

W. A. C. Bennett and Province-Building in British Columbia¹

STEPHEN G. TOMBLIN

One of the great myths in the study of British Columbia politics is the dominant view that the rise of the W. A. C. Bennett administration in 1952 introduced an era of incompetent and short-sighted political leadership. Richard Simeon, in his study of federal-provincial relations, singled out Bennett's "personalized style" as being important in explaining the province's poor record in defending provincial interests during intergovernmental negotiations.² Walter Young and Terence Morley depict the Bennett administration as being an "amateur government."³ Donald Smiley reports that the Social Credit leadership had "no vision, no plan, no real urge, to remake society. In spite of its constant appeals to morality, Social Credit is at heart the pursuit of power divorced from purpose."⁴ And Martin Robin, Bennett's greatest critic, suggests:

Past Liberal critics of the government party, confused and dazzled by Social Credit's sometimes idiosyncratic style prefer to define Social Credit not as a political and legislative coalition which represents different groups and balances one interest against the other, but as an unpredictable bond of latter-day Poujadists and political nihilists who have no purpose in mind except to retain power and do so by cynically waging war on all established elites whether of the left or right. The Socialist critique abjures both views and defines Social Credit in a more traditional way as primarily a spokesman and representative of the established economic elites, both within and without the province.⁵

¹ Much of the detail provided in this paper was drawn from my Ph.D. thesis. I wish to thank Alan Cairns, Donald Blake, Keith Banting, Paul Tennant, David Close, Gail Tomblin-Murphy, Dianne O'Brien, Jimmy Tindigarukayo, and the readers of *BC Studies* for their comments, encouragement, and suggestions.

² See Richard Simeon, *Federal-Provincial Diplomacy: The Making of Recent Policy in Canada* (Toronto: University of Toronto Press, 1972), 217.

³ Walter Young and Terence Morley, "The Premier in the Cabinet," in *The Reins of Power*, ed. Terence Morley et al. (Vancouver: Douglas & McIntyre, 1983), 64.

⁴ Donald Smiley, "Canada's Poujadists: A New Look at Social Credit," *The Canadian Forum* 42 (September 1962): 121.

⁵ Martin Robin, "British Columbia: The Politics of Class Conflict," in *Canadian Provincial Politics*, ed. M. Robin (Scarborough: Prentice Hall, 1972), 53.

In contrast to these criticisms, much evidence — and particularly that presented at the Royal Commission on the B.C. Railway in 1977 — suggests that the Bennett government did understand, and very clearly, what it was trying to do. Its “vision,” manifest in its grasp of the importance of provincial control over transportation and communication policy in signifying possession, and in stimulating new opportunities in the interior and north, was in fact very obvious.⁶ The premier made plain his belief that the provincial leadership must have its own development scheme as a defence against Ottawa and Alberta. He and his colleagues therefore designed a development plan that would, in their view, defend B.C.’s territorial interests and allow it to grow as they believed it should.⁷ Indeed, the premier maintained that he was pursuing the same types of objectives as those undertaken by the Fathers of Confederation — though his concern with the north-south axis led him to challenge the development and expansion of the national transportation system because he believed it reinforced interprovincial communication and transportation instead of an intraprovincial network.⁸

Defensive Expansionism

Utilizing infrastructure development to consolidate a territory under the control of an entrepreneurial leadership is not a new approach in the politics of state intervention in Canada. As discussed by Aitken, the national policy of 1867 featured a defensive expansionist strategy that aimed at defending the territory of Canada against American expansionism.⁹ Primary emphasis was placed on building the infrastructure necessary to launch a new experiment in nation-building while defending territory from outside political competition.

Implicit in a defensive expansionist approach is the assumption that it is political élites who dominate the public agenda with the objective of preserving or increasing their territorial-jurisdictional control over a particular region.¹⁰ The defensive model asserts that political élites are the key

⁶ See University of British Columbia, Main Library, Special Collections Division, *Presentations to Royal Commission on British Columbia Railway*, Exhibits: 172, 173A, 186, 256, 285.

⁷ See “Presentation to Royal Commission on the B.C. Railway from W. A. C. Bennett,” and “Presentation to Royal Commission on B.C. Rail from Ray Williston,” September 1977, Exhibits 173A and 186 respectively.

⁸ See *B.C. Government News*, January 1954, 4, 6.

⁹ H. G. J. Aitken, “Defensive Expansionism: The State and Economic Growth in Canada,” rpt. in *Approaches to Canadian Economic History*, ed. W. T. Easterbrook and M. H. Watkins (Ottawa: Gage Publishing, 1980), 181-221.

¹⁰ *Ibid.*, 209-10.

actors who assert their independence through controlling patterns of spatial interaction within the economy and society through the construction of infrastructure in a new frontier. Such an approach proposes that the primary purpose of such a strategy is to promote development, but within the spatial and temporal constraints governing the actions, and defining the interests, of the political élites who design and implement the policy.

