



Under Construction

Western Canada and the Global Economy

*A Summary of the Canada West Foundation's
Building the New West Project*

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March 2005



BUILDING THE NEW WEST

Under Construction: Western Canada and the Global Economy is the final report of the Canada West Foundation's **Building the New West Project** – a multi-year research, consultation and communications effort focused on the strategic positioning of western Canada within the global economy. Five key priorities emerged from an extensive research and consultation process, and provide a framework for the **Building the New West Project**:

- the West must create the tools to attract, retain, and build HUMAN CAPITAL;
- the West must continue ECONOMIC DIVERSIFICATION;
- the West must strengthen its TRANSPORTATION INFRASTRUCTURE;
- the West must promote the global competitiveness of its MAJOR CITIES; and
- the West must develop new ways of facilitating REGIONAL COORDINATION.

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Speaking of the budget, the Building the New West Project would not have been possible without the generous financial support of the dozens of organizations and businesses that provided funding (see Appendix 1) and the hundreds of individuals who have made donations to the Canada West Foundation. The Kahanoff Foundation and Western Economic Diversification Canada were the main funders, and supported the work from start to finish.

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Finally, the inspiration for the project was drawn from western Canada and the people who call it home. The West's Aboriginal peoples, early pioneers, farmers, ranchers, business people, students, parents, volunteers, children, seniors and everyone in between are the real engine of the Building the New West Project. In this spirit, we end the project as firmly convinced as ever that strong regions make for a strong Canada.

Foreword

The Building the New West Project addresses a question that is central to the mandate of the Canada West Foundation – how do we ensure that the four western Canadian provinces remain competitive in a rapidly evolving global environment? Although the West has a very strong hand to play – a bountiful resource base, a highly educated population, often breath-taking natural capital, vibrant and diverse communities, and an entrepreneurial political culture – there is also no mistaking the magnitude of the challenge. Our competitors leave no room for complacency.

If, then, we are to achieve the Canada West Foundation’s vision – a prosperous West within a strong Canada – it is imperative that we turn to the future with both confidence and determination. Therefore the intent of the Building the New West Project is to enrich the public policy debate on the future of the West.



Dr. Roger Gibbins
President and CEO

Now of course, many of the policy issues we tackle have been tackled before by sectoral policy communities, by provincial governments, and through national policy dialogues. However, the Building the New West Project stands apart by virtue of its regional framework, one that enables the Canada West Foundation to accomplish a number of goals. First, it allows us to showcase the importance of the West to the national economy, and to the national community more broadly defined. Second, the regional framework illustrates that many of the determinants of prosperity cannot be addressed within provinces alone, for they spill across both jurisdictional and territorial boundaries. Third, the framework enables us to highlight some of the ways in which the policy context in western Canada stands apart from the national scene, the ways in which the West is truly distinct.

The bottom line is that while provincial and national policy frameworks are necessary to address the determinants of economic prosperity, they are not sufficient. In some cases, although by no means all, the West as a whole makes sense as a policy container. Simply put, there are policy challenges that compel us to think within the regional box if they are to be addressed successfully. The trick is to balance this regional reality with a respect for provincial peculiarities and priorities.

Under Construction: Western Canada and the Global Economy therefore draws emphatic attention to the need for regional cooperation among the four western provinces. After all, the entire West has a population of just over nine million, or about the size of greater Los Angeles. On the global stage, even the region as a whole is a relatively small player.

It should also be stressed, however, that regional cooperation is not meant to supplant a federal government policy role in the West. To the contrary, a regional perspective is an essential complement to both provincial and national perspectives. Regional frameworks may well provide a means through which the federal government can contribute more successfully to economic prosperity and quality of life within western Canada.

Finally, I want to stress the future orientation of the Building the New West Project. Too often, discussions about the place of the West in Canada focus on past grievances. However, if the challenge of global competitiveness is to be met, a rear-view mirror perspective on the West’s relationship with the rest of the country will not suffice – we will miss both threats and opportunities that are hurtling towards us at great speed. It is essential, therefore, that discussions of the West in Canada, and of the West in the global environment, turn resolutely to the future. The West is indeed under construction, and the blueprint impels us to look forward, not back.

A handwritten signature in black ink, appearing to read 'R. Gibbins', with a horizontal line underneath.

Executive Summary

The first phase of the Canada West Foundation's Building the New West Project identified five fundamental things that the West needs to get right if it is to compete effectively in the global economy and, in turn, maintain a high level of prosperity at home. Investing heavily in our stock of human capital, increasing the variety and value of the products and services we offer the world and expanding trade with different countries, building an efficient transportation system that can keep pace with the economy, ensuring that our large cities are world-class economic engines, and significantly increasing the degree to which the four western provinces work together were seen as absolutely vital to the future health of the western economy.

To advance debate about, and positive public policy action in, these five priority areas, the Canada West Foundation conducted a second phase of the Building the New West Project. This second phase involved research, consultation, and communication activities in each of the five areas. Phase I began in 2000 and Phase II began in earnest in 2002. As of March 2005, the project is now complete and this report provides a summary of its main elements, findings and the many public policy recommendations it generated.

In addition to the recommendations made during the course of the project, this report outlines 12 summative public policy suggestions:

1. The governments of the four western provinces should convene a landmark meeting to develop a master plan for regional cooperation.
2. The federal government and the governments of the four western provinces should convene a major federal-provincial conference modeled after the Western Economic Opportunities Conference of 1973.
3. The governments of the four western provinces should consider the creation of a permanent regional governance body with the mandate and the muscle to move forward on cooperation where clear benefits are evident.
4. The federal government and provincial and municipal governments in the West should create a single-window regional approach to skills training.
5. The tremendous untapped human capital potential of immigrants and the Aboriginal population, combined with stubborn barriers to realizing this potential, suggest a need for a special approach in these two areas. Federal, provincial and municipal governments should work together to improve Aboriginal education and labour market outcomes; increase immigration in high needs areas; provide greater support for new immigrants in terms of both social needs and Canadian education, skills and experience; increase the recognition of not only foreign credentials but also foreign experience; and support objective research and communications activities that explain the human capital benefits that the Aboriginal population and immigrants bring to the table.
6. The federal government and the governments of the four western provinces should pursue a common, coordinated approach to Aboriginal human capital and related policy that demarcates clear lines of responsibility and prevents the "falling through the cracks" phenomenon that characterizes current policy.
7. The governments of the four western provinces should develop a transportation infrastructure plan including joint funding mechanisms and a common regional transportation policy.
8. The governments of the four western provinces should consider the creation of a western Canadian venture capital fund to provide much-needed venture capital for economic diversification in the West.
9. The federal government and the governments of the four western provinces should increase their support for research, development and commercialization.
10. The federal government and the governments of the four western provinces should develop a western Canadian rural economic renewal strategy that: a) accepts that economic transitions will cause some communities to decline in terms of their overall economic prosperity and/or growth; b) recognizes that rural areas are not all the same and that blanket approaches to the rural economy are a mistake; c) focuses on the comparative advantages of rural areas and existing economic activities; and d) includes concrete steps to link the natural capital of rural areas such as agricultural land, habitat, watersheds, clean air, and recreation areas to economic opportunities over the long-term.
11. The West's provincial governments, urban municipalities and rural municipalities should increase efforts to develop coordinated economic development strategies that recognize, develop, address and use linkages among urban and rural communities.
12. The western provinces should take the lead and initiate a major review of provincial-municipal relations, the roles and responsibilities of municipal governments, the funding of cities, and creative options for change.

I. Introduction

In looking back at the results of a multi-year research and communications project designed to explore and improve the strategic positioning of Canada's four western provinces within a rapidly changing and increasingly competitive global economy, two things are particularly clear.

First, the task of building the New West is far from over. Fresh opportunities and challenges mean that the New West is perpetually under construction. Indeed, when we set out on this ambitious project early in 2001, we understood that the New West is not something static that can be pinned-down, put under glass, and examined in a lab. The New West is a moving target – a living thing – that evolves on a daily basis in the face of an uncertain but exciting future. This was the case over 30 years ago when a group of forward-thinking Westerners created the Canada West Foundation to examine and celebrate the New West they saw emerging in the early 1970s from the turbulence and shifts of the 1950s and 60s. Since that time, the West has become much more urban, the global economy more competitive, technological advances have changed and re-changed how we do business, and a host of other factors have reshaped western Canada.

It was this sense of change and the possibilities and hazards that follow in its wake that highlighted the need for a project that steps back from the hustle and bustle of the day-to-day and puts forward a long-term plan for the region – a plan that focuses on relatively enduring *structural* issues.

The second thing that is particularly clear as the dust settles around the Building the New West Project is the fundamental importance of regional cooperation. The statistical profile of the West outlined in the project's first report (*State of the West: Western Canadian Demographic and Economic Trends*) reveals a vibrant region that forms a major part of the Canadian economy and Canadian society, but one that is nonetheless dwarfed by larger continental and global players.

The economic advantages (such as economies of scale) of combining efforts and working together as a unit of four provinces, however, has failed to knit the region together as tightly as it can and should be. Given the challenges we face and the clear benefits of adopting regional approaches to them, it is time to take aggressive action on this front. This was a message that was spontaneously repeated again and again during the course of this project. Despite headway in some areas, the desire for more cooperation has not been matched by real change on the ground. If we do not get our act together in this area, we risk not only dulling our competitive edge but also being eliminated from some competitions altogether.

Using these two themes – the need for a structural plan that can help the West adapt to change and compete economically over the long-term, and the value of regional cooperation – this report outlines the lessons we have learned over the course of the Building the New West Project. As with the project itself, there is a need here to narrow the focus and not try to cover everything; the volume of information and ideas generated by the project are simply too great to attempt a comprehensive summary.

Before going any further, it is useful to pause here and thank the many individuals and organizations that contributed time, expertise and money to make the Building the New West Project possible. (A full accounting of this assistance is provided in the appendices.)

II. Genesis

“The timing of the Canada West Foundation’s Building the New West Project is right. It is important to be aware of the West as a whole – not just of our own provinces.”

– The Honourable Peter Lougheed

With a new millennium underway, ongoing discussion of the new economy and globalization, a shift within the West away from cataloguing past grievances to one of articulating our aspirations within the federation, and the aforementioned sense of past, present and future change, the Canada West Foundation made a strategic decision to launch an ambitious multi-year project. Dubbed the Building the New West Project to capture the future-oriented tone of the endeavour and to highlight the need for a general public policy blueprint able to guide the region into a prosperous future, initial work began in September 2000 and culminated in the release of a report entitled *Building the New West: A Framework for Regional Economic Prosperity* in October 2001.

In between the initial blue sky sessions that got the project rolling and the release of the framework, a number of key actions were taken. First, a comprehensive compendium of statistical information about the West was prepared to provide much-needed context for the project. *State of the West: Western Canadian Demographic and Economic Trends* reveals a complex region that, while far from homogeneous, is marked by numerous similarities and connections among its constituent parts. Nonetheless, a clear and deep divide in the region, with BC and Alberta on one side and Saskatchewan and Manitoba on the other, was undeniable and raised a number of troubling questions. Will the demographic and economic disparities that divide the West along the Alberta-Saskatchewan border undermine regional approaches? How do these differences affect regional identities? As further research discussed below suggests, the divisions within the region are outweighed by regional common ground.

The report also revealed the many changes that the region has experienced since the 1970s, including the aging of the population, rapid urbanization and the rise of major metropolitan areas, and the massive increase in the importance of international trade (especially with the United States). And, despite some progress in the area of economic diversification, the western economy continues to be dominated by the natural resources sector.

The statistical portrait was complemented soon after in the summer of 2001 with a landmark survey of western Canadian public opinion. The results of the first round of what would become a series of three full-scale surveys of western Canadians, the Looking West Surveys 2001, 2003 and 2004, revealed a region aware of itself (83.7% of Westerners see the West as a distinct region different in many ways from the rest of Canada), united by its loyalty to, but intense frustration with, the Canadian federation, and divided by different expectations regarding the future prosperity of the various western provinces.

Armed with the demographic and economic portrait and the public opinion data, the next and most important step was to travel around the region and talk to Westerners about what they saw as the main public policy and economic issues facing western Canada as it positions itself strategically within the global economy. The strategic positioning within the global economy was a key lens for this component of the project, one that enabled us to narrow the project’s focus and develop a manageable agenda. The tendency when creating a list of priorities is to add to the list, but we knew from the start that we had to keep the list short or it would not be meaningful and would not provide the sure sense of direction that we felt was needed. Hence, although we left all options on the table at the consultations, stressing the West’s strategic position within the global economy likely helped eliminate more inward-looking topics such as the public health care system and the quality of the local environment.

Building on the hundreds of informal discussions Canada West Foundation staff had been having with Westerners since the start of the project, we launched the formal consultation phase with an historic event called the *Western Builders Roundtable*. Held in Calgary on April 28, 2001, this event brought together five highly respected western Canadian statesmen to share their insights on where the West has come from, where it is going, and what needs to be done to ensure it remains competitive and prosperous. Chaired by the Honourable Peter Lougheed (former Premier of Alberta) and featuring the Honourable Allan Blakeney (former Premier of Saskatchewan), the Honourable Gary Filmon (former Premier of Manitoba), the Honourable Michael Harcourt (former Premier of BC) and Preston Manning (former Leader of the Official Opposition), the roundtable was attended by over 60 community leaders. The presentations and discussion that followed set the stage for the subsequent provincial consultations and provided us with a first look at a set of common themes that would be repeated again and again as we traveled across the West.

