it is important. Susan Lewis, CEO of United Way of Winnipeg spoke expansively about the need for cooperation and collaboration on issues of poverty. Poverty issues are both complex and inter-related, which means no one organization or sector can solve them on their own. She states, "I think historically we have thought of things in silos—what drives a strong economy, healthy environment, builds great social capital, etc.—and each has their own way of marking success. I have a feeling a vibrant future lies in bringing those sectors together with a common sense of vision."



Abandoned farmhouse, Mossleigh, Alberta Jon Dirks CHAPTER SEVEN

# Conclusion

#### A STRONG WEST IN A STRONG CANADA

"There are no limits to the majestic future which lies before the mighty expanse of Canada, with its virile, aspiring, cultured and generoushearted people." This is as true today as it was over sixty years ago when Winston Churchill said it, and in many ways, the success of this country in the future depends on the success of the West.

This book has attempted to outline in some detail five areas that we must get right in order for the West to achieve its full potential. Three of these, demographics, Aboriginal issues and the environment, can be described as current challenges. These challenges are daunting, but there are many things that we can do as individuals, communities and as a region to address them. The economy and the quest for greater cooperation speak more to the opportunities facing the West. We already have so many of the building blocks in place, so much is already available to us that in order to make full use of our opportunities we need only to reach out and grab them.

But we can't sit back and let the world unfold, as if by chance. We have to make conscious choices about where the West is going, how it will get there, and with whom. How shall we use our resources, who will be our partners, what do we need more of, or less of, and what is it about this place that we must preserve at all costs?

At a preliminary glance it may seem as though the ideas coming out of these 50 interviews are overwhelming. Everyone has a slightly different vision for the future and there are myriad suggestions for how to achieve those visions. It would be a mistake, however, to conclude that the problems are too complex, or that there are too many to deal with. One of the strongest themes coming out of these interviews was optimism. When asked about the future of the region, almost everyone was enthusiastic about the possibilities and the opportunities to come.

When asked if he was optimistic about the future of western Canada, Charles Loewen recalled a message that applies both to individuals and regions: "Give us the strength to lift up our heads and open our hearts so that we can receive the blessings that are passing by us all the time." It's not a matter of striving for optimism; it's a matter of just opening up so that as blessings pass us by we can see them."

There is much to do, however, if we want to achieve the full potential of the West. So, whose responsibility is it to ensure that these things get done? The short answer is: everybody's. And we have the capacities to make that happen.

The thing that makes this place most unique is the people. "The makeup of the West, because it is still relatively new space and new thinking, is not manacled yet by traditions. I love traditions, but only to the point where they don't impede your ability to think more broadly," says Peter Robinson. Time and again, interview participants talked about the *can do* attitude here, and the meritocracy. The fact that each of us can pursue her biggest dreams, unencumbered by restrictions of class, history, pedigree or personal resources is seen as one of the things we must treasure and preserve. Steven Toope describes it as, "a continuing frontier mentality. There is freshness, a lack of hierarchy and a willingness to encourage people to do things their own way. There is just this sense that we are all in this together."

Many saw this as the continuing legacy of our barn raising roots. The West was built communally, all of us working together to create the robust interconnected community that wove the fabric of this place. In the same way that the barns were raised through the efforts of everyone together, the big bold ideas of the West have been supported by the individuals of the community metaphorically locking arms and creating the foundation for the future. In the early days of the West, resources were not available here from other places. "When things go bad, we are good," says Bob Linner. Out of the adversity of the early days came resilience and a spirit of self reliance that lingers to this day. Entrepreneurship is a value in the DNA of the West, created by the pioneering spirit of the immigrants who came here seeking greater opportunities.

Harley Hotchkiss, businessman and philanthropist, believes that, "if you work and live in a community you should be a part of the community—you should be a player. All of us should be prepared to commit time, energy and resources to help make the community better."

This spirit of communalism and pride was exemplified in the 2010 Winter Olympics. Vancouver and the lower mainland of British Columbia put on the show, but all of Canada felt a sense of pride in the success of the Olympic Games. "Having athletes win puts you on the map, having dancers or ballet companies performing in Paris or Rome puts you on the map in a positive way," says André Lewis. So when we think of community, we must think more broadly than our neighborhoods, as important as they are. The lesson from the Olympics is that if we want positive results, like those achieved by Canadian athletes, we need to invest in success.