Dependency and the Battle for Territorial Integrity

When W. A. C. Bennett became premier in 1952, he set out to develop the hinterlands of the province and to reverse the problem of underdevelopment in the interior and north by building a new intraprovincial transportation system. He contended that Vancouver-based economic and political élites had not done enough to defend the province's territorial integrity against Ottawa and Alberta. He felt that it made good sense to exploit infrastructural development as a means of reversing the problems created by a long history of external political and economic dependence.¹¹ While the premier's ideas about restructuring the B.C. economy were not based upon challenging the province's reliance on outside markets and capital, he believed that he could resolve the problem of underdevelopment on the periphery if he could gain more control over the timing and location of economic development within the province. Thanks to the premier's popularity and his domination of the policy process, his ideas had a major impact on shaping the government's infrastructural development program between the years 1952 and 1972. As the available case studies show, province-building does not necessarily require a large or effective bureaucratic structure. Certainly it did not during the Bennett years in B.C.

Early in his political career, Bennett concluded that a mix of factors was responsible for the province's transportation problems. One of the premier's major targets was the system of power-sharing in the province. In early 1952, Bennett determined that weak political leadership was primarily responsible for the low level of rural B.C.'s socio-economic and political development.¹² He believed that the political and economic élites of British Columbia were either unable or unwilling to defend the interests of the frontier against outsiders. The "city slickers" that dominated both the

¹¹ For further discussion on dependency, élite alliances, and underdevelopment see Andre Gunder Frank, *Capitalism and Underdevelopment in Latin America* (New York: Monthly Review Press, 1967).

¹² Resnick and Marchak have concluded the same thing. For details see P. Resnick, "B.C. Capitalism and the Empire and the Pacific" (Winnipeg: Presented at the *Western Sociology and Anthropology Association Meetings*, 4-6 March 1981); or Patricia Marchak, "A Contribution to the Class and Regional Debate," *Canadian Issues* (1983), 81-88.

socialist party and the coalition government were singled out for being weak defenders of the general provincial interest. Consequently, the premier concluded that the political infighting and open debates during the coalition era had focused too much attention on cost-effectiveness rather than on the needs of the interior and north. His administration adopted a different approach.

The British Columbia of 1952 was characterized by rugged frontier, recent immigration, weak provincial loyalties, a resource-dependent economy, and sporadic and isolated settlement.¹³ If the province were ever to become a more integrated economic and political entity, it seemed essential to establish new transportation and communication links as quickly as possible. Bennett firmly believed that the stagnation and underdevelopment of the frontier would be reversed only if the provincial government took a more active role in building a substantial infrastructure. He conjectured that the externally controlled and spatially fragmented economy required stronger provincial control if the people of the frontier were ever to gain the benefits of a more integrated economy and society.

The federal government was Bennett's second obstacle. In an interview conducted by Roger Keene and David Humphreys, Bennett clearly stated that he first became involved in politics because he was convinced that national transportation policy and local élites were undermining economic and social development in the hinterland.¹⁴ He openly condemned the B.C. government for walking away from negotiations and not challenging the Rowell-Sirois report's conclusions that the prospects for economic development in the interior and north were poor because of high transportation costs.¹⁵ His solution was to gain power and develop the infrastructure required to open up the territory to the rest of the province. He thus moved — the items on the list are well known — to complete and extend the Pacific Great Eastern Railway, link the Lower Mainland with the interior and north, stimulate northern development by implementing the two-river policy, construct an oil and gas pipeline, service coastal communities by creating a new ferry system, build a superport at Roberts Bank, and upgrade and expand the provincial highways network.¹⁶

¹³ For further information see Edwin Black, "British Columbia: The Politics of Exploitation," in *British Columbia: Patterns of Economic, Political and Cultural Development*, ed. Dickson Falconer (Victoria: Camosun College, 1982), 250-66.

¹⁴ Roger Keene and David Humphreys, *Conversations with W. A. C. Bennett* (Toronto: Methuen Press, 1980), 30.

¹⁵ *Ibid.*, 30.

¹⁶ For further details on the history of infrastructural development in B.C. see S. G. Tomblin, *In Defense of Territory: Province-Building Under W. A. C. Bennett* (Ph.D. thesis, University of British Columbia, 1985).

Central to Bennett's vision of a better-integrated and autonomous society was the building of a new communication and transportation network. Consequently, the Social Credit leadership became embroiled in several conflicts with the federal government, other provincial governments, and business interests in defending its priorities for development. The key to winning support was the ability to quickly implement the government's development plans. Once each piece of infrastructure was built, and as more and more communities came to depend upon the new services, the criticism subsided. By restricting public debate and by refusing to build a complex bureaucracy, Bennett was able to implement his priorities for development rapidly. Under these circumstances even the federal government was ultimately forced to accept Bennett's development scheme.