In May 2001, we held provincial consultations in Edmonton, Saskatoon, Vancouver and Winnipeg. The over 250 community leaders who took part in the events were asked to look ahead to 2020 and think through the requirements for regional prosperity in a turbulent global environment. In addition to the high level of enthusiasm and expertise evident at these events, the most striking outcome was the spontaneous similarity in the comments about the West's future put forward by participants. What could have been a very difficult task of sifting through long lists of priorities was made relatively easy by the fact that there was a strong core of general agreement around a handful of areas deemed to be of the highest priority.

It is important to note two things. First, although the themes were similar, participants approached them from a wide variety of perspectives; these were diverse groups with diverse opinions. This made it all the more interesting to see the high level of agreement around the basic issues. Second, the final list of five priorities we gleaned from the consultations and the discussions and research that preceded them, does not include each and every issue that was raised during this process. With that said, participants did an excellent job of self-editing and would mention other concerns but indicate that they should – although important – be left off the final list of priorities. As a result, there was a clear second tier of issues that were easy to identify and drop from the list in favour of first tier concerns. Again, it was apparent that these second tier concerns were not seen as less important in and of themselves, but instead, less relevant to a project focused on the West's ability to compete in the global economy.

In addition to the input noted above, a Building the New West Working Group comprised of public policy analysts, academics, business and community leaders and public officials was created to provide initial and ongoing advice (see Appendix 4).

III. The Five Priorities

The following five areas emerged as the dominant priorities for ensuring the long-term economic competitiveness of the four western provinces and together form a framework for building regional economic prosperity:

1. The West must create the tools to attract, retain and build human capital.
2. The West must continue economic diversification.
3. The West must strengthen its transportation infrastructure.
4. The West must promote the global competitiveness of its major cities.
5. The West must develop new ways for facilitating regional coordination.

Consultation participants in all four cities independently stressed these five themes; Canada West Foundation staff did not stack the deck by suggesting possible priorities.

Ensuring that the West has the skilled workers, idea generators, and entrepreneurs it needs to compete with other parts of the world in both “old” (e.g., natural resource extraction) and “new” (e.g., high-tech) economic sectors was seen as fundamental to the region’s long-term success. It was also noted that strategies in this area take a long time to come to fruition and, therefore, action needs to be taken now to prepare for future labour market needs. Increased international competition, the aging of the population, the undeserved bad reputation of “blue collar” careers, and brain drain to other more alluring locales were seen as major challenges in this regard. On the opportunities side, immigration options, the West’s relatively young and growing Aboriginal population, and a strong foundation in the existing post-secondary education system were highlighted as places to focus.

It was with some chagrin that participants mentioned the topic of economic diversification. Participant after participant noted that it seems like we have been chasing this Holy Grail forever without making much progress. Despite this, it was agreed that we must continue this quest on the grounds that it is as valid a goal today as it was in previous decades. Consultation participants stressed that we should learn from the past, recognize what we have achieved, and – most importantly – build on our strengths rather than tilt at each new windmill that comes along. A common argument was that we should seek to diversify in areas where we have a strong foothold, such as agriculture and natural resources, rather than try to build new industries from scratch. It was also stressed that governments should facilitate diversification but avoid the past habit of trying to “pick winners.”

The traditional importance of transportation and the ongoing challenges of linking a region as vast as western Canada to continental and world markets caused this theme to receive a lot of attention at the consultations. The basic message was that the current system is aging and in need of upgrading, we are competing with parts of the world that do not face the same transportation obstacles and costs, and that public policy – especially regional policy – in this area could be improved. All the human capital, raw materials and economic diversification in the world will do us no good if our products are stuck on the road or piling up at a port and unable to reach world markets in a timely and cost-effective way. There was a strong sense that the transportation system has been taken for granted and that advances in telecommunications, while important, do not significantly alter the demands that will be placed on the *physical* transportation system in the years ahead.

Although there was a modicum of participants from rural areas, the majority of the people we consulted at the provincial meetings were urbanites. With this caveat noted, it was clear that consultation participants accepted the theory that large cities are critical economic engines and, in turn, that regional economic prosperity depends in part on vibrant, livable, and efficient metropolitan areas. And, despite the relative lack of rural representation, participants were adamant that paying attention to the urban West need not come at the expense of rural areas and the rural way of life. Some hard choices may be necessary, but the success of the region’s large urban centres was not seen as an either/or situation that inevitably spells disaster for rural areas. In addition, it was argued that the quest for economic diversification should not ignore rural communities.

We were not sure what mix of themes would emerge, but we were not surprised by the focus on human capital, economic diversification, transportation, or cities. We were, however, very surprised by both the number of times and the passion with which the topic of regional cooperation was raised in all four provinces. As an organization that firmly believes in the value of cooperation among the four western provinces, we were delighted by this finding, but we did not expect that it would emerge as both a dominant and unifying theme.

Participants tended to connect the other themes to regional cooperation and the general notion that Westerners are better off if they combine efforts and work together. Participants were not suggesting that the four western provinces pursue formal unification, but they were definitely in favour of working together in areas such as skills training, transportation infrastructure investment, and economic diversification. It was deemed a no-brainer that, where there are clear advantages to doing so, the

four western provinces should pursue common strategies. As will be discussed below, there is a serious disconnect between this common sense "on the ground" point of view and the reality of regional politics.

Together, these five priorities presented the Canada West Foundation with its marching orders in terms of creating a concrete research and communications project that would stimulate informed public debate about, and policy action in, these key areas. While these priority areas do not encompass the totality of public policy concerns facing western Canadians and their governments, they are an important start for Westerners seeking to build a New West that can compete in the global economy. As our *Framework for Regional Economic Prosperity* argued, "If western Canadians do not get these fundamentals right, then it will be difficult to pursue other policy objectives. There must be a strong foundation on which prosperous and caring provincial communities can be built...the global economy waits for no region or country, and the time to lay the foundations of regional prosperity is now." Indeed, the choices we make today will have a decisive influence on the prosperity of the West for generations to come.

9/11

At first blush, this tragic moment of history threatened to derail the Building the New West Project in terms of its five key priorities. The world was different after 9/11, but it was not clear if the priorities we had identified were also different. Upon reflection, we realized that the priorities were still valid, if not more so. The value of regional cooperation in an uncertain international environment and, given the premise that strong regions make for a strong Canada, its value to the federation in that same international context, was greater than ever. Similarly, the importance of issues such as transportation and economic diversification was also highlighted in the wake of the attack. As a result, we released the framework report outlining the five priorities on schedule in October 2001, secure in the knowledge that we had the right list of areas upon which to concentrate the next phase of the initiative.

Why a Regional Approach?

If these five priorities are so important, why not approach them from a national rather than a regional perspective? There are several reasons why we adopted a regional approach. First, although we would argue that the priorities identified by Westerners are also national priorities, similar exercises in other parts of the country may yield a different list in whole or in part. People in southern Ontario, for example, may be more concerned about continental economic integration in the auto sector than economic diversification. This leads to the second rationale: Canada is a vast and extremely diverse country – this is its greatest strength and also one of its major challenges. Many things tie us together but this does not negate the existence of very real regional differences. These regional differences are often best articulated at a regional level and then woven into a larger national narrative. Third, again because of Canada's size and diversity, it is often unmanageable to tackle complex public policy issues on a national level. It often makes more sense to start at the regional level and connect with the country as a whole when appropriate. Although a national policy is appropriate in some cases, the country is simply too large for all Canadians to come together and coordinate effectively on all issues. Regions are often, though not always, more manageable units for both analysis and action.

At bottom, we believe that strong regions make for a strong Canada. Hence, a prosperous West – pursued in good faith by Westerners – is good not only for western Canadians, but for all Canadians. The regional focus of the Building the New West Project reflects this fundamental belief.

IV. Phase Two

With the five priorities to guide us, we developed a series of linked but discrete research and communications projects. It is important to stress that most of the projects were not designed with the primary objective of increasing theoretical or empirical knowledge about a particular issue. Rather, and like most Canada West Foundation projects, the main goal was to pull together,

synthesize, and communicate existing information and expertise in order to call attention to issues, inform public debate, and provide decision-makers with objective, non-partisan alternatives intended to improve public policy. Hence, the emphasis was on explaining academic research, consulting experts, preparing accessible reports, putting forward practical public policy recommendations, and – most importantly – communicating the results to key audiences. In keeping with this, the core ideas and recommendations, electronic and hard copy distribution of our findings and recommendations to the right audiences, an aggressive meetings and presentations schedule, extensive media coverage and numerous public and invitation only events were as (if not more) important than the research components of the project.

In 2002, 2003 and 2004, research and communications activities were carried out in four of the five priority areas under the Building the New West banner. The global competitiveness of the West's major cities was already a major theme of a parallel Canada West Foundation effort called the Western Cities Project. Work on the four remaining priority areas was complemented by two additional and overarching areas of research: a second State of the West report in 2003 and two additional rounds of the Looking West Survey.

The following sections outline the main findings and recommendations generated within each priority area as well as the results of the *Looking West Surveys* and the *State of the West* statistical portrait.

V. State of the West

Key Reports:

- *State of the West: Western Canadian Demographic and Economic Trends 2001*
- *State of the West: Western Canadian Demographic and Economic Trends 2003 (French version: L'état de l'Ouest en 2003)*

The two *State of the West* reports depict a region that has both changed a great deal and stayed the same over the last three decades.

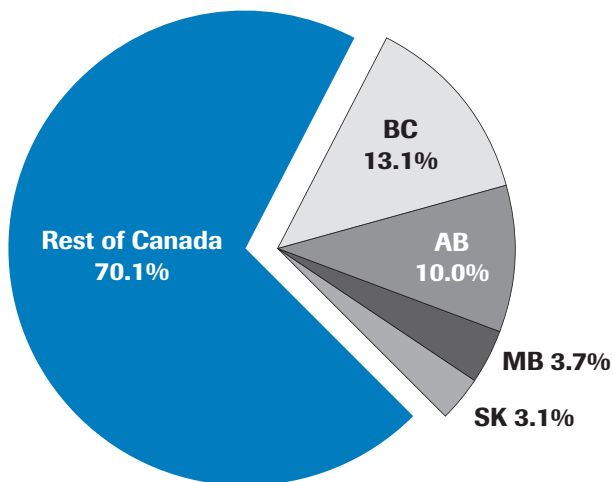
On the change side, millions of migrants from around the world and other parts of Canada have poured into the region seeking new opportunities and a better life. The culture of western Canada has, as a result, been greatly enriched. The West's big cities have come of age, are home to more people, and offer more to both their citizens and visitors. The regional population is older than ever before, the West sends more of its exports to the United States, farming has become much less pervasive as a way of life, and the regional economy is producing a wide range of new products and services.

On the continuity side, the ups and downs of the natural resource and farming sectors continue to bring with them both good times and bad. BC and Alberta have continued to grow while Saskatchewan and Manitoba are roughly the same size as they were in the 1970s, and this trend is projected to continue in the decades ahead. The West remains home to the majority of Canada's Aboriginal population, BC continues to be the main destination of international migrants in the region while Saskatchewan attracts only a handful, and the region's contribution to the national economy has kept pace with its share of Canada's population.

Despite the elements of continuity, the West is a much different place today than it was 30 or even 10 years ago and it is likely to continue to evolve at a rapid rate.

With about 30% of the national population, the West is Canada's second largest region after the giant that is the province of Ontario (38.8%). The region is also a major economic force within the federation and accounts for just under a third of the national

The Western Provinces as a Percentage of Canada's Population, 2004



Source: Statistics Canada

GDP. The West has grown by over 3.5 million people since the early 1970s and is expected to grow by another 2-3 million people by 2025 (mostly in BC and Alberta). Strong projected population growth in Ontario, however, means that the West's share of the national population is not expected to increase by more than a few percentage points.

Over 1.5 million immigrants have come to the West since the early 1970s. Not including Aboriginal peoples, 14.4% of Westerners are visible minorities compared to 13.0% in the rest of Canada.

The percentage of the regional population 65 years of age and over has increased to 12.5% and is projected to top 20% by 2026. Many observers have noted that this trend will bring major changes to the region in areas such as housing, health care, the labour market, volunteer activity, and household spending patterns. These same observers also stress that action should be taken today to prepare for these changes rather than wait until they are upon us.

Although the West as a whole is extremely large and thinly populated, most Westerners live in a handful of large, densely populated urban centres. The percentage of the regional population living in an urban area has increased from 67.2% in 1966 to 79.5% in 2001 with most of this concentrated in eight large cities (Abbotsford, Vancouver and Victoria in BC, Calgary and Edmonton in Alberta, Regina and Saskatoon in Saskatchewan, and Winnipeg in Manitoba).

