

NEWFOUNDLAND'S COMING OF AGE

Tim Powers

From have-not to have status, it's been a remarkable journey for Newfoundland within Confederation. Only 15 years ago, the province's historic cod fishery was closed, throwing tens of thousands of Newfoundlanders out of work, ruining a way of life on which the province's economy was built, and from much of its rich culture was derived. Off shore oil has changed everything. The province recorded a healthy surplus of \$1.4 billion this year. It is rich in hydro-electricity resources. And then there is Premier Danny Williams, flexing his muscles, and occasionally thumbing his nose, at Ottawa. As this evocative essay from Ottawa consultant Tim Powers eloquently reminds us, you can take the boy out of Newfoundland, but you can't take Newfoundland out of the boy.

De province démunie à province nantie, Terre-Neuve a connu un étonnant parcours au sein de la Confédération. Il y a 15 ans à peine s'éteignait l'historique industrie de la pêche à la morue, mettant au chômage des dizaines de milliers de Terre-Neuviens et ruinant le mode de vie qui fondait l'économie de la province et avait façonné une partie de sa riche culture. Le pétrole exploité en mer a tout changé : la province a enregistré cette année un enviable excédent de 1,4 milliard de dollars. Et elle possède d'abondantes ressources hydro-électriques. Puis il y a Danny Williams, son premier ministre, qui sait bomber le torse et faire à l'occasion un pied de nez à Ottawa. Où qu'on se trouve, on reste à jamais Terre-Neuvien dans l'âme, rappelle éloquemment cet article du conseiller d'Ottawa Tim Powers.



On April 1, 2009, Newfoundland and Labrador will have been a member of the Canadian family for 60 years. Significantly, many Newfoundlanders will view this anniversary as the time to celebrate Canada joining them. Such is the nature of the tumultuous 60-year relationship, where the benefits of union are weighted according to perspective and the tides of economic opportunity.

As this milestone birthday approaches, it is important to examine Newfoundland's re-emerging nationalism and its impact on the Canadian federation. While Quebec and Ontario possess the population and the political potency of a majority of federal seats in Ottawa and Alberta the wealth, it is Newfoundland that sets the tone of change in the nation. Newfoundland is redefining the traditional model of federal-provincial relations as it has moved from have-not to have province and demands that the world stand up to take notice, not unlike Saskatchewan. Emboldened by an energy-based economy that has finally reached puberty, fuelled by history's realities and myths and captained by a new-generation skipper, Canada's youngest child is coming of age.

Newfoundland and Labrador's Premier Danny Williams has had some highly publicized disputes with federal governments of both stripes since he assumed office in 2003.

The conflicts, first with Paul Martin and later Stephen Harper, were often written off as just another example of Newfoundland with her hand out in that classic mode of federal-provincial relations, where the have-not province asked master Ottawa for more. To assume that is the current paradigm through which Canada's youngest province is operating today is incorrect.

Newfoundland wants to be a strong member of the Canadian federation, but equally a prosperous partner able to chart her own course. It is not about getting out but getting in properly. There is nothing incongruent in being a Canadian and a modern Newfoundland nationalist.

Even in these times of global economic uncertainty, current economic growth and future growth potential imbue feelings of confidence that engender nationalist sentiment. We must not forget Newfoundland was a nation with responsible government before joining Canada in 1949. The roots of the province's nationalistic fervour come from that history and the romanticism of a glorious past, at least when gazed upon through dreamy-eyed modern lenses.

Comprehending where Newfoundland stands at the end of 2008 and understanding the province's aspirations

for a stronger territory begins with a look at the 1990s. Not only was this a period when fiscal prudence and federal economic restraint became the national ethos, but it was also a period when Newfoundland's economy was forced to diversify. It seems like July 2, 1992, was only yesterday. There were no post-Canada Day celebrations for John Crosbie, the federal fisheries minister, who would tell his fellow Newfoundlanders during their supper-hour newscasts that the 500-year-old northern cod fishery was being closed. Crosbie himself explained it best in his autobiography, *No Holds Barred*:

Fishing is more important to Newfoundland than it is to any other province. I was only the second Newfoundlander to be the federal Minister of Fisheries...I was unique in having been a provincial Fisheries minister as well. And I was a Crosbie, a member of the family that had built its business empire on the fishery. Here I was a Crosbie and a Newfoundlander, shutting down the industry that made it possible for Newfoundland to be settled and to survive for all these centuries.