Premier Bennett consistently went out of his way to exploit transportation policy to defend the needs of the periphery against outside governmental and entrepreneurial interests. In relation to national rail policy, he thought,

the pattern was clear, British Columbia had to pioneer on its own. The national railway, content with the conventional operation and cash flow of the Edmonton to Prince Rupert corridor, ignoring both north and south, shied away from virgin and pioneer territory. Only when the risks were taken by this province and the hard work completed, did the CNR and Ottawa express interest in the open frontier.¹⁷

Despite the high costs, Bennett built an integrated railway system to make the interior and north accessible to the rest of the province.

He adopted a similar position in the case of the oil pipeline. The construction of an oil transportation facility in the Peace River region was intended to help the provincial government to increase its power to direct development, and Bennett stuck to his plan to do it despite much criticism. When he insisted that the oil industry build an integrated oil pipeline connecting northern and southern regions of the province, the industry argued that the abundance of relatively cheap oil reserves in Alberta, and presence of oil transportation facilities there, made the policy economically unfeasible. In a determined effort to defend his northern policy, "Bennett forced the oil industry to build an all British Columbia oil pipeline south from the Peace River though the corporate economic judgement insisted it would be better routed through Alberta."¹⁸ The premier even threatened to transport oil through the rail network and then to legislate that the

¹⁷ "Presentation to Royal Commission on the B.C. Railway from W. A. C. Bennett," 6 September 1977.

¹⁸ Paddy Sherman, *Bennett*, x.

refinery companies accept the much more expensive product this would create. While the rail-building program was a financial nightmare and the costs of installing the pipeline were very high, the government thus succeeded in opening up the frontier to the rest of the province through its highway, ferry, railway, hydro, and oil and gas policies.¹⁹ It was, however, in the contest for control of the frontier between the province and Ottawa that Bennett's enthusiasm for his grand design emerged most clearly.

The Social Credit leadership believed that the province had entered a critical period and that only through governmental action could British Columbia hope to defend its territorial ambitions. Matters were complicated by the fact that there was a kind of Alberta-Ottawa alliance. Thanks to it, the Bennett government adopted the position that unless the province quickly implemented its own development scheme, the goal of "displacing Alberta's growing influence on the activities covering almost one quarter of this province's land mass, would be lost,"²⁰ perhaps forever. Indeed, even more was at stake, for Alberta, with the support of Ottawa, stood to become the major gateway between California and the north.²¹ Tying the north to the rest of the province was essential to counteract this possibility.²²

By the time Bennett was selected as premier in 1952, the Alberta government, with help from Ottawa, had already built some of the infrastructure necessary to ensure that Alberta became the gateway and main supplier

¹⁹ For details on the costs of these various projects see Alfred Carlsen, "Public Debt Operations in B.C. Since 1952," *Canadian Journal of Economic and Political Science* XXVII.1 (February 1961): 74-81; Martin Crilly, *Analysis of British Columbia Ferries and Its Commercial Vehicle Policy* (M.B.A. thesis, University of British Columbia, 1973); H. L. Purdy, *Transport Competition and Public Policy in Canada* (Vancouver: University of British Columbia Press, 1972); Patrick McGeer, *Politics in Paradise* (Toronto: Peter Martin Associates, 1972); John Munro, "Highways in British Columbia: Economics and Politics," *Canadian Journal of Economics* VIII.2 (May 1975): 192-202; K. Rupenthal and T. Keast, *The British Columbia Railway — A Railway Derailed* (Centre for Transportation Studies, University of British Columbia, 1979); A. D. Scott, "The Columbia River Treaty," *Canadian Journal of Economics* 2.4 (1969): 619-26; Kenneth Strand, "The B.C. Hydro Project," in *Megaprojects*, ed. Paul Weiler et al. (published by the Canadian Construction Association, 1981); Neil Swainson, *Conflict Over the Columbia* (Montreal: McGill-Queen's University Press, 1979); P. Sykes, *Sellout: The Giveaway of Canada's Energy Resources* (Edmonton: Hurtig Publishers, 1973); and G. W. Taylor, *Builders of British Columbia: An Industrial History* (Victoria: Morriss Publishing, 1982).

²⁰ "Presentation to Royal Commission on the B.C. Railway from Ray Williston."

²¹ "Presentation to Royal Commission on the B.C. Railway from W. A. C. Bennett," 6 September 1977.

²² For further details see Rosemary Neering, *W. A. C. Bennett* (Vancouver: Fitzhenry and Whiteside, 1981), 47.

for the north.²³ This process continued. As one submission to the Royal Commission on the B.C. Railway would put it, "Alberta has made considerable progress to date in advancing and upgrading its transportation links with the Northwest Territories, knowing that trading and transportation patterns, once established, would be difficult to change. Similar efforts are long overdue by British Columbia to create a trading corridor from the Arctic to the Pacific, opening up the Yukon and Northwest Territories."²⁴ This was the kind of view Bennett had tried to take.