The western economy, like the economy in other parts of the country, is highly dependent on international exports or, more precisely, exports to the United States. The West exported \$130.2 billion of goods and services in 2001 for an exports-to-GDP ratio of 37.2%. In real terms, the West's international exports have increased by 210% since 1981, resulting in a per capita change from \$9,264 per person in 1981 to \$21,213 in 2001. This staggering growth has fueled the regional economy and has been accompanied by a significant increase in dependency on US markets. Almost 8 in 10 dollars of the West's exports went to the US in 2002. The region's exports, moreover, continue to be dominated by raw and semi-processed natural resource and agricultural products; this is very different from the situation in Ontario – the nation's biggest exporter – where integrated cross-border automobile manufacturing dominates.

Notwithstanding the common ground that exists within western Canada, the region is far from homogeneous and the four western provinces differ in a number of key ways. Alberta's fiscal capacity, for example, far outstrips not only the other western provinces but all provinces in the country. With zero debt and a large portion of its annual budget covered by oil and gas royalties, Alberta is in a league of its own for the time being.

More generally, there is a gap in the West between BC and Alberta on the one hand and Saskatchewan and Manitoba on the other. Unlike Saskatchewan and Manitoba, BC and Alberta have growing populations, receive most of the region's international immigrants, and have seen numerous spikes in the net number of migrants from other parts of Canada. BC and Alberta are also more urbanized (but still have growing rural areas), have higher income levels, and are home to much larger markets.

It is important to note that these differences are not new and have not, and need not, undermine the ties that bind the region

together. They do, however, represent real challenges as the western provinces seek ways to work together and coexist within the West and within Canada.

Other key public policy challenges pointed to by the *State of the West* reports include:

- adjusting the nature and financing of social programs to the changing demographic profile of the West and doing so today so there is enough time for the reforms to be effective and affordable;
- finding ways to increase opportunities for, and the positive outcomes of, Aboriginal education and employment programs;
- rethinking and reforming the network of supports available to the West's large and increasing urban Aboriginal population;
- establishing more effective programs for not only attracting immigrants to all parts of the region but assisting them when they arrive;
- taking proactive steps toward a labour market that fully recognizes immigrant skills and experience;
- continuing the quest for economic diversification through increased value-added production, research, development and commercialization, and expanded international trade with countries other than the US;
- ongoing maintenance and improvement of Canada-US trade relations; and
- identification and deployment of creative approaches to the challenges of urban growth including the urban environment, infrastructure financing, and urban social issues and cultural growth.

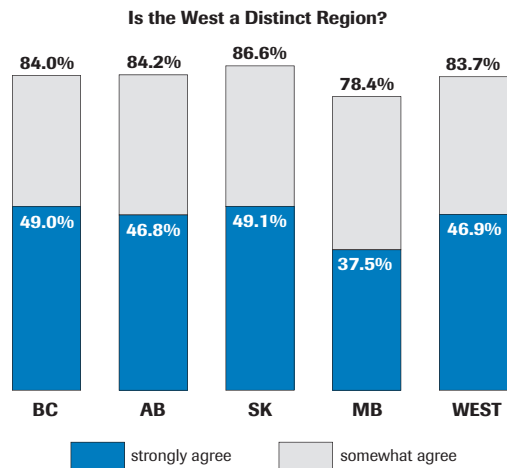
Many of these challenges are topics covered by subsequent Building the New West Project research, and are discussed below.

VI. Looking West

Key Reports:

- *Looking West 2001: A Survey of Western Canadians*
- *Looking West 2003: A Survey of Western Canadians (French version: Regard sur l'Ouest 2003)*
- *Regional Distinctions: An Analysis of the Looking West 2004 Survey (French version: Distinctions régionales)*
- *Western Directions: An Analysis of the Looking West 2004 Survey (French version: Orientations des enjeux stratégiques dans l'Ouest)*

The Canada West Foundation conducted three landmark surveys of western Canadians that provide an extremely accurate and rich set of empirical data regarding what Westerners think about the region, the country, and key public policy issues. Conducted in 2001, 2003 and 2004, the *Looking West Surveys* involved telephone interviews with 3,200 western Canadians (800 from each province). The large sample size allowed for statistically valid analysis of each province in isolation. In 2004, the survey was expanded to include Ontario for comparative purposes.



Source: Looking West Survey 2001

Survey Question: The West is a distinct region, different in many ways from the rest of Canada. (strongly agree; somewhat agree; neither agree nor disagree; somewhat disagree; strongly disagree)

The West as a Region

Naysayers within the West and from outside it often argue that western Canada is not a region in any real sense. Sometimes this argument is used as a means of dividing the West into its constituent parts as a tactical political maneuver and in other cases it reflects real questions about the similarities between places as diverse as Vancouver, Edmonton, Swift Current, Flin Flon and Brandon. However, when a representative sample of Westerners was asked directly if they see the West as a distinct region that is different in many ways from the rest of Canada, over 8 in 10 said “yes, it is.” This does not imply that BC is the same as Manitoba or Alberta is the same as Saskatchewan, nor does it deny the existence of sub-regions within western Canada. What it does highlight is the strong sense of regional identity that operates in the background in the West and points to the many factors – history, family and friends, economics, geography, views on Confederation, etc. – that unite rather than divide the four western provinces. We are not all the same, but we are a region nonetheless.

Western Discontent

It has long been a truism that western Canadians are generally not fully satisfied with how the Canadian federation operates, and the *Looking West Survey* confirms this with hard data. Large majorities in each western province expressed their dissatisfaction with how the West is represented in Ottawa. In most cases, a familiar pattern is seen in the West: Saskatchewan and BC express the highest levels of discontent, Manitoba expresses the lowest, and Alberta takes up the middle position. Although many commentators argue that BC is distinct in the West, when it comes to attitudes toward the federal government, it is Manitoba that stands somewhat apart due to its lower levels of discontent.

Policy Priorities

The four western provinces face a variety of policy challenges and opportunities in the years ahead. Myriad issues – from health care, education and the environment to the economy, infrastructure and the urban agenda – compete for political attention and tax dollars.

While almost three-quarters of Westerners feel that improving the health care system is a high priority, it is not the only public policy issue that western Canadians see as important. Ensuring an adequate supply of skilled labour, reducing poverty, and protecting the environment were all ranked as high priorities by almost two-thirds of Westerners.

“Protecting the environment” is ranked fourth on the list of Westerners’ priorities with 65.6% of survey respondents reporting it as a “high priority.” When asked how well their governments were doing addressing environmental issues, barely a third said that their provincial government was doing a good job and less than a quarter said that the federal government was doing a good job. These findings suggest that western Canadians support environmental protection and want to see better public policy results in this area. Although not part of the Building the New West Project, the Canada West Foundation has been actively working on this issue through its Natural Capital Project.

Another area of disparity between public opinion and the reality on the ground can be found under the heading of immigration. Only about 1 in 10 western Canadians rank “attracting more immigrants” as a high priority in terms of what governments can

Policy Priorities 2004 - Western Canada

	<i>high</i>	<i>med.</i>	<i>low</i>	<i>not a priority</i>
Improving the health care system	73.9%	20.1%	4.5%	1.4%
Ensuring skilled labour	70.8%	23.0%	4.6%	1.1%
Reducing poverty	68.6%	23.1%	6.2%	1.6%
Protecting the environment	65.6%	27.6%	5.8%	0.8%
Retaining young people	63.7%	24.8%	8.2%	1.7%
Improving K-12 education system	62.1%	27.7%	7.1%	2.0%
Improving post-secondary education system	58.6%	31.7%	7.6%	1.4%
Improving federal-provincial relations	52.1%	37.0%	8.3%	2.1%
Investing in transportation infrastructure	48.9%	41.5%	8.3%	1.4%
Improving Canada-US relations	44.2%	34.8%	15.9%	4.5%
Lowering taxes	41.0%	37.4%	16.5%	4.8%
Ensuring high quality of life in cities	34.6%	44.5%	15.2%	4.3%
Attracting more immigrants	10.4%	34.8%	41.2%	12.7%

NOTE: Due to non-responses, numbers may not total to 100.

Source: Looking West Survey 2004

Survey Question: Thinking about what governments can do to ensure the future prosperity and quality of life in [province], would you rate the priority of the following as a high priority, a medium priority, a low priority, or not a priority?

do to ensure the future prosperity and quality of life in the region. Similarly, only 17.3% of Westerners think Canada should accept more immigrants while 32.8% think we should accept fewer. These opinions stand in marked contrast to the fact that the West has relied, and will continue to rely, on a steady flow of immigrants to grow its population and fill holes in its labour force.

Regional Cooperation

Participants at the provincial consultations were adamant that the four western provinces increase efforts to cooperate and find shared solutions to common public policy problems. This expert opinion is matched by the general public's sense that the western provinces would have a stronger voice within Confederation if they worked more closely together (86% agree) and that public programs would be better if there was increased cooperation within the region (73% agree).

VII. Human Capital

Too broad to tackle in its entirety, we decided to focus our human capital work on three areas of particular relevance to western Canada: 1) greater engagement of Aboriginal peoples in the regional labour market; 2) attracting skilled immigrants to the region and ensuring that their skills are fully recognized; and 3) skills training at the post-secondary level.

Aboriginal Human Capital

Key Reports:

- *Achieving Potential: Towards Improved Labour Market Outcomes for Aboriginal People (French version: Réaliser le potentiel)*
- *Encouraging Success: Ensuring Aboriginal Youth Stay in School (French version: Promouvoir la réussite)*
- *Working Towards Parity: Recommendations of the Aboriginal Human Capital Initiative (French version: Vers la parité)*

“The Aboriginal population represents the largest untapped labour force in Canada, and thus it makes good economic sense to engage the Aboriginal population.”

– Canada West Foundation interview respondent

The West is home to the majority of Canada's Aboriginal population (62.1%). As a percentage of their total population, Saskatchewan and Manitoba are home to particularly large numbers of Aboriginal people (13.5% and 13.6% respectively). It may come as a surprise to some that over half of the West's Aboriginal population lives in urban areas compared to the 30.2% who live on reserves (the remaining 16.6% live in off-reserve rural areas). These data highlight the fact that Aboriginal issues are factors in urban and non-reserve rural settings as well as on reserves.

The violence, oppression and cultural imperialism imposed on Aboriginals by European settlers and their governments has left Canada's Aboriginal communities on shaky ground. The healing needed to correct the problems inherited from this dark past has begun, but there is a great deal of work still to be done. Aboriginal labour force engagement was identified by participants at the provincial consultations as an area in need of immediate and concerted effort. From a social perspective, consultation participants saw this as one way to help address the high rates of poverty and unemployment faced by Aboriginal peoples. From a labour force perspective, the West's large, relatively young, and growing Aboriginal population was seen as a potential source of much-needed skilled labour. From both perspectives, the task at hand is to find ways to improve education and labour market outcomes for all Aboriginal people and, in particular, for the large cohort of Aboriginal youth who are about to enter the education system or job market. (More than one in three Aboriginal people are under 15 years of age compared to less than one in five non-Aboriginal people.)

To assist with this important task, the Canada West Foundation conducted research on options for improving Aboriginal education and labour force outcomes. The heart of this research was extensive consultation with key informants designed to identify "promising practices" (ideas, strategies and concepts that work). Key findings and promising practices of this endeavour include:

- The labour market challenges facing Aboriginal people do not stem from an unwillingness to participate in the labour market but from a lack of success in securing and retaining employment. The status quo does not sufficiently address the education and labour market needs of Aboriginal people. There are, however, numerous promising practices in play upon which to base better public policy.
- The percentage of Aboriginal people in western Canada with less than a high school diploma is considerably greater than that of the general population. The problems created by this education gap are highlighted by the fact that the unemployment rate for Aboriginal people with less than a high school diploma is 27% compared to just 5% for those with a university degree.
- Addressing the barriers to better Aboriginal education and employment outcomes is more than a matter of more education and employment programs. Other factors such as poverty and discrimination must also be considered when developing public policy in this area. Public policy, moreover, is only one part of the solution. Many parties – parents, relatives, community leaders, elders, businesses, educators, the public, etc. – have critical roles to play.
- Greater discussion of the needs, goals and assets that the various parties (e.g., students, parents, job seekers, businesses, nonprofit organizations and government) bring to the table was seen as a potentially fruitful course of action. Better identification and explanation of the education and employment options available to Aboriginal people, more Aboriginal input into program design, and a rethinking of the value placed on skills obtained by Aboriginal people outside the formal education system were cited as examples of areas for improvement.
- The value of education should be reinforced among Aboriginal youth to counteract the temptation to leave school early.
- The level of understanding of the social conditions faced by many Aboriginal people on the part of employers should be raised and, in turn, allowances should be made to account for these often difficult circumstances (e.g., health problems, poverty, criminal records, lack of support services).

- A lack of understanding between Aboriginal and non-Aboriginal individuals was cited as a cause of high Aboriginal employee turnover and as a barrier to successful Aboriginal employment outcomes. Aboriginal people often feel alienated as a result of educational facilities and work environments that do not understand or respect the value systems and cultural heritage of Aboriginal people. Hence, the need for more cross-cultural exchange and awareness.
- It was suggested that role model and mentorship programs improve education and employment outcomes among Aboriginal people by creating a sense of belonging and support as well as greater comfort levels among Aboriginal employees. Celebrating success was also seen as important to, among other things, creating a sense of belonging in and commitment to what is often an alienating environment for Aboriginal people.
- The use of incentives, greater coordination, and a focus on incremental progress were also identified as key success factors.