That is true in regards to our economic and technological future but it is equally true for our artists, athletes, architecture—and those are just the ones that start with "a." This was a message that Gail Asper stressed concerning architecture; she urges us to remember that when designing new spaces, "architecture is a symbol of how we feel about ourselves as citizens, what we feel we deserve." The idea that we need to invest in our success is an important one going forward. We need to invest in our educational, economic, technological, and environmental success.

The idea of the West as an entrepreneurial place, one that takes pride in its accomplishments and exemplifies a communal spirit should not in any way, however, be interpreted as a point of division between other regions of the country.

There has long been a tension in the West, either real or perceived, between the region and the federal government. It was interesting to note that the message we received from interview participants was that that discussion has no place in the future of the West. No one was interested in outlining how the federal government had failed the interests of the West and no one suggested that the West should strive to go it alone. Instead, there was a sense that we are all in this together and the only way for the West to succeed is within the context of a successful Canada. When thinking about a potential vision for the region, Preston Manning summarized this best by stating that western Canada should strive to be "the best possible place for those who live here, and the best possible neighbour for those who don't."

The West has had what Joe Clark called a "psychosis of exclusion" for the last 40 years or so, and the message that came through these conversations is that the time has come to give up that psychosis, to move on, to seek new allegories, and to stand together as a strong region within a strong country.

That doesn't mean the interests of the West do not still need to be represented, just that there needs to be a new paradigm through which the West sees the federal government. It is only with a positive and productive relationship with the rest of Canada that we can achieve all that we need to achieve. The bottom line is that we are all in this together and all the arguments for cooperation at a regional level also apply at a national level.



Inukshuk, Whistler, British Columbia Chris Howey



#### WHO SHOULD DO THIS?

In addition to those goals that can be accomplished at the individual and community level, there is also unquestionably a role for government in western Canada achieving its opportunities and overcoming its challenges as many recommendations are in the hands of governments such as immigration policies and improved interprovincial cooperation.

On this, there was a disconnect for interview participants between what they thought the role of governments *should be* and what they perceive the current role of government *is*. The desire, hope and wish of interview participants is that governments would act as the keepers of the vision. That they would plan, act and govern with a view towards the future and would move the provinces, region and country forward with a sense of common vision as their guiding post.

Perhaps the most useful distinguishing point is that people wished for statespeople who would act for the good of the state, rather than politicians, who act for the good of re-election. Many people expressed concern that governments do not seem to be able to think strategically beyond the next election cycle and are therefore subject to the ebbs and flows of public opinion and polling data. This raises an interesting question: if governments are not up to the job, who will guard and keep the collective vision of people?

We need to find a way to inspire our political leaders with the will to lead. We need to find ways to encourage them to pursue creative and innovative policy solutions that will address the challenges of today while guiding us towards the realization of tomorrow's opportunities.

# A VISION FOR THE FUTURE

We need to be asking ourselves: what does it take to be great?

The reality is that if we aim at mediocrity, we are certain to achieve it. We must remember that we in western Canada have all the advantages in the world: we have wealth, stable government, a free and open society, an educated workforce, abundant resources, a rich culture and modern infrastructure.

So we need to ask: Do we want to be a place that people visit because our cities inspire them? Do we want our daughters and sons to go to the best schools in the world, located right here in western Canada? Do we want to be a world leader in environmental and economic integration?

History is only one measure, but it is a useful one: How do we want to be remembered? As a region with vast potential but little foresight, or, as visionaries who aspired to greatness?

This is what's at stake. It's exciting. Are we asking for too much? Consider this: we have so much that it would be irresponsible to ask for less. We owe it to ourselves and to future western Canadians to contemplate the future and commit our time, energy and resources to ensuring that the promise our region possesses is fulfilled.

Len Waverman notes that we in the West are not celebrating what we have enough, "we don't tout ourselves. We have gold medal aspirations, but we don't like to talk or shout about it. There's no singing here."

It is time for us to start singing!