The Social Credit government's commitment to building a more integrated system of transportation in B.C. was based upon the belief that only if this were done would the province have the power necessary to play a more productive role in developing the province's resources, and to defend the needs of the frontier against outside governments. Indeed, as Ray Williston, a member of Bennett's cabinet, once noted, more than transportation was involved: the Social Credit government had a long-term development plan which intentionally exploited rail transportation, oil and gas resources, and the Peace River power project in order to defend its development plans and territorial ambitions.²⁵

Peace River Hydro Development

The "two rivers" controversy flared up during the late 1950s and early 1960s as the federal and British Columbia governments fought to gain control over hydro development in the province.²⁶ The controversy's emergence provided Bennett with an opportunity to focus on the development needs of the province and thereby challenge the shortcomings of the national development policy. The premier insisted that the Peace River project would proceed, arguing that it was the only site fully under the control and jurisdiction of his administration.²⁷

The proposal by the Peace River Power Development Company to open up the north was a major one and led to the two-rivers policy. But Bennett's interest in the matter ensured that the commitment to northern

²³ See Geoffrey Willis, *Development of Transportation in the Peace River Region of Alberta and British Columbia* (M.A. thesis, University of Alberta, 1966).

²⁴ *Royal Commission on the B.C. Railway* 35 (1978): 4911.

²⁵ See University of British Columbia, Main Library, Special Collections Division, "Presentation to Royal Commission from Ray Williston," September 1977, Exhibit 186, 2.

²⁶ The "two rivers" policy refers to the commitment made by Bennett to develop the hydro potential of both the Peace and Columbia rivers.

²⁷ For further discussion see Paddy Sherman, *Bennett* (Toronto: McClelland and Stewart, 1966), 221-27, 239-42.

expansion was not solely the creation of private commercial interests. The original decision to support the Peace River Power Corporation's large-scale investment scheme appears, indeed, to have been based more on a government concern to promote new cost-effective links in the province than on a desire to protect the interests of any single power broker. The fact that the company lost millions of dollars in financing the project certainly suggests that the government did not grant big business any special favours.

The decision to push for public involvement was based on at least two political considerations. The lack of initiative shown by Swedish industrialist Wenner Gren was a major factor.²⁸ He had failed to provide the funding and leadership required to open up the north. Since the power industry was unwilling to gamble, the government decided it should proceed alone. Northern development and the provincialization policy were too important to be sacrificed.

Second, William Mainwaring, past vice-president of B.C. Electric and president of Peace River Development Company between 1958 and 1961, was unable to carry out Bennett's development scheme without a contract with B.C. Electric to purchase Peace River power.²⁹ But B.C. Electric, reversing its position of 1959, had refused to commit itself to purchasing Peace River power in 1960. The corporate giant adopted the position that other sources of energy, including Hat Creek thermal and Columbia hydro power, were more cost-effective.

In view of these considerations, the premier asked the B.C. Energy Board to compare and contrast the advantages and disadvantages of Peace vs. Columbia development. The board played a major role in helping to rationalize the takeover of Wenner Gren's Peace River Power Development and B.C. Electric on 1 August 1961. It is no coincidence that the premier introduced the Energy Board's commissioned study on the same day that the assets of B.C. Electric and Peace River Power Development Company were seized by government.³⁰ As noted by Neil Swainson, "the Energy Board's comparison of the cost of power from the two river systems paved the way for the Peace River Company's takeover. The substance of its findings was that under similar conditions and public ownership, there would

²⁸ For details see Neil Swainson, *Conflict Over the Columbia*, 82; and Roger Keene's Collections, Provincial Archives, "An Interview by Jack Webster with W. A. C. Bennett, CJOR, October 22, 1976."

²⁹ Ronald Worley, *The Wonderful World of W. A. C. Bennett*, 232.

³⁰ Swainson, *Conflict Over the Columbia*. 201.

be little to choose between the power costs averaged over the period to 1985."³¹

There was little inclination among business leaders or the general public to support the takeover of B.C. Electric.³² At the time the decision was made, major commercial interests had their own sources of energy. Cominco's mining operations and Alcan's Kitimat-Kemano mega-projects were already well established.

The federal government was also critical of Bennett's plan. After 1957, Ottawa held serious reservations about the cost-effectiveness of the northern development scheme. Its view was supported by federal government and private industry studies on Peace River hydro potential. Much of the criticism focused on the problem of securing adequate funding for both hydro development projects, and the high cost of building an integrated power system spanning the province. The federal government also felt that the simultaneous development of both rivers would create a surplus of energy. Its preferred scheme for development of the Columbia River basin included delaying the Peace River power project, introducing the downstream power benefits generated in the U.S. directly into the B.C. power grid, and building a major upper Kootenay storage facility in Canada for a major diversion.³³ Such a development scheme would, it thought, create new industrial opportunities in western Canada, rather than in the U.S.