Based on the research and consultation findings, ten public policy recommendations were put forward:

- Aboriginal human capital development should be a top priority of the federal government and the governments of the four western provinces. While there are other pressing issues affecting the West's Aboriginal peoples, improving education and labour market outcomes promises profoundly positive effects in a wide range of areas affecting Aboriginal quality of life and, in addition, represents a major opportunity in terms of its potential for addressing labour market gaps in the region.
- The federal and provincial orders of government should increase the degree to which they work together in this area. Coordination is necessary for programs to be effective and to avoid duplication and the unnecessary costs it brings with it.
- Governments should set quantifiable on-reserve and off-reserve Aboriginal education targets and measure progress. To facilitate this, Ottawa and the provinces need to coordinate their efforts in the area of data collection.
- Primary and secondary schools should include Aboriginal content, and provide staff with the training and tools needed to help ensure the success of Aboriginal students.
- On-reserve and off-reserve high school certificate standards should be the same to ensure that on-reserve students achieve the same level of skills as other high school graduates.
- Federal and provincial governments, school boards, and post-secondary institutions should increase coordination and communication of education and employment opportunities for Aboriginal students.
- Governments should work together to set quantifiable Aboriginal employment targets (both on-reserve and off-reserve) and should gather sufficient data to assess short- and long-term progress.
- Government funding for local non-profit organizations that focus on Aboriginal employment issues within the small- and medium-sized business sector should be increased.
- Governments should be open to training and employment partnerships with businesses working on or near reserves.
- The federal government should improve the availability of data on Canada's Aboriginal population.

Immigration

Key Reports:

- *Increasing Western Canadian Immigration*
- *Closer to Home: Provincial Immigration Policy in Western Canada*
- *Improving Immigration: A Policy Approach for Western Canada*

Immigration has been a fundamental part of life in the West for over a hundred years. Over half of the western Canadian population was born in another country in 1911 compared to only 13.1% in the rest of Canada. Today, just under 1 in 5 Westerners was born outside Canada. Over 1.5 million immigrants have come to the West since 1972. These numbers highlight the long tradition of immigration in the West and its key role in the region's economic and cultural development.

In a region with a relatively small population, a low birthrate and a growing number of seniors, the importance of immigration to the economy is obvious. In the not too distant future, international migrants will account for the majority of population growth in western Canada. From an economic perspective, immigrants are needed to fuel population growth (or at least keep the population from shrinking) and to fill holes in the labour market and tax base as the population ages. From a social perspective, immigrants greatly enrich the West's cultural landscape and ties to the rest of the world.

With the exception of Vancouver and Calgary, the West tends to have difficulty attracting immigrants. This is especially true in rural areas. Even in Alberta where the economy is currently on overdrive, the province's share of new immigrants is below its share of the national population.

Attracting immigrants to the West is one challenge; assisting immigrants once they are here and ensuring that their skills and experience are recognized and utilized is another. There have been, moreover, calls to improve public policy in this area. Given this troika of factors, the Canada West Foundation threw its hat into the immigration policy ring and embarked on an initiative within the Building the New West project focused on the importance of immigration to western Canada and, in particular, its role in growing and improving the West's stock of human capital. The initiative examined the economic and social benefits of immigration to the West, options for attracting more immigrants and skilled immigrants to the region, and the tricky but fundamental issue of creating a tighter fit between the skills and experience that immigrants bring with them and the standards, processes and biases of the western Canadian labour market. A key theme of the initiative is the fact the immigration is not just an economic matter; immigrants are not robots imported to fill jobs – they are human beings making a difficult transition to life in Canada and deserve to be treated as such.

As with other Building the New West Project research, a major component of our immigration research involved talking to people “in the trenches” – policy-makers, business owners, immigrants, etc. – to hear their views and use them in conjunction with relevant data and other information. The result is the following key findings and recommendations:

- The benefits of immigration are not matched by public support for immigration. This suggests that the benefits have not been sufficiently communicated and/or discriminatory attitudes remain a barrier in this area.
- The main arguments in favour of increasing immigration are:
 - immigrants can help fill gaps in the labour market – many immigrants are working age, educated and experienced;

- immigrants are active and contributing members of the workforce – after an initial period of transition, immigrants experience relatively low unemployment and are often willing to accept low paying positions to remain employed;
 - immigrants help support public services – immigrants are net contributors to public services by paying more than they take out;
 - immigrants create jobs – some immigrants are accepted to Canada based on their job creation and entrepreneurial potential, and start or expand businesses in Canada;
 - immigrants can help expand international trade – immigrants have knowledge of foreign markets and business contacts that can reduce the transaction costs of trade and expand export activity – estimates show that a 10% increase in immigration is correlated with a 1% increase in exports;
 - immigration enhances business innovation – exposure to foreign business and cultural environments means that immigrants may be able to introduce innovative practices to Canadian businesses; and
 - immigration has humanitarian benefits and often improves the lives of people fleeing oppression, poverty or a lack of economic opportunities.
- There are a number of immigration success stories in western Canada, particularly in Manitoba, that point to and underline the contributions that immigrants are making to the West in manufacturing, community building, population growth, innovation, development of export markets, and cultural diversity.
 - The unique nature of western Canada and its economy combined with relatively low rates of international immigration highlight the need for “made in the West” public policy approaches to immigration. Each western province has idiosyncratic needs – particularly in the area of skilled labour – and these should be reflected in public policy.
 - Provincial nominee programs are a potentially effective means of increasing immigration to a variety of areas within the western provinces and for linking provincial labour needs and immigration policy.
 - More effective utilization of the skills immigrants bring with them is not simply a matter of better and faster processes for recognizing foreign credentials (although this would help) – it is also a matter of changing how employers and licensing organizations view foreign education and experience in general. A challenge here is the fact that it is often informal discounting of foreign experience that prevents an appropriate match between an immigrant’s abilities and the employment he or she is able to obtain.

Recommendations:

- Use provincial nominee programs to encourage immigration in high need areas: policy driven efforts to increase immigration, such as those undertaken by the Manitoba government under the provincial nominee program, can create population increases in specific geographic areas or industries. Responsibility for the retention of these immigrants requires employers, communities, and governments to cooperate on, for example, the delivery of integration services and family reunification opportunities.

- Research and promote the contributions of immigrants in western Canada: the merits of immigration in western Canada ought to be evaluated and promoted on a regular basis to publicize the economic and non-economic opportunities available to immigrants that have come or may come to the West. This requires regular research on the labour market outcomes of immigrants and the positive contributions of immigrants to community quality of life. Public awareness of the positive effects of immigration can, in turn, have a positive impact on public opinion toward immigrants.
- Increase employer education and information on the economic value of foreign experience and training: while a number of federal and provincial efforts are underway to address the slow pace of skill recognition and foreign credential processing and to provide more opportunities for training, there is also an employer component that needs to be addressed. Employers need education and information on the value to their organizations of foreign training and work experience to help lower the artificial bar facing immigrants once they have obtained the requisite paper credentials for employment.
- Public policy should focus on the needs of refugee immigrants in western Canada: the employment barriers and support needs faced by refugee immigrants may be the most pronounced of all immigrants. Given the high numbers of non-economic class immigrants in the western provinces, there is a need to focus on increasing employability and employment opportunities for refugee class immigrants. Refugee class immigrants can also have higher community service needs and fewer family supports available. Hence, policy and funding should recognize these extra burdens faced by many western communities and provide suitable policy instruments to support them.
- Increase advanced language training for adults and for immigrant children in schools: language barriers for immigrants in western Canada are particularly pronounced as high proportions of Asian, African and Middle Eastern immigrants settle in the West. Employer and school involvement in the language training is also needed in order for the training to be geared to the skills needed to work in western Canada.
- Provide incentives and opportunities for immigrants to settle outside the main population centers: although immigrants have the same mobility rights as Canadian-born residents, there are incentives that can encourage immigration in areas of low population growth or skills shortages. Business loans, income support, additional training opportunities, faster family reunification and other incentives help reduce the costs associated with leaving the community supports available in large urban centres. Similar incentives can also be made available to communities themselves to acquire community supports for new immigrants.
- There should be greater investment in building local capacities to welcome, integrate and retain immigrants. In particular, municipally-driven initiatives to create community-specific approaches to improving immigration experiences are required. The lack of sufficient municipal engagement was an oft-repeated concern of participants at the Building the New West Project consultations as municipalities have resources, coordination and communication capacities that are needed to upgrade the local capacity to help immigrants.
- Centralize good information for immigrants regarding employment, education, provision of basic needs, and cultural opportunities: the lack of availability of accurate information on climate, culture, living costs, and job markets prior to immigration is a significant deficiency of current immigration policy.
- There should be greater collaboration among different areas of government, social services, school systems and employers. A lack of coordination or a single overarching body among the numerous agencies that deal with immigration creates a disjointed and complex immigration process.

- Funding for the immigrant selection and screening process should be increased: many of the participants at our consultations spoke of the overworked and troublesome nature of the selection and screening process for immigration into Canada (e.g., long time delays, poor application of the selection criteria, failure to meet immigration targets and perceptions of an increased security risk). Time delays can also contribute to immigrant underemployment by increasing the gap between identifying labour market needs and being able to fill those needs with immigrants.

The message highlighted by these recommendations is that more can and should be done to assist immigrants as they make the difficult transition from their former homes to their new home in western Canada. The expenditure of public money on improvements to selection, processing, and settlement services can pay off in higher economic returns, reduced social assistance demand, and an enhanced contribution by immigrants to the region and the country.

Skills Training

Key Reports:

- *Willing and Able: The Problem of Skills Shortages in Western Canada*
- *Tools of the Trade: An Inventory of Education and Skills Development Programs in Western Canada*
- *Toward a Bright Future: Recommendations for Addressing Skills Shortages in Western Canada*

An overarching human capital challenge in the West is created by existing and future skilled labour shortages. With an aging population that celebrates early retirement, trades hard pressed to find new recruits because of the allure of careers in the knowledge economy, an outflow of young people or skilled working age residents from some areas, and global competition for skilled labour, it is no wonder that skilled labour shortages are an ominous presence on the policy horizon in western Canada.

But with several hundred thousand Westerners actively looking for work and thousands more under-employed, why are some businesses and economic sectors having trouble finding workers? The reason for this is that the problem is not a lack of workers, but a lack of *skilled* workers. Employers are looking not just for the willing, but also the able.

Improving the education and labour market outcomes of the Aboriginal population and increasing immigration and the utilization of immigrant skills are two ways to address this challenge, but there are other things to consider such as the role played by the post-secondary education sector. In order to increase understanding of the skills shortage dilemma and options for improving the post-secondary education system's ability to help resolve it, the Canada West Foundation conducted the Filling the Gaps Initiative. The initiative included a survey of western Canadian industry associations and private companies, and focus groups that brought together key informants from government, business and education. The key findings and recommendations include:

- Although far from a comprehensive statistical portrait of existing and potential skills shortages, the survey work and consultations confirmed that skilled labour shortages in the West are upon us and are expected to get worse. Shortages are particularly acute in some sectors (e.g., health care and the trades).
- Despite the existence of a large number and broad range of post-secondary training programs, there was a strong sense that the post-secondary system was not keeping pace with the demand for skilled labour. It was also stressed that it is not simply a matter of training people; the skills being acquired must match those in demand by employers today and in the future.
- Potential careers in what are perceived to be the industries of the future (e.g., information technology) have become the

preferred career paths of many young people. This has diverted students away from traditional trades such as carpentry, welding, and plumbing – many of which have a social perception as being low skill and low paying. In fact, trades, resource occupations, and other “traditional” jobs often involve the use of sophisticated technology, require a high level of skill, and pay well.

Recommendations:

- More funding should be provided for post-secondary education to ensure appropriate program and facility capacity to meet the growing need for education and skills training: if we want to keep pace with the demand for skilled labour and the economic benefits this brings to the region, more resources are required to do the job.
- The federal government’s Sector Council Program should place a more regional focus on its activities, while maintaining national standards.
- Labour Market Development Agreements need to break the link between federal funding for training and Employment Insurance eligibility so as to include those who are underemployed or at risk of becoming unemployed because their skills are insufficient or outdated.
- The quality and timeliness of shared information on labour demand should be improved: there is a lack of data on labour demand and the skills needed by the economy such that we are often operating largely in the dark.
- Tax credits should be used to encourage employers to do more direct on-the-job training: many employers provide on-the-job training, but this is an area of potential expansion.
- Provincial governments, industry, trade associations, and vocational education institutions should work together to change perceptions about careers in the trades.
- The training and skills development available to Aboriginal peoples should be increased.
- Targeted immigration through provincial nominee programs should be increased.
- The flexibility of post-secondary institutions should be increased: rigidities within the post-secondary system, within institutions, and within legislative frameworks that govern changes to publicly-funded programs often prevent the rapid changes that are needed to keep up with the dynamics of the labour market. Increasing flexibility within the post-secondary education system will help to ensure that students receive their training as quickly as possible.
- The transferability of credits among post-secondary institutions should be improved: there has been some progress regarding the transferability of course credits from one post-secondary institution to another, but much more work needs to be done in this area. Making it easier for students to transfer course work and credits among schools will create more program and career options and accelerate the rate at which skilled workers enter the labour force.