Hoodoos, Writing-On-Stone Provincial Park, Alberta

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#### INTERVIEW PARTICIPANT BIOGRAPHIES

# Gail Asper

Daughter of entrepreneur and philanthropist Israel Asper, Gail is a lawyer by training but worked until 2010 as the Director and Corporate Secretary of CanWest Global Communications Corp. She is currently President of the CanWest Global Foundation and President of the Asper Foundation. Long associated with the arts and culture community as a volunteer, performer and fundraiser, Gail was awarded the Order of Manitoba in 2007 and made an Officer of the Order of Canada in 2008. pages 71, 78

# **Clive Beddoe**

Clive Beddoe is an entrepreneur and businessman. He was a founding shareholder and, until 2007, the CEO of WestJet Airlines. A pilot himself, Clive used his technical knowledge and entrepreneurial skills to build Canada's leading low fare airline. Now Chairman of the Board of Directors for WestJet, Clive was Canada's 'Entrepreneur of the Year' in 2000. page 49

#### Joe Clark

Joe Clark served as Canada's 16th Prime Minister, from June 4, 1979 to March 3, 1980. He was Canada's youngest prime minister and the only person to defeat Pierre Trudeau in a federal election. He has remained prominent in national and international politics since that time. Today, Clark is recognized as a distinguished teacher and statesman. He is active in international business, and not-for-profit organizations that specialize in good governance and conflict resolution. pages 35, 70, 71, 78

# John Cross

John Cross is the Steward of the A7 Ranche, officially the oldest cattle ranch in Canada still in the hands of the original family. He practices holistic resource management of his grasslands. This means a cyclical method of planning and monitoring towards a three-part, holistic goal, succeeding every year in landscape health, human wellbeing, and financial profitability. John has a strong commitment to preserving working ranches in western Canada and is a frequent public speaker, when not out riding his horse on the range. pages 45, 57

# Satya Das

Satya Das's mission in life is to make a difference in the world. After a successful first career as an award-winning Canadian journalist, author, and leading opinion maker, Satya co-founded Cambridge Strategies Inc. in 2001. Cambridge Strategies Inc. is a Canadian consultancy offering advice and judgment to public officials and leaders in the public and private sectors. He has received numerous awards and is the author of the bestselling book, *Green Oil.* pages 14, 15, 45, 55, 71

# Camille Dow Baker

Formerly a petroleum engineer, working in Calgary's Oil and Gas sector, Camille is now the volunteer President and CEO of the Centre for Affordable Water and Sanitation Technology (CAWST), a non-profit engineering consulting firm which has helped provide clean drinking water to over 3.6 million of the world's poorest people. pages 12, 38, 39

#### Stephen Duckett

Dr. Stephen Duckett assumed his current role as President and CEO of Alberta Health Services in March 2009. Most of his experience prior to was in Australia, occupying leadership roles in two states and at the national level as Secretary (Deputy Minister) of the Commonwealth Health Department. Trained as an economist, he has doctoral degrees in Health Administration, Health Policy and Higher Education Management. page 13

#### David Emerson

A Canadian politician, businessman and civil servant, Emerson is a former Member of Parliament. He was first elected as a Liberal and served as Minister of Industry under Prime Minister Paul Martin. He then crossed the floor and joined Stephen Harper's Conservatives and served as the Minister of International Trade, Minister for the Pacific Gateway, and Minister of Foreign Affairs. He has a PhD in Economics from Queen's University and had a very successful business career before entering political life. pages 45, 66, 68

#### **Gary Filmon**

Gary Filmon served as the leader of the Progressive Conservative Party of Manitoba from 1983 to 2000 and the Premier of Manitoba for 11 years. He has more than 25 years of experience in public office. In 2009, he was made an Officer of the Order of Canada for his contribution to public office and his continuing leadership on numerous provincial and national boards. He holds a Master's degree in Civil Engineering.

pages 65, 66

#### Jock Finlayson

Jock Finlayson is the Executive Vice President of the Business Council of British Columbia. He holds a Master's degree in Business from Yale University, undergraduate and Master's degrees from UBC and a post-graduate diploma in Economics from the University of London. Jock is the author or co-author to two books and more than 35 published articles and book chapters. He currently serves on numerous boards and councils including the Board for the Bank of Canada.