The provincial takeover of the power industry increased the opportunity to regulate development in B.C. A major benefit of the step was that it helped to preserve the revenue lost to the federal government through corporate income tax paid by B.C. Electric. The Bennett government had been a major critic of the federal tax system, and the takeover of the power industry provided a vehicle for registering its dissent.³⁴ The premier felt that the federal tax system was responsible for removing essential provincial resources that could be spent rectifying underdevelopment in the interior and the north. The takeover meant that revenues which had gone to Ottawa would now stay in the province.

A second benefit of the takeover was the increased likelihood that the

³¹ *Ibid.*, 202.

³² For evidence of poll conducted by Hugh S. Hardy and Associates see *Vancouver Sun*, 24 August 1957, 9.

³³ For an account on the House of Commons' view of hydro development see Government of Canada, House of Commons Second Session — Twenty Sixth Parliament Standing Committee on External Affairs, "Columbia River Treaty Protocol," Minutes of Proceedings and Evidence (Ottawa: Queen's Printer, 1964).

³⁴ For examples of this criticism see *B.C. Government News*, December 1955, 4-8; February 1956, 3-4; March 1957, 2, 6; February 1960, 3; and February 1962, 2.

Americans would accept Bennett's demand for compensation for downstream benefits.³⁵ As noted by Ronald Worley, "before the Premier's announcement, the U.S. had felt in a good bargaining position regarding the Columbia. The Americans were confident the province would have to develop the Columbia anyway, even if they refused to give back any power from downstream benefits, now the shoe was on the other foot."³⁶ The policy forced the Americans to accept the premier's demands for downstream compensation.³⁷ The Columbia River Treaty signed between the U.S. and Canada formally recognized Canada's right to downstream flood control benefits.³⁸

Notwithstanding these gains, several groups mobilized to oppose the actions of the provincial government. The Vancouver Board of Trade, the British Columbia Chamber of Commerce, and the Canadian Chamber of Commerce led various business interests in rallying opposition to the expropriation of B.C. Electric.³⁹ In addition, a survey conducted for the *Province* confirmed that the general public preferred Ottawa's scheme for power development.⁴⁰

The provincial government nonetheless proceeded with the policy, and found that implementation of it did in fact increase its power to control development, and to mobilize and create support for its position. When Canada signed the 1961 treaty before a federal-provincial agreement was completed, Bennett was therefore in a position to threaten to veto the agreement until his demand for downstream power sales was allowed.

With the support of Gordon Shrum and the other members of the Energy Board, the premier entered the most bitter confrontation in the history of his administration. The Energy Board raised serious doubts about the accuracy of past comparisons on Peace vs. Columbia power costs.⁴¹ Specifically, the Energy Board report suggested that the two-river policy was both feasible and desirable. To be sure, as noted by Swainson, "the board

³⁵ For further details see Martin Robin, *Pillars of Profit* (Toronto: McClelland and Stewart, 1973), 208-17.

³⁶ Ronald Worley, *The Wonderful World of W. A. C. Bennett* (Toronto: McGraw-Hill Ryerson, 1971), 226.

³⁷ *Victoria Daily Times*, 28 February 1958.

³⁸ See Swainson, *Conflict Over the Columbia*, 1.

³⁹ See *Vancouver Province*, 13 September 1961; *Vancouver Province*, 20 September 1962; and *Vancouver Sun*, 4 October 1961.

⁴⁰ *Vancouver Province*, 2 October 1961.

⁴¹ See *Victoria Daily Colonist*, 2 August 1961; *Vancouver Sun*, 29 August 1961; and Province of British Columbia, *British Columbia Energy Board Annual Report*, "Interim Report on the Columbia and Peace Power Projects" (Victoria, B.C., 1 March 1961).

had loaded its figures to a degree."⁴² Its report nonetheless served a useful political function.⁴³ Rather than capitulating to the demands of intellectuals and business interests, the premier exploited the talents of experts to legitimize his policy in the public's eyes.

In the end, all parties accepted hydro development on the premier's terms. The federal government reversed its opposition to long-term power exports to U.S. markets. The Americans acknowledged Canada's right to compensation for downstream flood benefits, and also agreed to accept the sale of Canadian entitlement to Columbia power. The final agreement was ratified on 22 January 1964.