Those were dark days for Newfoundland. In all, more than 30,000 people lost their jobs after the 1992 moratorium on fishing northern cod, first in Newfoundland and then the rest of Atlantic Canada a year later. It was the single largest mass layoff in Canadian history. Imagine the Ontario automobile manufacturing sector shut down, a prospect Ontario is sadly faced with today, and you begin to get a sense of what happened to Newfoundland then.

As processing plants closed and boats were tied up, many communities in rural Newfoundland lost their economic lifeline. Within a year, the entire \$700-million enterprise — and a centuries-old way of life was gone.

Compounding the closing of the fishery and irritating to Newfoundlanders

was another frustrating trend that played itself out in the province from early to mid-nineties through to the beginning of the early part of this new century. The federal presence, measured by things such as jobs, procurement and offices, in Newfoundland declined significantly.

Newfoundland's 2003 *Royal Commission on Renewing and Strengthening Our Place in Canada* found that since 1995 federal employment in Newfoundland and Labrador was cut by 38 percent, the highest proportion of cuts of any province in Canada. Shortly following the Royal Commission's report, the province released its own report claiming that the decline in federal jobs in Newfoundland between 1990 and 2004 outstripped the cuts in the rest of the provinces by 18 percent.

Cod's death and Canada's apparent declining contribution to the citizens of the province stoked the flames of frustration about the state of the union. Crosbie, through the government of Canada, brought a significant aid package to help fishermen but those dollars didn't assuage the sense of hurt and disillusionment.

In 2006, Memorial University, through the Leslie Harris Centre of

Newfoundland is redefining the traditional model of federal-provincial relations as it moves from have-not to have province and demands that the world stand up to take notice, not unlike Saskatchewan. Emboldened by an energy-based economy that has finally reached puberty, fuelled by history's realities and myths and captained by a new-generation skipper, Canada's youngest child is coming of age.

Regional Policy and Development, produced another report on Canada's presence in Newfoundland. Their conclusions echoed both the Royal Commission and the Government of Newfoundland report but acknowledged some very strategic spending on Hibernia — "Capital transfers in support of Hibernia's development were substantial prior to 1997 and since then have been modestly more than the province's share of the national population."

The government of Canada's investment (Canada owns 8.5 percent of the project) in Hibernia in 1993, though a source of current debate, helped steady an East Coast oil industry that was just starting to find its legs. In the last 16 years things have dramatically changed for the better. Last year, the province collected \$1.5 billion in oil royalties, and it is expecting at least another \$1.7 billion in 2008 — the kind of money that allowed the government to post a huge \$1.4-billion budget surplus this year, an amount equal to 5 percent of the province's GDP. Newfoundland and Labrador was the country's hottest economy in 2007. Its real GDP growth of 9.1 percent was more than three times the national average.

Rural Newfoundland, however, is not sharing in the wealth. Hundreds of outport communities are still trying to recover from the closing of the cod fishery. But the province's urban economy, particularly St. John's, is being transformed by petro-dollars.

Due to world wide financial market mayhem, Newfoundland's economy may slow significantly, like those of other provinces, in 2009-10, but going forward, Newfoundland and

Labrador is positioned to be a strategic, long-term supplier of energy to meet the growing energy demands in North America. The province is set to become a major contributor to Canada becoming a clean energy superpower, something that Prime Minister Harper has often stated is a national priority. The province is the largest producer of electricity per capita in the world, much of it coming from Churchill Falls, generating approximately 7,500 megawatts of

power and uses less than 2,000 megawatts domestically. With an estimated 6,000 megawatts of hydro potential and thousands of wind power, the province is positioned to increase its electricity exports and take advantage of initiatives to reduce greenhouse gas emissions in Canada. The province produces half of Canada's supply of sweet light crude oil. These resources when brought to market have the ability to benefit all the people of

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There is nothing quiet about Newfoundland's push for betterment. Newfoundlanders are also a people with a fierce pride of origin. Some wrongly characterize or exploit it for political purposes as a form of victimhood. But victims Newfoundlanders are not. Newfoundlanders are explorers and adventurers unafraid to cast off the

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Newfoundland and Labrador. The recent election of Barack Obama in the United States, who pledged to end America's dependence on Middle Eastern oil, is another encouraging sign. There is economic power and then there is passion for place. Newfoundland's brand of nationalism has often been misconstrued as an independence movement, and the province has had political parties that advocated such folly. We recognize nations within nations, as the federal parliament did in 2007 for the Québécois. While broadly constructed in language, the definition is very real in spirit and motivation.