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#### **Richard Florizone**

Dr. Richard Florizone is the Vice-President of Finance and Resources at the University of Saskatchewan. Originally from Prince Albert, Richard is a graduate of the University of Saskatchewan in Engineering and Physics and holds a PhD in Nuclear Physics from the Massachusetts Institute of Technology (MIT). His previous work experience includes positions as a Director of Strategy for Bombardier Aerospace, Consultant and Project Leader for The Boston Consulting Group, and Senior Corporate Liaison Officer and Fundraising Consultant for Cambridge University.

pages 41, 21, 68

#### Anne Giardini Q.C.

A lawyer by training, Anne Giardini Q.C. is a truly multi-talented woman. Since 2008, Anne has been President of Weyerhaeuser Company Limited, a subsidiary of Weyerhaeuser Company, an integrated forest products company with a presence in 10 countries. She is also an author, journalist, Board Member at Simon Fraser University and frequent public speaker on a range of topics. She has written two novels, *The Sad Truth about Happiness* (2005) and *Advice for Italian Boys* (2009), and is at work on a third with the working title *Anguish Pie*. pages 72, 73, 74

# Todd Hirsch

Todd Hirsch is the Senior Economist at ATB Financial. He received an Honors Bachelor's degree in Economics from the University of Alberta, and a Master's degree in Economics from the University of Calgary. He has held a series of economist positions at a variety of for-profit and public sector organizations, is active in the community and serves on the Board of Directors of the Calgary Arts Academy.

pages 22, 42, 46

#### Harley Hotchkiss

Harley Hotchkiss is a business and community leader who has made great contributions to health and sports development in Canada. Mr. Hotchkiss has worked as a geologist, manager, and president for several petroleum companies. He is one of the owners of the Calgary Flames and served for many years as the Chairman of the Board of Governors for the National Hockey League. He received an honorary Doctor of Laws degree from the University of Calgary, was appointed an Officer of the Order of Canada in 1997, appointed a Companion of the Order of Canada in 2009, and was awarded the Alberta Order of Excellence in 1998. page 78

#### Grant Isaac

Grant Isaac is the Senior Vice-President of Corporate Services at Cameco Corporation. Prior to coming to Cameco, Grant served as the Dean of the Edwards School of Business in the University of Saskatchewan. He is the author of two books on trade and regulations as well as numerous book chapters and research articles. He received a PhD in Economics from the London School of Economics. He currently serves on a number of boards and councils throughout Saskatchewan.

pages 57, 67

#### **Tom Jackson**

Appointed an Officer of the Order of Canada in 2000 for his music and humanitarian work, Tom Jackson is well known to Canadians as an accomplished musician and actor dedicated to helping the less fortunate. Tom received the Queen's Jubilee medal in 2002 and Centennial Medals from Alberta and Saskatchewan in 2005. Tom begins a 3-year appointment as Chancellor of Trent University in September 2009. pages 31, 32

#### Kent Jespersen

Mr. Jespersen is the Chairman and CEO of La Jolla Resources Ltd., an advisory firm that focuses on matters of strategy and corporate governance. Mr. Jespersen is widely viewed as one of Canada's leading exponents of corporate governance, and is a sought after director. Mr. Jespersen's contributions have extended well beyond the corporate world—he has been active in numerous charitable and public service roles, including serving as Chairman of the Institute of the Americas, and past-Chair of the C.D. Howe Research Institute.

pages 60, 70

# Janet Keeping

Janet Keeping has held the position of President of the Sheldon Chumir Foundation for Ethics in Leadership since 2006. Janet holds a Bachelor of Science in Art and Design from the Massachusetts Institute of Technology, a Master's in Philosophy and a Bachelor of Laws degree from the University of Calgary. Prior to accepting the position of President of the Foundation, Janet was Director of Russia Programs for, and a Research Associate with, the Canadian Institute of Resources Law at the University of Calgary. page 40

# David Keith

David Keith is the Direct of the ISEEE Energy and Environmental Systems Group, the Canada Research Chair in Energy and the Environment, a Professor at the University of Calgary and an Adjunct Professor in the Department of EPP, Carnegie Mellon. David took first in Canada's national physics prize exam, won MIT's prize for excellence in experimental physics, was listed as one of TIME magazine's Heroes of the Environment 2009 and was named Environmental Scientist of the Year by Canadian Geographic in 2006. He spent most of his career in the United States at Harvard University and Carnegie Mellon University before returning to Canada in 2004 to lead a research group at the University of Calgary.