Roberts Bank

In the late 1960s the provincial economy continued to expand. David Mitchell commented that

one of the most important features of this period was British Columbia's developing Pacific presence; Canada was only beginning to realize that it was a Pacific as well as an Atlantic nation. Bennett promoted his province throughout the Pacific Rim and made special overtures to the resource-hungry Japanese who often showed a keener understanding of B.C.'s development potential than did Central Canadians. Always the publicist, Bennett declared: "There are great mountains separating British Columbia from Ottawa, but between us and Japan there is only the peaceful sea."⁴⁴

The series of events leading to the construction of a major coal port facility at Roberts Bank clearly illustrates that federal-provincial disputes over development priorities do not always promote zero-sum conflicts where there is only one winner. As noted by Ian Urquhart, country-building and province-building are often "complementary community-building activities."⁴⁵ So they turned out to be in this case.

In the early stages, of course, the federal and B.C. governments did square off to debate whether the construction of a new facility at Roberts Bank was necessary. However, because of the initiatives of the Bennett

⁴² Swainson, *Conflict Over the Columbia*, 203.

⁴³ For further information on Strachan's criticism of the two-river policy see Letter from R. M. Strachan, Leader of Opposition, to T. C. Douglas, National leader of the NDP, dated 7 September 1961; *Press Release from Robert Strachan*, 4 May 1964, Province of British Columbia Archives.

⁴⁴ David Mitchell, *W. A. C. Bennett and the Rise of British Columbia* (Vancouver: Douglas & McIntyre, 1983), 385.

⁴⁵ Ian Urquhart, *Country-building and Province-building* (M.A. thesis, Queen's University, 1980).

government, an intergovernmental compact was eventually formed to serve the interests of both governments.

The precipitating event which spurred the Bennett administration into action was the decision taken in May 1966 by Crowsnest Industries of Fernie Ltd. to export coal to Japan. The coal would be transported through Montana to a U.S. port via the Great Northern Railway. The coal company's goal was the most efficient and cost-effective means of transporting its product to Japan by way of a deep-water port. The Bennett government, on the other hand, wanted to see the project completed, but only if it served the territorial and jurisdictional interests of the province.

On 3 September 1966, Energy Board secretary J. Southworth made public a special report which recommended that the province construct an alternative facility at Roberts Bank which would protect all B.C.'s general commodity exports.⁴⁶ In November, after closely studying the proposal, the Bennett government adopted the policy as its own.

Once the decision was made, Bennett announced plans to construct a major industrial complex near the port site. Attorney General Robert Bonner, minister responsible for the deep-sea superport, unveiled the cabinet's ambitions for an innovative scheme calling for oil-tank facilities and containerized cargo and lumber assembly wharves at the site.⁴⁷

This announcement sparked a major controversy. Led by the federal government, many of the most powerful economic interests in the province strongly opposed the scheme for port development.⁴⁸ Because the Saskatchewan Wheat Pool, Transmountain Oil Pipeline Company, Canadian National Railway, Pacific Coast Bulk Terminals, Vancouver Wharves Ltd., Neptune Terminals Ltd., and the National Harbours Board had collectively spent \$100 million to upgrade the Port of Vancouver, they did not take kindly to a scheme that would create a rival to it at public expense.⁴⁹

⁴⁶ See *Vancouver Province*, 3 September 1966, 1; and British Columbia Research Council, *Vancouver Harbour Traffic Trends and Facility Analysis* (Vancouver, 1967).

⁴⁷ See *Vancouver Province*, 9 November 1966.

⁴⁸ For further discussion on the merits and demerits of the Robert Banks proposal see Richard Hankin, *An Investigation of the Utility of Benefit-Cost Analysis in Waterfront Allocation* (M.A. thesis, University of British Columbia, 1968), 61-117; Environment Canada, *A Statement of Deficiencies in the Environmental Assessment of Roberts Bank Port Expansion* (issued to the National Harbours Board by Environmental Assessment Panel, February 1978); and Beak Hinton Consultants Ltd., *Response to "A Statement of Deficiencies in the Environmental Impact Assessment of Roberts Bank Port Expansion"* (National Harbours Board, June 1978).

⁴⁹ *Vancouver Province*, 9 November 1966.

The premier's commitment to the project was, in part, a response to the fact that the Port of Vancouver was unable to accommodate 100,000-ton tankers. Equally, however, he wanted an alternative facility to one in Washington state. Bennett was not prepared to be simply a spokesman for the coal barons who originally proposed an American route.

In September 1966, Transport Minister Bonner recommended that cabinet should approve the establishment of a B.C. Harbours Board to oversee port construction and maintenance at Roberts Bank.⁵⁰ The new initiative was not well received by major commercial interests. The consensus among members of the shipping community and the National Harbours Board was that the proposed Roberts Bank port alternative was not economically feasible.