Addressing the problem of skills shortages is complex and cannot be carried out by any single government, post-secondary education institution, or industry in isolation. It will require a coordinated effort of all three, better awareness of and information about skills shortages, and a willingness on the part of governments and employers to commit the necessary resources.

VIII. Economic Diversification

Key Reports:

- *Beyond Our Borders: Western Canadian Exports in the Global Market (French version: Au-delà de nos frontières)*
- *The Rural West: Diversity and Dilemma*
- *The Burgeoning Fringe: Western Canada's Rural Metro-Adjacent Areas*
- *Fighting the Odds: Rural Development Strategies for Western Canada*
- *Counting the Cost: Impact of the Rising Loonie on Western Commodity Exports*
- *Out of the Ashes: BC's Economy in 2004*
- *Strength in Diversity: Manitoba's Economic Prospects Into 2005*
- *A Soft Landing: Saskatchewan's Economic Profile and Forecast*
- *Balancing Act: Water Conservation and Economic Growth*

One of the dominant points made again and again as we crossed the West asking people about what needs to be done to ensure the region stays competitive in the global economy was that western Canada needs to diversify its economy. Almost as dominant was the argument that this should not involve trying to branch out into any and all areas, but should instead be based on existing economic strengths and comparative advantages. There was, in fact, a fair degree of trepidation rooted in the fear that the quest for diversification will lead us down the proverbial garden path and result in a lot of economic flops funded by tax dollars.

Building on existing strengths can take at least four forms: 1) increase value-added production related to the West's vast stock of natural resources and agricultural production; 2) provide support for industries with strong footholds or a record of success in the West; 3) improve ties with US customers; and 4) expand and improve ties with markets other than the United States.

The first two involve diversification of our products while options three and four involve expanding our range of customers. In all cases the goal is two-fold: increase the economic returns to Westerners and reduce the risk created by a dependency on a small number of volatile commodities or fickle markets.

In regard to the United States, there is broad agreement that the economic benefits of living next to the world's most voracious economy are innumerable and that we need to nurture and take advantage of this relationship as best we can. However, there is also broad agreement that there are lucrative options in other parts of the world and that expanding trade with these areas would reduce our dependency on the US market and the negative effects of protectionist US policies. America is our best economic friend, but we can have other friends, too.

We concentrated our work on economic diversification on three areas: 1) the rural West; 2) the importance of water to economic growth; and 3) general information about the western economy that could be used to draw attention to the need for diversification, success stories and potential approaches.

The Rural West

There is no doubt that parts of the rural West face major challenges. The proportion of the West's population that is rural has been in decline for decades and many rural residents are relocating to the fringes of the West's large cities. The incomes of rural residents are relatively low and some parts of the rural West have been hard hit by economic changes.

At the same time, the rural West has a strong base of renewable and non-renewable resources that forms the backbone of the

regional economy, and some rural areas have seen both strong population and significant economic growth. Hence, a key finding of our work on rural issues is that policy-makers should avoid taking “blanket approaches” to rural issues. The challenges and opportunities facing rural metro-adjacent areas, the rural heartland, and the rural areas in the northern parts of the West are all very different and, in turn, require different approaches. Our findings also suggest that policy-makers should not strive to address inequities or differences between urban and rural areas, or between different types of rural areas, but rather should focus on each individual community reaching its full potential. In some cases, this will require a recognition that little can be done to assist a local economy in decline.

The main findings of the Rural West Initiative include:

- Many areas of rural western Canada are in decline. While some areas have prospered, particularly those nearest to cities or with natural tourism advantages, other areas have lost a large number of jobs through automation technology and commodity price declines. As the jobs disappeared, so did many of the people, drawn to employment opportunities elsewhere.
- The impact of this decline is felt throughout the western provinces and not just in its rural areas. Rural economic lag affects the overall health of the regional economy, increases the cost of delivering public services, puts rural lands and natural resources at greater risk of decay, reduces quality of life for many western Canadians, and alters the diversity of the social and political landscape.
- Across the West, the rural population has increased by 3% over the past 50 years and by 1% over the past 20. Only Saskatchewan has witnessed an absolute decline in rural population.
- Urban population growth in western Canada has significantly outpaced rural growth. Between 1971 and 2001, the proportion of the western population which lives in rural areas decreased from 29.7% to 20.4%.
- The current migration trends demonstrate that across the West increasingly more people are moving to the rural areas on the fringe of cities. These metro-adjacent rural areas have grown 24% from 1981 to 2001.
- It is difficult to make sweeping generalizations or judgments about the rural West as a whole. There is no “one size fits all” policy solution for the West, and the issue may require a community-by-community solution.
- The lines between the urban and rural Wests are increasingly blurred. Rural residents are often engaged in the urban economy, and urban residents are episodically part of the rural West through their recreational and business pursuits. While we all live predominantly in one form of community or another, urban or rural, few of us live exclusively in one.
- The existence of an urban-rural gap, or even rural-rural gaps, is not a call for governments to “close the gap.” Some of these gaps may be beyond the reach of public policy, reflecting as they do a transformation of western industrial states that has been going on for centuries.
- The economic pressures on rural communities cannot be automatically equated with economic hardship. Even though a great deal of contemporary policy work identifies urban centres as the drivers of the new knowledge-based economy, in many respects rural communities are doing quite well.

- The pull of immigrants and young persons towards the cities will not easily be overcome by public policy. Increasing the flow of international immigration into the rural West through community development projects may not succeed against a city's appeal to the urban backgrounds of most immigrants, and the strength of ethnic communities in the West's major urban centres.
- The rural West is already considerably diversified; economic development strategies need to be more sophisticated than merely bringing new industry to the West. The rural West lacks the human capital and industrial infrastructure to accommodate many types of economic activity, and new development needs to recognize these limitations. While there may be pockets of ready labour in some rural regions, it is not reasonable to assume that any project can be plugged into this labour pool with the same level of success.

Rural Metro-Adjacent Regions

- Rural areas in western Canada have undergone a transformation. City residents are moving out into the countryside to experience the rural West. At the same time, rural residents are moving closer to the cities to be near the economic and lifestyle advantages of the cities without completely abandoning their rural roots. The result has been tremendous population growth and a number of growing pains within the rural metro-adjacent (RMA) regions that surround the western urban cores.
- The RMA regions are distinct from the larger rural West. While the rural West as a whole is experiencing economic challenges and little or no population growth, the RMA regions are flourishing. Compared to the rural West as a whole, RMA regions are becoming younger, more family-orientated places, with diverse incomes and high levels of non-farm employment.
- This rural transformation has led to a number of policy issues including: the loss of arable farmland; clashes between new and traditional forms of rural life; service delivery challenges; infrastructure financing challenges; environmental degradation; concerns about the availability of water; and the perceived loss of rural political influence.
- A key policy challenge facing governments is how to meet the expectations and needs of an expanding population of exurbanites, while also addressing the concerns of long-term RMA residents. New RMA residents have larger, more valuable homes and may have service and infrastructure expectations that require costly long-term projects, while long-time RMA residents may see these projects as unnecessary. Finding a balance between "urban" and "rural" lifestyles will continue to be a point of tension in RMA areas.
- RMA areas, although captured in most definitions of "rural," comprise a distinct and relatively prosperous area when compared to the outer "rural heartland." This represents a substantial barrier to rural policy development: the lack of an ability to separate the prosperous RMA zones from the less prosperous rural heartland in data analyses. The inclusion of RMA demographic data in overall rural data coverage obscures the reality of the non-RMA rural heartland in the West – an area most would see to be the "real" rural West. This highlights the need to study the unique demographic and social picture within the rural heartland away from these RMA edges.
- Overall, if the rural West is strong at the edges of cities, it is much weaker in the rural heartland and rural remote areas. Population growth has caused an economic development boom for the RMA areas, but that boom may very well be furthering the depopulation of the rural heartland. The RMA zones are becoming economically, demographically, and politically more closely associated with the urban cores than with the rural heartland regions.

Water and Economic Growth

As work on the Building the New West Project progressed, the importance of water to the economy and the threat of a lack of water undermining economic development in the West were topics that arose again and again. Given the importance of water and effective water management (both political and environmental) to current economic activity and future diversification efforts, the Canada West Foundation embarked on its Water and Economic Growth Initiative in 2004 to achieve four related goals.

First, we wanted to highlight the connection between water and the economy – a connection that is often not well-understood. We stressed that water is a critical factor affecting current and future economic activity, and that water issues go far beyond quality and environmental concerns. People need to think of water issues alongside economic topics such as international trade, skills training, the availability of venture capital, the unemployment rate, GDP growth, and the price of oil. Underlying this goal is the realization that managing the demands on the water supply so that there is enough for both economic growth and the maintenance of a healthy environment is absolutely vital to the future prosperity of western Canadians. If we don't get this right, our quality of life will be in serious jeopardy.

The second goal is rooted in the first and involves promoting the value of water conservation on economic grounds. The case for conserving water for ecological reasons is solid and has been made elsewhere. The ecological case, however, is typically trumped by economic concerns. The point we stressed throughout the Water and Economic Growth Initiative is that conserving water is key to meeting the water use demands of our growing economy. This is especially true given that we need water for everything from urban growth and irrigation to natural resource extraction and manufacturing, and that these needs are running up against the reality of a finite (and possibly shrinking) water supply. Hence, if we want to sustain economic growth, finding ways to increase conservation of a finite resource is both logical and necessary. With that said, the ecological case should not be forgotten given that it is the integrity of our ecological systems that keep the water flowing from year to year.

The third goal is simple but extremely valuable. We decided early on that, given limited time and resources, the best way to achieve the first two objectives was to bring key stakeholders together to talk through the issues, hear what people with different perspectives and priorities have to say, and draw on the expertise of others. A key aspect of this process was a commitment to include a broad range of interests – particularly water users – and direct these diverse points of view toward discussing how the demand for water can be better managed. As an independent, non-partisan, and non-governmental organization without a vested interest in either water use or conservation, the Canada West Foundation was the ideal organization to bring the various stakeholders together on “neutral ground.” As a result, two very successful meetings were held in Calgary and Edmonton in the fall of 2004 that brought together over 75 extremely knowledgeable stakeholders to discuss the economy's water needs and how water conservation fits into this picture.

Our final goal was achieved by the publication of *Balancing Act: Water Conservation and Economic Growth* and the communication efforts in which it is embedded: we wanted to share the results of the consultation process with a broad audience.

Although the consultations were held in, and focused on, the Alberta situation, the findings and recommendations derived from them have broad applicability and are of use across the West and throughout the country.

Key findings and recommendations of the Water and Economic Growth Initiative include:

- In areas where water is in short supply, and barring putting a cap on new users or directing development and industry to where there is sufficient water to support them, the challenge is to change how water is perceived and how it is used. If we fail

to do so, we face significant economic and environmental costs. In this regard, water conservation options such as recycling water, water-saving technology and price signals represent an under-utilized and promising approach to water management that may be able to help jurisdictions like Alberta meet the demand for water while helping to preserve the watersheds that supply it. Water conservation is not a panacea, but it is a critical, and potentially very effective, means of addressing the dilemma presented by rising demand for a limited resource.

- Current public policy in Alberta was seen by many water consultation participants as discouraging the efficient use of water, inadequately managing ecosystem needs, lacking innovation, and failing to integrate new scientific knowledge. The perceived fragmentation of government decision-making, conflicting departmental goals and agendas, and a lack of partnerships, resources, political will, and creativity in government were also identified as public policy shortcomings.
- Broadly-held attitudes and perceptions were thought to be impeding the advancement of water conservation in Alberta. More specifically, the myth of abundance, the myth of entitlement, and fears that some water conservation practices are potentially harmful to human health have limited public demand for change. Overall, the lack of public awareness was thought to be a key barrier. Among industry and agricultural users there is the negative perception that water conservation means more government control. Also, technological concerns were raised and water users felt that there are still a lot of unknowns when it comes to the performance of water efficient technology.
- Lack of data and information on the total supply of groundwater and surface water, and the lack of data on actual water use by all sectors render it difficult to make informed decisions. The lack of information on demand management, and the lack of information sharing on technology success stories and lessons learned by other organizations, were identified as barriers to advancing water conservation.
- Limited resource availability – particularly the lack of human capital within government to develop and implement new water policy and the lack of financial resources to support pilot projects, test technologies, and to fund facility upgrades – and the lack of financial incentives to encourage water conservation were also seen as major barriers.

Recommendations:

- A vision that identifies future economic development goals and the role of water conservation in achieving these goals should be developed. It was recommended that the province establish a rationale for water conservation and clearly state its goal. Is it to benefit the ecosystem, to enable economic growth and expansion, or both?
- Re-evaluating and re-structuring the public policy framework and governance models were identified as necessary steps to advance water conservation initiatives in Alberta. General recommendations include the need to develop a flexible solution that recognizes regional water differences and the need for government to seek partnerships with the public, non-profit organizations, and all water users to advance water conservation policy ideas. A number of more specific recommendations were put forth which include the need to establish water conservation targets at the watershed-level, develop conservation targets based on forecasting and backcasting, and better integrate government decision-making (particularly watershed planning).
- Investments should be made in education and the promotion of water conservation. All water users (including the public) should have access to up-to-date and accurate information on Alberta's water supplies. Increasing awareness and promoting

long-term behavioural change are necessary in order to spark fundamental transformation of how we currently use and value water.