pages 22, 27, 44, 45, 54, 73

#### Marty Klyne

Marty Klyne is a seasoned leader with expertise in business and economic development; he is currently in charge of the Regina Leader-Post as its publisher. Marty has a strong history of service to the community and currently serves on a number of committees and boards including the Regina Regional Opportunities Commission Board, the Entrepreneurship Small Business Program Advisory Committee (SIAST), Mackenzie Art Gallery Board, the Aboriginal Participation and Upskilling Initiative (APUI), and the President's Provincial Image Task Team (Tourism Saskatchewan). Born and raised in Regina, Marty graduated With Distinction from the University of Regina, achieving a Bachelor of Administration degree, with a major in Finance. pages 24, 31, 74, 75

#### Oryssia Lennie

Oryssia Lennie served in the public sector for 35 years, 26 with the Alberta Government and 9 with the Government of Canada. Oryssia was Deputy Minister of Western Economic Diversification Canada from 1997 until her retirement from the Public Service of Canada in June, 2009. She is the recipient of the Lieutenant Governor of Alberta's 2002 Award for Excellence in Public Administration. Oryssia was also named the YWCA Woman of Distinction in 1997.

pages 66, 67

#### André Lewis

On March 7, 1996, André Lewis was named Artistic Director of Canada's Royal Winnipeg Ballet. A native of Hull, Quebec, Mr. Lewis joined the RWB School's Professional Division in 1975, entered the company's corps de ballet in 1979 and was promoted to soloist in 1982. He was asked to join the artistic staff in 1984 and was appointed Associate Artistic Director in 1990. During his tenure as Artistic Director, Lewis has worked to revitalize the Company's repertoire, especially with the commissioning of new full-length ballets such as *Dracula*, *Nutcracker* and *The Magic Flute*. pages 42, 78

#### Susan Lewis

Susan Lewis has been committed to the United Way movement since 1974 when she began with the Winnipeg organization, assuming the role of President in 1985 and currently serving as a member of the Advisory Council and Business Transformation Coalition for United Way of Canada. Susan serves on a number of boards including the Winnipeg Poverty Reduction Council and the Premiers' Council on Education and Poverty. Having served on several of its task groups over the last few years, Susan remains a committed member of the Board for Imagine Canada, a national charitable organization that works to advance knowledge and relationships to foster effective and sustainable charitable and non-profit organizations.

page 75

#### **Bob** Linner

Bob Linner was a municipal leader in Saskatchewan for 39 years, retiring in 2006 after 19 years as City Manager in Regina and 11 in Prince Albert. He served as President of the Canadian Association of Municipal Administrators and was awarded the distinguished Lieutenant Governor's Gold Medal Award for Excellence in Public Administration. He has participated on or chaired a number of public policy forums and commissions. His current community and provincial commitments include nine boards, notably Chair of Regina Habitat for Humanity and Vice Chair of both the Regina Airport Authority and Saskatchewan Housing Corporation.

pages 21, 27, 66, 78

#### **Charles Loewen**

Charles was at the helm of Loewen, a century-old family business that is a leading producer of windows and doors for residential and light commercial markets worldwide, for almost 20 years. He is a graduate of the University of Winnipeg with a Bachelor's degree in History and Philosophy. Charles is the current Chair of the Business Council of Manitoba and is a Member of the University of British Columbia's Forestry Advisory Council. In 2006, Charles was inducted into the Canadian Manufacturers and Exporters Hall of Fame. He is among the distinguished recipients of the Commemorative Medal for the Golden Jubilee of Her Majesty Queen Elizabeth II. pages 49, 77

#### Peter Lougheed

Peter Lougheed is a Canadian lawyer, a former politician and Canadian Football League player. He served as the 10<sup>th</sup> Premier of Alberta from 1971 to 1985. He received Bachelor and Law degrees from the University of Alberta. During that time he also played football for the Edmonton Eskimos. He was elected Leader of the Alberta Progressive Conservative Party in 1965 and led them to a landslide victory in 1971. Peter Lougheed has received numerous awards, including all of Canada's most prestigious ones, he is one of western Canada's most beloved politicians and his political dynasty remains to this day. pages 38, 40, 60, 67, 68, 71

#### Ken Lyotier

Ken Lyotier was born in North Vancouver in 1947. He has lived and worked in Vancouver's Downtown Eastside, a socially and economically depressed area of the city, for the past 30 years. He was the Founder and Executive Director of United We Can, a non-profit bottle depot operating in downtown Vancouver since 1995. His work has been well-recognized and he has received numerous awards and commendations including a Medal for Meritorious Service from the Governor General of Canada.