In November 1966, Ottawa responded by announcing its intention to defend its jurisdiction over the waterfront area. The federal government was not against port development per se. Its major criticism was that the Bennett scheme threatened the existing facilities in the Port of Vancouver.⁵¹ But there was, in its view, room for compromise. As stated by then federal Transport Minister Pickersgill, "there is no reason why such a facility could not be provided by the provincial government or by private interests as long as they fit into the overall scheme."⁵²

Ottawa's move triggered a major confrontation between the two levels of government. Suspicious of what he saw as Ottawa's lack of concern for the development needs of British Columbia, the premier reacted by claiming provincial control over the project on the ground that the province had jurisdiction over the area "between low tide and the shore."⁵³

By March 1967, the Social Credit government was moving forward with its plan to build a superport at Roberts Bank "with or without federal government participation."⁵⁴ Since the port was to be constructed and operated by the province, Transport Minister Bonner introduced a bill to create a provincial harbours board with authority to borrow up to \$25 million.⁵⁵ It would have a staff of between three and seven members with

⁵⁰ Ibid., 3 September 1966.

⁵¹ See the Government of British Columbia, Department of Industrial Development, Trade and Commerce, *British Columbia Business 1972* (Victoria: Queen's Printer, 1972).

⁵² *Vancouver Sun*, 10 November 1966.

⁵³ See *Vancouver Province*, 14 March 1967.

⁵⁴ Ibid.

⁵⁵ The Act provided that "the Board is established for the purposes of developing or encouraging the development of harbour facilities, and to assist and promote the industrial development of the Province in conjunction with harbour development."

the premier as fiscal agent. The proposed legislation allowed the provincial harbours board to enter co-operative agreements with Ottawa, but on the province's terms.

Preparations for a major assault on shipping interests in the Port of Vancouver as well as on the federal government were well underway with the creation of the provincial harbours board. Certainly, as press reports show, the creation of the B.C. Harbours Board in March 1967 significantly altered the focus of debate.⁵⁶

The federal government responded by sending a number of different signals.⁵⁷ At first, Prime Minister Pearson joined Jack Davis, MP for Coast-Capilano, in denouncing the Roberts Bank scheme. But the criticism quickly subsided.⁵⁸ The federal government was clearly reassessing its options in light of the jurisdictional challenges put forward by the Bennett government.

Having attracted Ottawa's attention, Bennett took the opportunity to focus attention on rail transportation's relation to the scheme. In April 1967, the premier raised serious questions about the ability of the two national railways to service the proposed port facility.⁵⁹ An alternative connection, he thought, should be established with the Great Northern Railway to the south, in case the national rail lines failed to deliver on time. The premier also proposed that a provincial line be constructed connecting the superport with the Canadian and American railways.⁶⁰ This would ensure British Columbia's full control over rail operations.

The Bennett government faced major opposition in its drive for new rail and port facilities in the province. Pacific Coast Bulk Terminals Ltd., a subsidiary of Cominco, joined the Canadian Pacific Railway in criticizing the decision to build a superport at Roberts Bank. The president of Pacific Coast Bulk Terminals, the largest bulk facility in B.C., thought that Rob-

See Province of British Columbia, "An Act to Establish the B.C. Harbours Board," *Statutes of British Columbia* (1967), 9.

⁵⁶ See *Vancouver Province*, 14 March 1967.

⁵⁷ A former member of the Bennett cabinet indicated in an interview with the author that the federal government supported the Roberts Bank scheme primarily because of the proposals for development put forward by the Bennett government. It was felt that Ottawa's major concern was preserving its jurisdictional integrity over port development rather than servicing the needs of the province.

⁵⁸ *Victoria Daily Times*, 20 March 1967; and *Vancouver Province*, 1 April 1967.

⁵⁹ *Vancouver Province*, 25 March 1967 and 5 April 1967.

⁶⁰ For an overview of the federal government's position on the question of rail access see Letter from Don Jameson, Minister of Transport, to Premier Bennett, 2 April 1970.

erts Bank was "at least eight years premature."⁶¹ If Bennett had been solely concerned with servicing the needs of the local business community, he would most likely have avoided locking horns with Cominco and the CPR. These were powerful economic interests in the Pacific province. Yet the premier continued to press on.

By October 1967, Ottawa was shifting its position concerning Roberts Bank. In November, federal Transport Minister Paul Hellyer indicated that the National Harbours Board was considering contributing \$50 million for the superport,⁶² providing it was built as part of an integrated scheme involving Vancouver harbour. The federal transport minister clearly hoped to build a coal facility at Roberts Bank which would complement rather than compete with existing infrastructure.

While the provincial government was prepared to welcome federal funding, provincial Attorney General Robert Bonner stated publicly that the provincial leadership would continue to operate on the premise that Roberts Bank was a provincial project.⁶³ Hellyer's plan for upgrading harbour facilities over a thirty-year construction period was, he claimed, unrealistic. It was, indeed, pretty clear that the province's leadership viewed the federal offer as a delaying tactic. B.C. therefore went ahead with plans to build the superport by itself. Bennett was simply not convinced that Ottawa shared his development priorities.