Former Newfoundland Premier Clyde Wells fought aggressively against legalized nationalism as he saw it in the Meech Lake Accord. He became a hero at home and throughout parts of the rest of Canada for opposing the distinct society recognition of Quebec afforded to them in that Mulroney entente. The roots of Wells discord are instructive in foreshadowing the thread of commonality that links the psyche of Newfoundlanders and Quebecers. Each sees themselves as masters of houses they built in a federation called Canada. The Williams gov-

ernment channelled Jean Lesage's rallying cry of "maître chez nous" in their 2007 speech from the throne.

Newfoundland has its own diaspora. Canadians are well-familiar with the out-migration of Newfoundlanders to the tar sands of Alberta or the manufacturing heartland of Ontario. Newfoundlanders with a healthy sense of place like Rick Hillier have run the military. Moya Greene, another prominent islander, runs Canada Post. WestJet Airlines is headed by Sean Durfy of Corner Brook. The Canadian oil industry is littered with executives who cut their teeth on the Grand Banks oil developments.

The accomplishments of these people are cherished at home and serve as an inspirational road-map for future generations. Equally, these corporate leaders become effective proponents of the province in the rest of Canada and the world. They speak about Newfoundland and in so doing become its brand. They are, in sporting parlance, "homers." Homers are those who taste success and attribute it, in part to the work ethic, passion and support they received at "home." Their pride drives them to give back; it is something engrained in the psyche of

the Rock. The most recent evidence was provided by Daniel Cleary, a native son of Newfoundland and star hockey player with the Detroit Red Wings. In June 2008 Cleary became the province's first Stanley Cup champion. His journey to Newfoundland on Canada Day with the Cup was a symbolic thank you and he noted, "To win the Stanley Cup is a life-long dream that has now been fulfilled thanks in part to the overwhelming support I have received from my family, friends and the people of this province. I am so proud of this accomplishment and grateful to all those who taught me along the way."

CBC's *Hockey Night in Canada*, one of Canada's foremost cultural institutions, brought Cleary's story to the nation. The

telling of that tale was aided by Newfoundlander Bob Cole, *Hockey Night in Canada's* lead play-by-play man. Newfoundland and Newfoundlanders arguably have a disproportionate amount of media clout. This helps in framing a story from a Newfoundland perspective as opposed to a Canadian angle.

If, as cultural theorist Marshall McLuhan argued, "the medium is the message. Any understanding of social and cultural change is impossible without knowledge of the way media work as environments," then Newfoundland and Newfoundlanders are light-years ahead of their fellow Canadians. Newfoundland-born broadcasters and writers have some of the best platforms in the country to both showcase their pride of place but also shape the media agenda either through the opinions they offer or the items they showcase. Rick Mercer and his *Rick Mercer Report* on CBC regularly attract a million viewers or more to his highly popular program of political satire. Rex Murphy from his twin pulpits of both CBC's *The National* and *The Globe and Mail's* op-ed pages opines constantly on the state of the federation. Seamus O'Regan, co-host of Canada's most popular morning



CP Photo

Newfoundland and Labrador premier Danny Williams has led his province from have-not to have status in the Canadian federation, thanks to offshore oil revenues. Williams, aggressively flexing his muscles and sometimes thumbing his nose at Ottawa, demands that his province be noticed.

show, CTV's *Canada AM*, offers another venue for the word to be spread.

Often forgotten is that Premier Williams himself comes from a cable television background. For years he ran the province's only cable company and before moving into politics sold it to Rogers Cable for a handsome profit. The amount of money he made varies depending on which local myth pervades at the time of discussion and the bravado of the storyteller. Yet the transaction earned him the nickname Danny Millions. But Williams got more than rich from his time in the communications industry; he got wise to its rhythms and beats. So much so that he

is arguably one of the best political performers in the country — his prohibition on the Canadian flag flying from provincial buildings in 2004-2005, as a consequence of an oil dispute with Ottawa over the Atlantic Accord, was a master stroke of provincial politics.

The successful shepherding of national pride for political purpose can come through the manipulation of symbols. Removing Canada's flag from Newfoundland's edifices illustrated the sheer anger, faux or otherwise, a majority of the province felt over another perceived slap in the face from Ottawa. The Newfoundland flag fluttered in the wind alone outside Confederation building. It was the

shot seen around the country that said "the hell with you, we'll do it alone."