page 44

#### Mishka Lysack

Mishka Lysack is an Assistant Professor in the Faculty of Social Work and Adjunct Assistant Professor in the Department of Psychiatry in the Faculty of Medicine at the University of Calgary. He teaches social work theory and practice and ecosocial work, specializing in environmental ethics, building resilient social and ecological communities, environmental decline as a moral issue, and public education approaches to environmental citizenship. pages 46, 47, 71

# Peter MacKinnon

Peter MacKinnon has been President and Vice-Chancellor of the University of Saskatchewan since July 1999. Originally from Prince Edward Island, he has lived in Saskatoon since 1975. He is a co-editor of three books and author of many articles, commentaries and reviews in Canadian and international legal journals; numerous speeches and conference presentations. He is the recipient of many professional and service awards including the Canadian Bar Association Distinguished Service Award; the Saskatchewan Centennial Medal and the Queen Elizabeth II Golden Jubilee Medal. pages 31, 32, 4I

#### **Preston Manning**

Preston Manning, the son of Alberta's longest serving premier Ernest Manning, founded two conservative federal political parties—the Reform Party and the Canadian Reform Conservative Alliance or Canadian Alliance. Preston Manning was leader of the Reform Party for 13 years. Since his retirement from politics, Preston Manning continues to be active writing and speaking about reforming Canadian politics through conservative principles, and has created The Manning Centre for Building Democracy, a nonprofit organization to support conservative-oriented research, training, and communications.

pages 41, 55, 78

#### Ron Mannix

Ron Mannix grew up learning about the family business his grandfather, Frederick S. Mannix, began in 1898 as one of western Canada's first construction firms. When Ron graduated from the University of Alberta, the business had diversified to include oil and gas exploration and production, venture capital, coal mining, pipeline and railroad maintenance. He has worked tirelessly since then to take the business to the global stage and to give back to the community. Ron serves his community by sitting on boards, supporting small businesses, universities, medical research initiatives, social services and cultural organizations. He is the recipient of an honorary Doctorate degree from the University of Alberta, Member of the Alberta Order of Excellence and has been appointed to the Order of Canada. pages 44, 56

# **Russel Marcoux**

Russel Marcoux is the CEO of one of western Canada's largest transportation companies, the Yanke Group of Companies. Mr. Marcoux has always been a strong believer in giving back to his industry and his community. He served as Chairman and Director of the Canadian Chamber of Commerce and as Director of Farm Credit Canada, to name a few. He has also served on numerous fund raising committees in support of local and national charities pages 13, 57, 67

#### Anne McLellan

Anne McLellan served four terms as the Liberal Member of Parliament for Edmonton Centre from 1993 to 2006. She served as Deputy Prime Minister of Canada and as the Minister of numerous departments. Prior to her political career, Anne was an Assistant Professor of Law at the University of New Brunswick, Associate Professor of Law at the University of Alberta and Associate Dean. She serves on many boards, is a member of the Alberta Premier's council for Economic Strategy, has honorary Doctorate degrees from the University of Alberta and Cape Breton University and was appointed an Officer of the Order of Canada.

pages 56, 71

#### Dave Mowat

Over three decades, the Alberta-born, BC-educated Mowat has seen all aspects of the banking world: venture capital markets, credit, retail and small business financing, and three chief executive posts. He is currently the CEO of ATB Financial. His passion for the industry has led him to the boards of several prominent Canadian organizations, including Visa Canada and the Citizens Bank of Canada. Before ATB, Mowat was CEO of VanCity, which under his leadership became renowned for its commitment to corporate social responsibility while growing its assets, profitability and membership to record levels.

pages 16, 55, 59, 70

#### Ruben Nelson

Ruben Nelson is one of Canada's pioneers of serious futures research. Since 1960, he has had an active interest in our future and today he is one of Canada's few professional futurists. Over the years he has written on changing paradigms, the cognitive work of leadership, societal change, the future of work, 21st century social policy, the emerging information society and the societal implications of micro-electronic technologies. Ruben Nelson is the only Canadian who is a fellow of the World Business Academy, the World Academy of Art and Science and the Meridian International Institute for Leadership, Governance, Change and the Future.