- Additional research and measurement needs to be conducted and applied to make informed and proactive water policy decisions. A number of research priorities were identified, but one that was strongly emphasized is the need to research and evaluate water conservation initiatives applied in other jurisdictions to determine their applicability in Alberta. Quantifying provincial surface and groundwater supplies, measuring cumulative effects, determining ecosystem demands, and measuring actual water use were identified as key ingredients to make informed decisions.
- The province should ensure that Alberta Environment has the resources to develop policy and implement the recommendations put forth in the Water for Life strategy. The province should invest in pilot projects to illustrate the potential economic and environmental benefits of water efficient technologies.

The Western Economy – General Research

One of the first steps toward greater economic diversification in the West is increased understanding of the regional economy both within the West and at the national level. To help achieve this goal the Canada West Foundation added a full-time Chief Economist to its staff in January 2004. The Chief Economist is responsible for – among other things – producing quarterly macro-economic update reports on each of the four western provinces (one each quarter), special reports on the western economy, regular commentary on western economic issues, and the development of western-specific economic indicators. The first of these indicators – the Western Job Opportunities Index – has been up and running since June 2004. The work of the Chief Economist of the Canada West Foundation will continue beyond the end of the Building the New West Project and will form a core part of our research agenda in the years ahead.

The reports produced by the Chief Economist to date reveal that the provincial economies, and the regional economic system they comprise, have a lot going for them. At the same time, numerous challenges exist and new ones continue to present themselves that highlight the value of staying the course on the five priorities identified by the Building the New West Project.

IX. Transportation

Among the many challenges facing the West's transportation sector are the fact that it is divided into distinct sub-sectors (e.g., rail, road, air, water), public and policy-maker awareness of the central importance of transportation to the economy is low and its continued efficient functioning tends to be taken for granted, and voices outside the sector explaining its importance and needs are few and far between. Given these three challenges, the Canada West Foundation saw an opportunity to bring the various sub-sectors together, raise awareness of the importance of transportation to the western economy and serve as an independent voice for the sector's concerns.

Preston Manning, a Senior Fellow with the Canada West Foundation, suggested organizing a major western Canadian transportation conference called Building the New Dream. Mr. Manning described his idea thusly:

One hundred and forty years ago, a small group of people met near the shores of Lake Ontario to dream about the future. At the conclusion of the meeting, a fellow named Macdonald summed up their discussion: "So we unite the colonies, buy Rupert's Land from the Hudson Bay Company, build a tariff wall along the border with the United States, strengthen the rail links to Halifax, and build a new railway to British Columbia. When it's all done we will have built a new country."

Over a century later, author Pierre Berton described this undertaking as “The National Dream.” Its backbone was a transportation project – a transcontinental railway making the Old West a part of Canada and linking the new country together from sea to sea. In March 2003, a group of forward thinking Canadians will meet in Calgary a few blocks away from that railway line to dream a new dream. Their objective will be to sketch out the transportation links – rail, air, highway, marine, urban, pipeline, electricity transmission, and inter-modal connections – required to link the New West to itself, the rest of Canada, the rest of the continent, and the rest of the world for decades ahead.”

Mr. Manning’s idea was made a reality and the *Building the New Dream: Linking the New West to the World Conference* was held in Calgary on March 6 and 7, 2003. The conference brought together visionary thinkers from across the transportation system in western Canada. Participants came from the rail sector, from highways and trucking, air, ports, electricity transmission, pipelines and urban transportation. The overall conference objective was to raise the profile of transportation in the West, and to drive home the importance of transportation infrastructure to both regional and national prosperity. Much of the run-up to the conference focused on creating tools to be used for public and political communication. Sector groups began work months before the conference to create graphic presentations.

In the weeks following the conference, CWF President Roger Gibbins, Senior Fellow Preston Manning and Senior Policy Analyst Jason Azmier held breakfast meetings in Victoria, Vancouver, Edmonton, Saskatoon, Regina, and Winnipeg to get the messages of the conference out to a larger audience

X. Western Cities

The West’s large cities serve as economic nodes that attract skilled labour, economic activity, and venture capital, produce and distribute goods and services, and connect the region to the larger world. If our cities are in disrepair or unable to offer a high quality of life, their effectiveness as economic nodes will suffer. Hence the importance of urban issues to the economic future of western Canada.

Although not a research focus of the Building New West Project because of our ongoing Western Cities Project (and the urban component of our Natural Capital Project), it is worthwhile to recount a number of key urban issues identified by these projects:

- Despite the recent attention being paid to urban issues, we are still a long way from a comprehensive, forward-looking urban action plan with clear commitments of resources, timelines and outcome measures.
- Western cities are saddled with significant infrastructure debts and deficits that need to be addressed, and there are a number of innovative options that should be pursued.
- The country is in need of an informed and impassioned debate about options for modernizing the system of urban government – a system that developed in the days when most people lived in rural areas.
- The West’s urban centres are home to a large number of Aboriginal people and, in turn, efforts to improve the social and economic circumstances of Aboriginal people should have a strong urban dimension.
- The West’s large cities and adjacent areas are grappling with environmental problems that come with rapid and extended periods of population growth. The permanent loss of prime agricultural land, the destruction of watersheds and habitat,

existing and potential water shortages, pollution, lack of green space, and other environmental concerns are reducing urban quality of life.

- The need to investigate and experiment with alternative forms of urban design to address environmental, traffic, and other quality of life issues is clear and western cities should become leaders in this area.
- Urban arts and culture, and the quality of place they engender, have been linked to an urban centre's ability to attract skilled workers, tourism dollars and investment. As with environmental performance and urban design, the West has an opportunity to improve in this area, and become a national and international leader.

More information about the Canada West Foundation's Western Cities Project can be found on our website (www.cwf.ca).

XI. Regional Cooperation

Key Reports:

- *Common Ground: The Case for Interprovincial Cooperation in Western Canada (French version: Convergence des intérêts)*
- *Good Neighbours: An Inventory of Interprovincial Cooperation in Western Canada, 1990-2002 (French version: Un bon voisinage)*
- *Learning Together: Interprovincial Cooperation in Education Policy (French version: Apprendre ensemble)*
- *An (In)Auspicious Gathering: The Western Economic Opportunities Conference of 1973*
- *Ottawa and the West: Reflections on the Western Economic Opportunities Conference of 1973*

From an economic perspective, regional cooperation makes a lot of sense and this was reflected in the comments made at the provincial consultations. The message was clear and emphatic: as a physically large but sparsely populated region divided into administrative units, Westerners must find ways to work together if they hope to compete effectively in the global economy. The advantages of cooperation are too important to squander in the name of narrow provincial interests. This is especially true as other parts of the world use their large size or their own cooperative initiatives to their advantage vis-à-vis the West.

Some may argue, however, that people are in favour of cooperation because it sounds good. Who is against cooperation in principle? But it goes beyond mom and apple pie; carefully considered and well-executed cooperation among four small jurisdictions (in terms of population at least) like the western provinces will save money, and improve government services and government-funded operations such as health care and education. A more efficient region with a large combined market that produces better outcomes in critical economic areas such as human capital development, transportation and diversification is what greater regional cooperation promises.

Before going any further, it is important to address two key concerns. First, regional cooperation does not imply nor does it require a disappearance of distinct provinces with unique political cultures and policy preferences. There is plenty of room for policy experimentation, healthy interprovincial competition, and alternative directions. What cooperation requires is a real commitment to jettisoning short-term self-interest in favour of long-term gains that make parties better off than if they go it alone. Cooperation is not required in all instances nor does it work in all cases, but it should not be something to which a province pays lip service and only engages in on the margin without really changing the status quo. Cooperation is about real trade-offs but not the end of provincial autonomy. A provincial government chooses to cooperate of its own free will, and should only do so if it benefits its residents.

Second, if regional cooperation is so great, why not go whole hog and pursue national cooperation? There are two basic answers to this: 1) in a country as large and diverse as Canada, and within areas of public policy marked by extreme complexity and a large number of competing interests and perspectives, it is often unmanageable on a practical level to pursue cooperation among all parts of the country; and 2) regional cooperation need not preclude grander forms of cooperation – be it national or international – and, in fact, may be a stepping stone to just that. It is also worth noting that the case for cooperation among the four western provinces also applies to cooperation with other parts of the country and the United States at a sub-national level. More and deeper regional partnerships with western US states, for example, are certainly worthy of consideration.

Because the economic principles of economies of scale and comparative advantage apply to the provision of government services, regional cooperation also has the potential to generate better public services at lower cost. The advantages of cooperation include:

Economies of Scale and Specialization

Pooling expertise and resources saves money by reducing duplication and expanding the market for public services. Regional cooperation offers the scale of production necessary to compete with bigger players, but takes place on a small enough scale that is still manageable on a practical level. Combining efforts, moreover, makes it easier to do some things that would be impossible or impractical for one province to undertake alone because of a lack of a critical mass of resources or population.

Basing policy decisions on a regional population also allows for a greater degree of specialization. By focusing on a smaller number of services and “trading” these with regional partners, governments can provide their citizens with higher quality services and save money at the same time through the efficiency gains associated with specialization. Opportunities to create “centres of excellence” in the policy areas of education and health care abound. Indeed, as the costs of providing public health care continue to skyrocket, the cost savings promised by regional cooperation should not be ignored.

Harmonization

Harmonization across policy areas such as trucking, securities, power generation, licensing, standards, accreditation, labeling, international marketing, and government procurement saves money, reduces confusion both within a region and among external investors, and increases economic performance. This, in turn, expands the tax base and helps sustain public services such as health care and education.

Spillover Effects

Regional policy cooperation also allows governments to address public policy issues that are unavoidably regional in nature – i.e., issues that spill over political borders such as water management, preservation of the environment, and transportation. Without regional cooperation, effective public policy in areas that cross borders is not possible.

Despite a wealth of examples of cooperation among two or more western provinces, there is tremendous room for improvement in this area.

Federal-Provincial Cooperation – the Western Economic Opportunities Conference

We cannot forget that Canada is a federation and, while a great deal can be done interprovincially within the West, more cooperation and coordination between the western provinces and Ottawa also makes sense. There are simply too many areas of overlap, mutual interest, and influence for the West to try and operate in a federal vacuum – what the provinces do affects Ottawa and what Ottawa does affects the provinces. Even in areas of provincial jurisdiction or in the case of decentralized programs, communication, mutual understanding and coordination remain critical elements of good public policy.

To help foster these ties, the Canada West Foundation hosted a Calgary conference in October 2003 to mark the 30th anniversary of the 1973 Western Economic Opportunities Conference (WEOC). The event was designed to assess the WEOC experience, and to explore the future engagement of the federal government in the western Canadian economy.

WEOC brought together Prime Minister Pierre Trudeau and the four western premiers of the day – Manitoba's Edward Schreyer, Saskatchewan's Allan Blakeney, Alberta's Peter Lougheed, and British Columbia's David Barrett. Over 300 delegates attended this first of its kind Calgary event. In the end, however, WEOC was generally seen as a disappointment. It did not address western Canadian discontent and indeed may even have exacerbated it. WEOC did not produce a new national policy that would foster economic development and diversification in western Canada. If anything, the relationship between the federal and western provincial governments became more conflicted.

Yet in many other respects, WEOC left an important and more positive imprint on the western Canadian political landscape. It brought British Columbia together with the prairie provinces, led to the creation of the annual Western Premiers' Conference, and helped foster a good deal of interprovincial cooperation. WEOC also marked the emergence of the "New West" on the national stage, signaling greater regional self-confidence and national profile. While WEOC did not solve many problems, it heightened national awareness of both regional discontent and the potential contribution of the West to the national economy.

Beyond reflecting on the WEOC experience, participants at the Ottawa and the West Conference explored the future of federal government engagement with the regional economy. Although it was acknowledged that the economic and public policy landscapes had changed substantially since 1973, the importance of the federal role has not diminished. Moreover, many of the same economic challenges remain, and they remain entangled in a largely dysfunctional political relationship between the West and the federal government.

Just as federal-provincial relations should not be forgotten when discussing intergovernmental cooperation, the opportunities that abound at the provincial-municipal and the municipal-municipal level should also be pursued with more vigour.

It is not easy. Personality, vested interests, different perspectives, varying priorities, and lack of infrastructure all have to be overcome. The main barrier, however, remains political will. Intergovernmental cooperation that goes beyond lip service and bare bones initiatives has to become a priority from the top down or it will remain at the low rung on the public policy ladder at which it currently sits.

Bridge Building

Canada West Foundation Senior Fellow Preston Manning has been spearheading a non-partisan effort to increase regional coordination within western Canada and among Canada's regions. Built around the theme of bridge building (the construction of strategic alliances and cooperative endeavours across provincial boundaries, among the various regions of the country, and across national boundaries with the goal of cementing strong and more positive economic relationships), the Canada West Foundation conducted focus group sessions in Saskatoon (May 17, 2004), Winnipeg (May 18, 2004), Vancouver (June 10, 2004), and Victoria (June 11, 2004). Additional meetings are planned in other parts of the country in 2005.