More recently of course, Williams led the successful "Anything But Conservative" (ABC) campaign against local federal Tory candidates in the 2008 federal election. This crusade had its roots in a pitched personal battle between the Premier and Prime Minister Harper over oil royalties and equalization payments. ABC when executed equalled zero — zero federal Conservatives elected in 2008. Zero federal cabinet representation from Newfoundland for the first time since Confederation. Zero intermediaries blocking a dialogue between Williams and Harper.

Today's Newfoundland nationalism has parallels with the national pride exhibited during the Brian Peckford era in the early 1980s. As the scholar Robert Thomsen observed of conditions at the time of Peckford's ascension to office in his 2001 essay *Cultural and Political Nationalism in Stateless Nations: Nationalism in Newfoundland and Scotland*:

Resource give-aways came to be seen as too high a price to pay for modest economic development, and the benefits from Smallwood's cap-in-hand approach to federal Canada appeared to many to be increasingly less...This young, educated, urban middle class — which largely owed its existence to the modernization of Newfoundland that had actually occurred during the Smallwood years — grew increasingly discontent with the old regime and eventually revolted against it to become the carriers of the political nationalist agenda.

It was during the Peckford regime that Newfoundland cast off the Union Jack and raised a new provincial flag. All Newfoundlanders were told that the golden arrow on their flag pointed to a brighter future where the "have-not would be no more." These were heady days and high times. Peckford won provincial elections by promising to exercise greater provincial control over both the offshore oil and the fisheries. At the time, Danny Williams was sowing the seeds for business success and working the backrooms of provincial politics. He was one of the young, educated and urban middle-class Newfoundlanders who personified the confidence of the day.

Williams has never lost that certainty of course nor of Newfoundland's rightful place in the world. In the intervening 25 years, as political and economic cycles changed, Newfoundland's middle

class grew. Its people became more educated and wealthy and the frustration with the perceived and real inequities of Confederation remained. Newfoundland moved further away from the history of a dominion that relinquished control of responsible government in 1934.

One of Williams' skills, like other successful leaders before him, has been in understanding the temperament and desires of his audiences. He has used that ability with great aplomb to build a significant political support base in Newfoundland and in other parts of Canada. His power is proportional to the strength of the provincial economy and solidified by circumstances that allow for the cultivation of a never-before-seen "have" Newfoundland.

While Williams, through his leadership of the province, provides the focal point of Newfoundland's pride and confidence, he leads a province with a clear sense of purpose, a province whose government has made debt reduction a priority, post-secondary education reform vital and understands yesterday's fishery collapse could be tomorrow's oil crash. Newfoundland wants the strong hand, not the hand-out. Williams said it himself recently in

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response to Ontario's fiscal uncertainty: "We're here to be part of a strong federation and we're here to help our weaker sisters in their time of need...The big shoulders of Ontario have borne a lot of weight over many years and, from Newfoundland and Labrador's perspective, we'd like nothing better (than) to lend a helping hand."

Newfoundland's national anthem, the *Ode to Newfoundland*, predates *O Canada*. The "Ode" is the creed by which

most Newfoundlanders live. It is also the canon to be deciphered when coming to grips with Newfoundland's perspective on its place in Canada. As Newfoundland turns 60 her birthday song remains the Ode: "When sun rays crown thy pine clad hills and summer spreads her hand, when silvern voices tune thy rills, we love thee, smiling land. We love thee, we love thee, we love thee smiling land. As loved our fathers, so we love, Where once they stood we stand; Their prayer we raise to Heaven above, God guard thee Newfoundland. God guard thee, God guard thee, God guard thee, Newfoundland."

Newfoundland and Canada benefit by a strengthened partnership, something both Prime Minister Harper and Premier Williams seem to realize. After ABC they now seem to be talking about option "D," letting bygones be bygones. In the foreseeable future, neither Newfoundland's long-term economic prospects nor its nationalism show signs of dissipating. The years to come will be interesting ones as Canada's newest "have" province has no intention of sitting quietly by and letting the federation gently evolve. Guided by a shared collective memory of contemporary woe, aided by a diverse group of collaborators,

benefitted by new wealth and self-assurance, Newfoundland is set to reshape the country.

Originally from St. John's, Tim Powers is a partner with Summa Strategies Canada in Ottawa. He was formerly an adviser to John Crosbie and is the great-grandson of one of Newfoundland's last prime ministers, William Warren. He also serves as political commentator for CTV. tpowers@summa.ca