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# **Kevin Peterson**

An award-winning journalist and former Publisher of the Calgary Herald, Kevin has served as Senior Counsel with an international public relations consulting firm and regularly guides provincial and national communication projects. He also serves as an advisor to the Canada West Foundation. Kevin has been extremely active in the Calgary nonprofit sector. He was on the Board of Directors of the Calgary Centre for Non-Profit Management, and the Michener Foundation, as well as a member of the Advisory Council of the Calgary Institute for the Humanities.

pages 11, 12, 56, 65

# **Carolyn Preston**

Principal Consultant at CKP & Associates, Dr. Preston is an accomplished scientist, engineer, and researcher. She previously worked as the Executive Director of the Petroleum Technology Research Centre and at the Canadian federal department, Natural Resources Canada, holding a variety of research and management positions. Dr. Preston has a Bachelor's degree in Engineering Chemistry from Queen's University and Master's and Doctoral degrees in Physical Chemistry from the University of Toronto. Dr. Preston has some 60 peer-reviewed publications and presentations to her credit, and 14 awards and scholarships, including a UK Chevening fellowship in the economics of energy (2007).

page 67

# Peter Robinson

Peter Robinson is the CEO of the David Suzuki Foundation, Canada's most trusted voice on matters of science and the environment. Before Robinson's appointment at the Suzuki Foundation, he was the CEO of Mountain Equipment Co-Op, where he led the organization through a period of sustained sales and membership growth across Canada. Robinson possesses a diverse background in business, government and the not-for-profit sectors, and has a distinguished history of leading Canadian organizations through periods of sustained sales and membership growth. pages 35, 41, 46, 77

# Sanj Singh

Sanj Singh is an Assistant Professor of Entrepreneurship, Innovation and Technology Commercialization in the Department of Management & Marketing at the Edwards School of Business. He is also is the Director of the University's W. Brett Wilson Centre for Entrepreneurial Excellence. Sanj has provided strategic consulting and management services to life science and advanced technology companies. He has over 20 years of industry experience having started a number of technology based firms. He has an MBA in Biotechnology Management and his academic and professional career includes finance, marketing, and high technology entrepreneurship. pages 44, 72

#### **Ruth Smillie**

Ruth Smillie is a director, playwright, actor, and theatre educator. Today she is the Artistic Director and CEO of Regina's Globe Theatre. Ruth Smillie's plays for young audiences have been produced by theatres across Canada. Ruth was presented with the University of Saskatchewan Alumni Award in 2000, the Queen's Golden Jubilee Medal in 2002, the YWCA Women of Distinction Arts Award in 2004, and the Saskatchewan Centennial Medal. In 2008, SaskBusiness Magazine named Ruth as one of ten Women of Influence. pages 5, 6

#### Janet Smith

Dr. Janet Smith's career with the Public Service of Canada has spanned many departments and agencies, including task forces and commissions. She has been Associate Deputy Minister of Transport Canada, Deputy Minister of Privatization, Deputy Minister of Western Diversification, Deputy Minister of Consumer and Corporate Affairs, and Principal of the Canadian Centre for Management Development. Her most recent post was leading the Task Force for an Inclusive Public Service. Although recently retired, she remains committed as a change catalyst.

pages 42, 73

# **Eugene Stickland**

Eugene Stickland is a Playwright born in Regina, Saskatchewan. He studied theatre at York University, graduating with a Master's in Fine Arts. Since 1994, Stickland has lived in Calgary, where he was playwright-in-residence at Alberta Theatre Projects (ATP) until 2004. During this time, Eugene looked after the educational programming at ATP, including the Student Writers Group and the Theatreblitz! Festival, and was the Canadian delegate to the World Interplay Festival for young playwrights in Australia. Eugene Stickland is also a teacher and mentor. He currently teaches at St. Mary's University College in Calgary, and has led playwriting workshops across the country and internationally.

page 42

# Peter Tertzakian

Peter Tertzakian is the Chief Energy Economist of ARC Financial Corporation, one of the world's leading energy investment firms. Peter's background in geophysics, economics and finance, combined with his entrepreneurial spirit, helped him rise from the trenches of hands-on oil exploration fieldwork to become an internationally recognized, top-ranked expert in energy matters. Peter has an undergraduate degree in Geophysics from the University of Alberta, and a graduate degree in Econometrics from the University of Southampton, UK. He also holds a Master of Science in Management of Technology from the Sloan School of Management at MIT. pages 15, 16, 56, 57, 60