XII. Public Policy Recommendations

There are many things that need to be done in the five priority areas identified by the Building the New West Project and many of them are things beyond the appropriate purview of government. Employers need to see the value of foreign-trained workers and

take steps to ensure that they provide the support that new Canadians need to maximize their productivity. Western businesses need to identify the opportunities for, and assume the risks of, economic diversification. Urbanites need to get behind new forms of urban design and transform our cities from the neighbourhood level on up. And so on.

However, there is much that governments can and should do through changes to public policy – be it direct action or policies that enable individuals, nonprofit organizations, and businesses to do what they do best. In all cases, it requires thinking ahead, using tax dollars wisely, and taking bold steps rather than waiting until it is either too late or tackling an issue halfheartedly.

The following recommendations are aimed at public policy-makers rather than the broader western Canadian community because this was the focus of the Building the New West Project. While based on the work carried out under the auspices of the project, these recommendations do not simply repeat the many specific recommendations made over its course, but instead step back and suggest a series of general steps.

Regional Cooperation

Western Canada's performance in four of the five priority areas identified by the Building the New West Project – human capital, economic diversification, cities, and transportation – can be improved by action within the fifth priority area of regional cooperation. Indeed, there are few if any areas of government that cannot be improved through well-designed regional cooperation activities. This is not to suggest that regional cooperation is the answer to all challenges; it is meant rather to point to the many unexplored opportunities for cooperation, and to the benefits thinking and acting like a region can bring – especially in terms of competing in the global economy.

In keeping with this, the following recommendations are put forward:

- The four western provincial governments should convene a landmark meeting in early 2006 that will bring together the premiers, the deputy-ministers of all departments, and other senior staff to debate, map out, and agree on a master plan for regional cooperation. The plan should include clear and practical goals that will move the region toward a more coordinated approach in key areas such as post-secondary education and training, health care, transportation, economic development, government procurement, immigration and Aboriginal issues. This is an opportunity for the West to go beyond the basic forms of cooperation it now engages in, recognize and start to reap the advantages of greater cooperation, and emerge as a national and international leader in this area. The potential benefits are clear, the public will exists, and the timing is right for western Canada to plan, act, and market itself as a coherent unit that is greater than the sum of its parts.
- Because of the many areas of overlap and the tremendous impact of federal policy on the West in general, it is essential that Ottawa and the West work together much more closely than they do today. To foster mutual understanding, address common issues, and increase coordination, it is recommended that the federal government and the governments of the four western provinces convene a major federal-provincial conference as soon as possible. The meeting could be modeled after the only other similar meeting of its kind: the Western Economic Opportunities Conference of 1973. A second WEOC would give western Canadians the opportunity to see their national government addressing regional concerns and aspirations in an open forum. It would also strengthen interprovincial cooperation within the West and, if successful, significantly improve the temper of federal-provincial relations.
- The governments of the four western provinces should consider the creation of a permanent regional governance body with the mandate and the muscle to move forward on cooperation where clear benefits are evident. The body could also be used

to identify and facilitate opportunities for cooperation at the sub-regional level in rural areas, among urban centres, and with the United States.

Human Capital

Western Canada has an excellent post-secondary education system that includes great universities and colleges, and a wide array of training programs. With that said, it is not enough. We need to do even more if we are to develop the human capital needed to maintain the region's prosperity over the long-term. In addition to the numerous recommendations put forward during the course of the Building the New West Project regarding Aboriginal human capital, immigration, and skills training, the following additional suggestions are offered:

- Given the huge number and range of government programs related to skills training currently in place in the West, the federal government and provincial and municipal governments in the West (along with school boards, post-secondary institutions, and the nonprofit and business sectors) should create a single-window regional approach to skills training such that individual western Canadians can consider and access all options from one point of entry. Everyone should know exactly where to go and be able to learn quickly and easily what their options are and how to pursue them. This will require a great deal of work on the part of the government bodies and other organizations involved in skills training as well as a willingness to rise above entrenched practices and turf issues to develop a coordinated service that focuses on the individual rather than government priorities and practice.
- The tremendous untapped human capital potential of immigrants and the Aboriginal population, combined with stubborn barriers to realizing this potential, suggest a need for a special approach in these two areas. Federal, provincial and municipal governments should work together to improve Aboriginal education and labour market outcomes; increase immigration in high needs areas; provide greater support for new immigrants in terms of both social needs and Canadian education, skills and experience; increase the recognition of not only foreign credentials but also foreign experience; and support objective research and communications activities that explain the human capital benefits that the Aboriginal population and immigrants bring to the table. The latter is particularly important as discrimination remains a major barrier for both Aboriginal peoples and immigrants. It is not a question of lowering standards or throwing money at problems; it is a question of fairly and fully recognizing what individuals have to offer and helping people overcome social and structural barriers to reach their potential.
- A long-standing barrier to more effective public policy related to Aboriginal peoples is the outdated division of responsibility for Aboriginal affairs based on geographic location (i.e., on-reserve or off-reserve). Education, training and employment – not to mention the fact that the majority of the Aboriginal population lives in off-reserve rural areas or in urban areas – are often pursued outside the reserve system. Hence, it makes sense for governments – federal, provincial and municipal – to pursue a common, coordinated approach to Aboriginal human capital and related policy that demarcates clear lines of responsibility and prevents the “falling through the cracks” phenomenon that characterizes current policy.

Transportation

The West's transportation system provides a classic example of an area where regional approaches make a great deal of sense. Moving people and products around the West and to national, continental and global destinations inevitably means crossing provincial boundaries. The West's transportation system is and has to be regional. Alberta, for example, can spend billions on its own roads but be stymied by problems at the Port of Vancouver. Transportation policy works best when it has a larger population and tax base under it, and when unintentional and unnecessary jurisdictional barriers are kept to a minimum. Despite this,

regional transportation policy approaches in the West are the exception rather than the norm.

- It is recommended, therefore, that the four western provinces develop a transportation infrastructure plan, including joint funding mechanisms, and create a common regional transportation policy.

Economic Diversification

Throughout the Building the New West Project, Westerners stressed the need to continue the quest for economic diversification, but combined this with a healthy dose of skepticism about government “picking winners” or backing “wacky ideas.” There is, in other words, a role for government in this area but this role should not involve government subsidies for private sector schemes.

International markets do not have the long-term interests of the West in mind. They may be happy pulling out every last resource in the region and moving on. It can, moreover, be difficult for local interests to counteract these global forces. What we need is a long-term strategy that builds on our resource base (without being unduly limited by it) and expands the local role - without, of course, contravening the solid economic principles of free trade.

It makes sense, therefore, for governments in the West and the federal government to avoid the economic diversification mistakes of the past and look for innovative approaches that build on rather than seek to leap over the current successes and strengths of the regional economy. It also makes sense for governments to focus on the entrepreneurialism that exists in the West rather than attempt to diversify the economy through state action.

- An option worth considering in this regard is the creation of a western Canadian venture capital fund for small- and medium-sized businesses. In this way, the governments of the West – perhaps in cooperation with the federal government – could facilitate private sector activity and help western entrepreneurs and businesses get over the hump of the oft-noted lack of venture capital in the West.
- Increased public sector support for research and development is another area of possible government action. The federal government and the governments of the four western provinces should, therefore, increase their support for research, development and commercialization.
- On the rural front, the message we received throughout the Building the New West Project was that governments should pay attention to rural areas but not try to artificially prop them up. If a high tech lab does not make sense in a remote rural community, then don't try to set one up there as a last ditch effort to help the local residents. Instead, a western Canadian rural economic renewal strategy should: a) accept that economic transitions will cause some communities to decline in terms of their economic prosperity and/or growth; b) recognize that rural areas are not all the same and that blanket approaches to the rural economy are a mistake; c) focus on the comparative advantages of rural areas and existing economic activities; and d) include concrete steps to link the natural capital of rural areas such as agricultural land, habitat, watersheds, clean air, and recreation areas to economic opportunities over the long-term.
- It is also recommended that provincial governments, urban municipalities and rural municipalities increase efforts to develop coordinated economic development strategies that recognize, develop, address and use linkages among urban and rural communities.

Western Cities

Because of our ongoing Western Cities Project, the economic importance of the West's large cities was not a focus of the second phase of the Building the New West Project. Nonetheless, it remained an underlying theme and it quickly became clear that a large-scale rethinking of the role of municipal government needs to take place in Canada. Our system of municipal government was designed at a time when most Canadians lived on farms in rural areas. Today's complex modern metropolises and the concentration of population within them call for an informed and no-holds-barred debate about reforming the current system.

- It is recommended, therefore, that the western provinces take the lead in this area and individually or collectively initiate a major review of provincial-municipal relations, the roles and responsibilities of municipal governments, the funding of cities, and creative options for change.

XIII. *Where to From Here? The NEXT West Project*

Wayne Gretzky's scoring success has been attributed to his ability to skate to where the puck was going to be, rather than to where it was. This captures the challenge for public policy – to figure out where the world is going to be so that public policies can lead to positive futures and, where possible, avoid negative futures. The NEXT West project will combine research, scenario-building and public consultations to think through alternative futures for western Canada, and to map out the public policy strategies best able to promote both economic prosperity and quality of life.

In keeping with the fact that the New West is and always will be a work in progress, and building off the successes and lessons of the Building the New West Project, the Canada West Foundation has launched a multi-year research, consultation and communications project called the NEXT West.

The four western Canadian provinces will experience extensive economic, generational and community transformations over the next 15 years, ones that will in turn transform the public policy landscape. The NEXT West is a three-year (April 2005 – March 2008) research, consultation and communications project that will focus on these transformations, thereby providing strategic insight and advice for western Canadians, their governments, and their communities. It will span the four western provinces while respecting the particularities that distinguish one from another. The NEXT West will place the western Canadian experience within a national, continental and indeed global context.

Three waves of transformation will be examined in the NEXT West project:

1. *Economic Transformations.* The primary economic challenge facing western Canadian provinces will be to build on the existing strengths of a resource-based economy while adapting to new economic realities of innovation, globalization, environmental and security concerns, and the primacy of knowledge.

2. *Generational Transformations.* Seniors within the West will bring unprecedented wealth, volunteer capacity and demands on public services. At the same time, an emergent generation of young western Canadians will bring a very different set of economic concerns, career aspirations, life-style preferences, and identifications with their provincial, regional and national communities. Creating a public policy framework that captures the needs, interests and aspirations of these two generational bookends is an intimidating challenge.

3. *Community Transformations.* It is within communities across the four western provinces that economic and generational changes


will play out. These communities will face concurrent challenges and opportunities stemming from urbanization, rural sustainability, immigration, increasing social diversity and a rapidly growing Aboriginal population that is not yet enjoying proportional benefits from the regional economy.

The NEXT West project rests on the foundation provided by the Building the New West Project. Like Building the New West, the NEXT West will use research and consultation to inform policy-making for the long-term benefit of economic prosperity and quality of life in western Canada. Elements of Building the New West's five priorities – human capital, economic diversification, cities, transportation, and regional cooperation – will be captured in the NEXT West's focus on transformations. For example, the new project will expand Building the New West's focus on human capital through an emphasis on demographic and generational transformations. Similarly, the NEXT West project will expand the focus on economic diversification through its emphasis on economic transformations.

XIV. Conclusion

The future of the New West is bright. Nonetheless, the Building the New West Project reveals that we have a lot of work still to do. It is not a doom and gloom story for we have a strong base from which to build and we have made significant progress. But, we have a long way to go in terms of developing the human capital we will need to stay competitive, economic diversification continues to elude us in many cases, our transportation system is showing signs of wear, our cities are not as good as they could and should be, and we are barely out of the gates on regional cooperation.

The many recommendations that have been put forward over the course of the Building the New West Project along with the summary recommendations outlined in this report help point the way, and our NEXT West Project will continue to generate much-needed information and ideas. Obviously, while valuable, the work of the Canada West Foundation is far from sufficient. If we are to see this region we call home prosper and, in turn, provide us and future generations with the quality of life we know is possible, at least two things are necessary: 1) we need to collectively roll up our sleeves as Westerners and get the job done in the five priority areas identified by the Building the New West Project; and 2) public policy needs to anticipate and facilitate these efforts. The information and policy recommendations generated by the Building the New West Project are humbly offered to serve this important cause.

As the four western provinces are transformed by new opportunities and challenges, finding and using the common ground needed to maximize the opportunities and address the challenges should be our chief concern. If our gaze stays inward and our policies divided, we may find ourselves overwhelmed and unable to stay competitive in the face of other parts of the world that are bigger, facing fewer barriers, or themselves reaping the rewards of regional cooperation and coordination. If there is a big idea out there waiting for the West, it is the idea of building an economic region that combines the strengths of the four western provinces and competes in the global arena as a team. 