Many observers of the political struggle for control were upset by the extraordinary dedication to preserving provincial autonomy exhibited by the premier, especially when taking such a stance might place the project in additional jeopardy. Various commercial interests were concerned that the confrontational approach might threaten the project, and Alberta and Saskatchewan expressed a fear that Bennett planned to invoke a tariff on out-of-province cargo.⁶⁴ One journalist, noting all this, warned that "Mr. Bennett is mistaken if he thinks the people of this province are willing to pay such a price for his empire-building and self glorification."⁶⁵ While the British Columbia government blamed Ottawa for promoting confrontation, a public relations spokesman for Kaiser Steel Corporation expressed

⁶¹ *Victoria Daily Times*, 10 August 1967.

⁶² *Vancouver Sun*, 20 October 1967.

⁶³ See *Victoria Daily Times*, 1 November 1967; and Province of British Columbia, Department of Trade and Industry, *B.C. Government News* (Victoria: Queen's Printer, August 1968), 16.

⁶⁴ See *Vancouver Province*, 2 March 1968; *Vancouver Sun*, 5 March 1968; and *Vancouver Province*, 14 March 1969.

⁶⁵ *Vancouver Sun*, 5 March 1968.

the view that the Bennett government, and not Ottawa, was “dangerously close to pushing the derail button.”⁶⁶

Bennett and his colleagues were undismayed. In an effort to increase the competitive advantage of the provincial government in the fight for jurisdictional authority over the superport, the chairman of the newly created B.C. Harbours Board, Robert Bonner, spearheaded a new campaign. Bennett himself set the scene by declaring that his government was more capable than its federal counterpart of ensuring that the superport was built on time and in accordance with the development needs of British Columbia.⁶⁷ He dismissed the constitutional argument as being a federal ploy to defer further action.⁶⁸ And he showed little respect for Ottawa’s constitutional position, using an order-in-council in March 1968 to expropriate the land surrounding the designated site.⁶⁹ The province was clearly set to go it alone, despite Ottawa’s reassurances and efforts to promote a compromise.

The response from Ottawa was swift. The federal government threatened to challenge the legality of the provincial initiative, to expropriate the provincial land, and to build the facility by itself. While the prospect of a long drawn-out court battle threatened the \$650 million coal contract, each government continued to defend its own interests.

In the end, Premier Bennett backed away from the issue of provincial participation in all areas of port development, but he managed to influence port construction. The provincial government got significant input into the timing and planning of the mega-project.⁷⁰ Moreover, in an effort to control the major decisions concerning rail transportation, it ensured that B.C. Hydro and B.C. Rail would provide the only rail link to the facility.⁷¹

Conclusion

In light of the foregoing, it seems clear that there is a need to reconsider the significance of the role played by W. A. C. Bennett’s leadership in shaping the growth of the B.C. economy and society. Whether it was hydro development policy, rail policy, pipeline policy, or Roberts Bank, the Bennett government actively built alliances, forestalled external challenges,

⁶⁶ *Victoria Daily Times*, 9 November 1967.

⁶⁷ *Ibid.*, 7 March 1968.

⁶⁸ *Ibid.*

⁶⁹ *Victoria Daily Times*, 15 March 1968; and *Victoria Daily Times*, 23 March 1968.

⁷⁰ For further details on the role played by the province in developing Roberts Bank see *B.C. Government News*, July-August 1969, 16.

⁷¹ For further information see *Vancouver Sun*, 7 June 1968.

and intervened to promote and implement a self-designed infrastructural development program. Aiming at once to increase political and economic autonomy and to reverse the problem of underdevelopment and dependency in B.C. through the building of physical infrastructure, Bennett and his government devised, and successfully implemented, a strategy of major importance.

While, then, the Bennett government has been characterized as concerned mainly with votes, with defending business interests, or with being short-sighted in its planning, the history of infrastructural development provides evidence that the premier was more than a simple broker of conflicting societal interests. When we consider the extent to which the provincial government went out of its way to defend its own political ambitions and territorial goals against the private sector and Ottawa, it is hard not to conclude that the political leadership had its own set of objectives which were not simply a product of interest group pressure.

While the policy was often criticized by the federal government, academics, business interests, and others who questioned the costs of the various development schemes, the building of new transportation and communication links in B.C. was central to the territorial interests and goals of the entrepreneurial leadership. The so-called unprepared "amateur government" was able to battle with its critics, and in the end, the Bennett administration won more battles than it lost in exploiting physical infrastructural development to defend its territorial ambitions.

Reforms in the field of transportation were given top priority in the Social Credit's plan of action. Emphasis was placed upon exploiting infrastructural development to ensure that economic development assumed a different spatial pattern than it would have otherwise — a pattern more consistent with the government's plans for territorial integration. It is time for scholars to recognize that the propensity to pursue provincial initiatives, with the intention of shaping economic and political interests along provincial lines, was a strong determining force under W. A. C. Bennett. It was a period of government-sponsored province-building.