# **David Thomas**

David M. Thomas is the retired Vice-President Academic of Vancouver Island University in Nanaimo, BC. Educated in the United Kingdom, France, and Canada, he has held a number of senior academic administrative appointments in addition to teaching. He has a PhD in Political Science from the University of Calgary; is author of *Whistling Past the Graveyard: Constitutional Abeyances, Quebec, and the Future of Canada*; was a co-editor of *Braving the New World: Readings in Contemporary Politics*; and is the editor of the first two editions of *Canada and the United States: Differences that Count.* page 67

#### Vianne Timmons

Dr. Vianne Timmons officially began her role as seventh President and Vice-Chancellor of the University of Regina on September 1, 2008. During the course of her career, she has authored or edited nine books, written 11 book chapters, and authored more than 40 peer-reviewed articles in leading academic journals. She has been either the principal investigator or a coinvestigator on more than 30 funded research projects, and has also presented more than 150 invited lectures about her work. pages 18, 31

#### Stephen Toope

President and Vice-Chancellor of the University of British Columbia, Stephen Toope is an International Law scholar who represented Western Europe and North America on the UN Working Group on Enforced or Involuntary Disappearances from 2002-2007. Professor Toope's academic interests include public international law, legal theory, human rights, international dispute resolution, and family law. Professor Toope earned his PhD from Trinity College, Cambridge, his degrees in common law (LLB) and civil law (BCL) with honours from McGill University, and graduated magna cum laude with his AB in History and Literature from Harvard University. pages II, 19, 4I, 70, 77

#### Aritha van Herk

Aritha van Herk is a public intellectual and motivational cultural speaker as well as an award winning Canadian novelist. She first rose to international literary prominence with the publication of *Judith*. Her other books include *The Tent Peg*; *No Fixed Address: An Amorous Journey*; *Places Far From Ellesmere*; *Restlessness*; *In Visible Ink*; *A Frozen Tongue and Mavericks*: *An Incorrigible History of Alberta*. She is a member of the Royal Society of Canada, and a Professor who teaches Canadian Literature and Creative Writing in the Department of English at the University of Calgary, but first of all, she is a writer who loves stories. pages 14, 15, 19, 42, 76

#### Colleen Vancha

Colleen Vancha is Vice-President of Viterra's Investor Relations and Corporate Affairs Division. Before joining Viterra, Ms. Vancha was employed by the Government of Saskatchewan's Department of Finance, where she worked in the Taxation and Economic Policy Division, the Treasury Board Division and the Investment and Financial Services Branch. She studied Business Administration at the University of Regina and has completed the Canadian Securities Course and the Investor Relations Executive Development program at York University.

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#### Leonard Waverman

Leonard Waverman is Dean of the Haskayne School of Business at the University of Calgary. He is also a Fellow at the Centre for Management Development at London Business School. Between 1999 and 2007, he was Professor of Economics and Chair of Economics (2003-2007) at the London Business School. Prior to moving to England, he was a Professor of Economics at the University of Toronto. He has a Bachelor of Commerce and Master of Arts degrees from the University of Toronto and a PhD in economics from MIT. pages 60, 79

# Milton Wong

Milton K. Wong was born and raised in Vancouver and graduated from the University of British Columbia. He founded M.K. Wong & Associates Ltd. (MKW) in 1980 to provide investment-counseling services to pension plans, foundations, mutual funds and individuals. He is known for his extensive community involvement and has become adept at dividing his leadership skills between his work and the community. He has been awarded the Civic Award from the City of Vancouver, the Distinguished Leadership Award from Simon Fraser University; the Order of Canada, and the Order of British Columbia. pages 47, 73

#### CANADA WEST FOUNDATION IS 40 YEARS STRONG!

In 1971 the Canada West Foundation was established to give the people of the West-British Columbia, Alberta, Saskatchewan and Manitoba, a voice for their dreams, interests and concerns. In doing so, the goal was to put the West on the national agenda and be at the forefront of the most important issues and debates.

Since then, the Canada West Foundation has successfully met that goal, proving itself to be one of Canada's premier research institutes. The Canada West Foundation is the only think tank dedicated to being the objective, nonpartisan voice for issues of vital concern to western Canadians.

This year we celebrate 40 years of representing western viewpoints across Canada. We are proud of our accomplishments and know our research and commentary has improved government policy and decision making.

Today the West is in, but we won't stop there. We continue to promote important issues and debates that provide made-in-the-West solutions to national problems and keep the West thriving.

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