Appendix 1: Building the New West Project Funders

The Building the New West Project raised \$2,655,000, of which 34% came from The Kahanoff Foundation and 26% came from Western Economic Diversification Canada. The remaining funding was raised from a wide variety of sources including:

Air Canada
Agriculture and Agri-Food Canada/Canadian Rural Partnership Rural Development Initiative
Alberta Aboriginal Affairs and Northern Development
Alberta Agriculture, Food and Rural Development
Alberta Energy Company Ltd.
Alberta International and Intergovernmental Relations
Alberta Learning
Alberta Real Estate Foundation
Alberta Transportation
ATCO Ltd.
Bell Canada Enterprises
British Columbia Hydro and Power Authority
British Columbia Ministry of Community, Aboriginal and Women's Services
British Columbia Ministry of Competition, Science and Enterprise
Burlington Resources
Calgary Airport Authority
Canadian Freightways
Canadian National Railway Company
Canadian Western Bank
Canadian Wheat Board
Cavendish Investing Ltd.
City of Winnipeg
Donner Canadian Foundation
Edco Financial Holdings Ltd.
The Esper Foundation
Fraser River Port Authority
George Westin Limited
Human Resources and Skills Development Canada
Kitac Enterprises Ltd.
Lincoln-McKay Development Company Ltd.
Manitoba Advanced Education and Training
Manitoba Economic Innovations
Manitoba Hydro
Manitoba Labour and Immigration
Marigold Foundation
Max Bell Foundation
Northwest Corridor Development Corporation
NOVA Chemicals Corporation
PanCanadian Petroleum Limited
Petro-Canada Inc.
Pinder, Herbert C.
Pinder, Richard
Privy Council Office
Ridley Terminals Inc.
Royal Bank Financial Group RBC Foundation
Saskatchewan Government Relations and Aboriginal Affairs (Immigration Branch)
Saskatchewan Finance
Saskatoon Trading Co. Ltd.
SaskTel
SC Infrastructure
Suncor Energy Foundation
Syncrude Canada Ltd.
Transport Canada
Vancouver International Airport Authority
Walter and Duncan Gordon Foundation
The Westaim Corporation
Winnipeg Foundation
Three Anonymous Foundations

Appendix 2: Building the New West Project Staff

Senior Staff:

Jason Azmier, Senior Policy Analyst
 Dr. Loleen Berdahl, Director of Research
 Dr. Roger Gibbins, President and CEO
 Todd Hirsch, Chief Economist
 Susan McFarlane, Senior Policy Analyst
 Robert Roach, Director of Research
 Gary Slywchuk, Communications Officer
 Casey Vander Ploeg, Senior Policy Analyst
 Lori Zaremba, Director of Finance and Administration

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 Sara Doruch
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 Erik Nilsen
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 Sophie Sapergia
 Liam Stone

Senior Fellows:

Dr. David Bond
 Preston Manning

Appendix 3: Building the New West Project Reports

State of the West: Western Canadian Demographic and Economic Trends by Robert Roach and Loleen Berdahl (April 2001)
 Looking West 2001: A Survey of Western Canadians by Loleen Berdahl (June 2001)
 Building the New West: A Framework for Regional Economic Prosperity (Bâtir l'Ouest de demain) by Roger Gibbins, Loleen Berdahl and Robert Roach (October 2001)
 Beyond Our Borders: Western Canadian Exports in the Global Market (Au-delà de nos frontières) by Robert Roach (May 2002)
 Common Ground: The Case for Interprovincial Cooperation in Western Canada (Convergence des intérêts) by Robert Roach (January 2003)
 Good Neighbours: An Inventory of Interprovincial Cooperation in Western Canada, 1990-2002 (Un bon voisinage) by Lisa Fox and Robert Roach (January 2003)
 Learning Together: Interprovincial Cooperation in Education Policy (Apprendre ensemble) by Lisa Fox (March 2003)
 The Route to Prosperity: Transportation and the Western Canadian Economy by Susan McFarlane (March 2003)
 Looking West 2003: A Survey of Western Canadians (Regard sur l'Ouest en 2003) by Loleen Berdahl (April 2003)
 State of the West 2003: Western Canadian Demographic and Economic Trends (L'état de l'Ouest en 2003) by Robert Roach (May 2003)
 The Rural West: Diversity and Dilemma by Jason Azmier and Liam Stone (June 2003)
 Achieving Potential: Towards Improved Labour Market Outcomes for Aboriginal People (Réaliser le potentiel) by Ben Brunnen (September 2003)
 An (In)Auspicious Gathering: The Western Economic Opportunities Conference of 1973 by Robert Roach (October 2003)
 Ottawa and the West: Reflections on the Western Economic Opportunities Conference of 1973 by Roger Gibbins and Robert Roach (December 2003)
 Encouraging Success: Ensuring Aboriginal Youth Stay in School (Promouvoir la réussite) by Ben Brunnen (December 2003)
 The Burgeoning Fringe: Western Canada's Rural Metro-Adjacent Areas by Jason Azmier and Sarah Dobson (December 2003)
 Working Towards Parity: Recommendations of the Aboriginal Human Capital Strategies Initiative (Vers la parité) by Ben Brunnen (February 2004)
 Counting the Cost: Impact of the Rising Loonie on Western Commodity Exports by Todd Hirsch (February 2004)
 Regional Distinctions: An Analysis of the Looking West 2004 Survey (Distinctions régionales) by Loleen Berdahl (March 2004)
 Fighting the Odds: Rural Development Strategies for Western Canada by Jason Azmier and Lisa Lozanski (March 2004)
 Increasing Western Canadian Immigration by Jason Azmier, Vien Huynh and Kristina Molin (May 2004)
 Willing and Able: The Problem of Skills Shortages in Western Canada by Todd Hirsch, Ben Brunnen and Kristina Molin (May 2004)
 Western Directions: An Analysis of the Looking West 2004 Survey (Orientations des enjeux stratégiques dans l'Ouest) by Loleen Berdahl (May 2004)
 Closer to Home: Provincial Immigration Policy in Western Canada by Vien Huynh (June 2004)
 Out of the Ashes: BC's Economy in 2004 by Todd Hirsch (July 2004)
 Strength in Diversity: Manitoba's Economic Prospects Into 2005 by Todd Hirsch (October 2004)
 Tools of the Trade: An Inventory of Education and Skills Development Programs in Western Canada by Ben Brunnen (November 2004)
 Toward a Bright Future: Recommendations for Addressing Skills Shortages in Western Canada by Todd Hirsch (January 2005)
 A Soft Landing: Saskatchewan's Economic Profile and Forecast by Todd Hirsch (January 2005)
 Balancing Act: Water Conservation and Economic Growth by Karen Wilkie (January 2005)
 Improving Immigration: A Policy Approach for Western Canada by Jason Azmier (March 2005)
 Under Construction: Western Canada and the Global Economy by Robert Roach (March 2005)

Western Landscapes Newsletters:

Spring 2001: The Demographic Divide: Population Growth in Western Canada
 Winter 2002: Taken for Granted: The Critical Importance of Freight Transportation to Western Canada's Economy
 Summer 2002: Too Many Eggs in One Basket: Diversifying Export Markets Key to Western Canada's Long-Term Prosperity
 Fall 2002: A Unique Relationship: Western Canada and the United States
 Winter 2003: Connecting the West to the World: The Critical Importance of Transportation Infrastructure

Appendix 4: Building the New West Project Advisors

Building the New West Working Group

Raymond Blake (Saskatchewan Institute of Public Policy)
 Jim Carr (Business Council of Manitoba)
 Brent Cotter (Saskatchewan Intergovernmental and Aboriginal Affairs)
 John Courtney (University of Saskatchewan)
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 Don Haney (BC Intergovernmental Relations Secretariat)
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 Ray Bollman (Statistics Canada)
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Immigration and Western Canada Initiative Advisory Committee

Baha Abu-Laben (Prairies Centre for Excellence for Research on Immigration and Integration)
 Deborah Barkman (Government of Manitoba)
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 Tom Denton (Canadian Council of Refugees)
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 Citizenship and Immigration Canada (Prairies and Northern Territories Region)
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 Jim Edwards (University of Alberta)
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 George Ivany (Canada West Foundation Board Member)
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 Cheryl Knight (Petroleum Human Resources Council of Canada)
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 Elaine Phillips (Manitoba Advanced Education)
 Greg Rudolf (Alberta Learning)
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 Oliver Brandes (University of Victoria)
 Diana Cartwright (Environment Canada)
 David Hill (Alberta Irrigation Projects Association)
 David Kiely (Agriculture and Agri-Food Canada, PFRA)
 Michael Meagher (City of Calgary)
 Alan Stuart (Calgary Chamber of Commerce, Water Use Task Force)
 Darrell Toma (Alberta Chambers of Commerce)
 Herb Wiebe (Alberta Chamber of Resources)
 Sharon Willianen (North Saskatchewan Watershed Alliance)
 Barry Worbets (Canada West Foundation)

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 Sandy Mielitz (CN Rail, retired)
 Carl Neggers (Prairie Farm Rehabilitation Administration)
 Barry Prentice (University of Manitoba Transport Institute)
 Roderick R. Thompson (Alberta Transportation)
 Peter C. Wallis (The Van Horne Institute)

Building the New Dream Sector Group Leaders

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 Doug Siemens (Kindersley Transport Ltd.)
 Rick Bryant (Chamber of Shipping of BC)
 David Farlinger (Energy Consultants International Inc.)
 Bob Hill (Canadian Energy Pipeline Association)
 Dr. Mike Tretheway (InterVISTAS Consulting Inc.)
 Patricia Jacobsen (Greater Vancouver Transportation Authority)

Appendix 5: Building the New West Communications 2004

To provide an illustration of the Building the New West Project's communication efforts, this appendix major print media exposure, electronic newsletter activity, and website downloads for the period from January 1, 2004 to December 31, 2004.

Forty-four newspaper articles written by Canada West Foundation staff (a.k.a. "op-eds") appeared in the following major newspapers (not including weeklies or other difficult to track publications):

Alberni Valley Times	Calgary Herald	Calgary Sun
Cariboo Press	Coquitlam Now	Globe and Mail
Guelph Mercury	National Post	North Bay Nugget
Northern Daily News (Kirkland Lake, ON)	Regina Leader Post	Saskatoon Star Phoenix
Sudbury Star	Summerside Journal Pioneer	Toronto Star
Vancouver Island News Group	Vancouver Province	Vancouver Sun
Victoria Times Colonist	Windsor Star	Winnipeg Free Press

Including weeklies and broadcast, the Canada West Foundation averaged just over one mention per day in the media. Newspapers that ran stories about the Building the New West Project include:

Alaska Highway News	Alberni Valley Times	Alberta Views
Barrie Examiner	Brockville Recorder and Times	Calgary Herald
Calgary Sun	Canadian Commerce and Industry	Cape Breton Post
Cariboo Press	Chatham Daily News	Coquitlam Now
Daily Bulletin (Kimberley)	Daily Courier (Kelowna)	Daily Herald (Prince Albert)
Daily Miner and News	Daily News (Kamloops)	Daily News (Nanaimo)
Daily Townsman (Cranbrook)	Edmonton Journal	Edmonton Sun
Fast Forward Weekly (Calgary)	Fort McMurray Today	Globe and Mail
Guardian (Charlottetown)	Guelph Mercury	Halifax Daily News
Iricana Rocky View Five Village	Journal Pioneer (Summerside)	Meridian Booster
Montreal Gazette	National Post	North Bay Nugget
Northern News (Kirkland Lake)	Packet and Times (Orillia)	Peace River Block Daily News
Penticton Herald	Peterborough Examiner	Portage La Prairie
Record (Kitchener/Waterloo)	Regina Leader-Post	Review (Niagara Falls)
Saskatoon StarPhoenix	Sault Star	Standard (St. Catherines)

Stratford Beacon-Herald
 Toronto Star
 Tribune (Welland)
 Vancouver Sun
 Windsor Star
 Woodstock Sentinel Review

Sudbury Star
 Toronto Sun
 Vancouver Island News Group
 Victoria Times-Colonist
 Winnipeg Free Press

Telegraph (St. John's)
 Trail Daily Times
 Vancouver Province
 Western Producer
 Winnipeg Sun

The Canada West Foundation sends electronic newsletters to subscribers. In 2004, 48 Building the New West Project newsletters were sent to 3,185 subscribers. The following chart shows the geographic and sectoral distribution of subscribers.

Province/Region	% of Total
BC	17.9%
Alberta	41.8%
Saskatchewan	15.7%
Manitoba	11.6%
Ontario	9.4%
Quebec	1.2%
Atlantic	0.8%
North	0.3%
Outside Canada	0.8%
Unknown	0.6%

Sector	% of Total
Media	44.3%
Government	21.8%
Nonprofit sector	3.9%
Other	30.0%

2004 Building the New West Project Publication	Downloads from the Canada West Foundation Website
Working Towards Parity: Recommendations of the Aboriginal Human Capital Strategies Initiative (Vers la parité)	686
Counting the Cost: Impact of the Rising Loonie on Western Commodity Exports	137
Regional Distinctions: An Analysis of the Looking West 2004 Survey (Distinctions régionales)	809
Fighting the Odds: Rural Development Strategies for Western Canada	705
Increasing Western Canadian Immigration	436
Willing and Able: The Problem of Skills Shortages in Western Canada	564
Western Directions: An Analysis of the Looking West 2004 Survey (Orientations des enjeux stratégiques dans l'Ouest)	720
Closer to Home: Provincial Immigration Policy in Western Canada	493
Out of the Ashes: BC's Economy in 2004	391
Strength in Diversity: Manitoba's Economic Prospects Into 2005	213
Tools of the Trade: An Inventory of Education and Skills Development Programs in Western Canada	538



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