Photo Vignette
Restraining the Welfare State

Solidarity 1983. Image MSC160-863_20, *Pacific Tribune* Photograph Collection, Simon Fraser University Library Special Collections.

Robert McDonald

This photo captures a 27 July 1983 demonstration at the provincial legislature in Victoria against the Social Credit government's recently introduced "restraint" budget and legislation. The photo documents the intersection of two major currents of postwar provincial history: economic expansion and the emergence of the welfare state.

Provincial politics had shifted leftward with the election of Dave Barrett's New Democratic Party government in August 1972 and back again when the Social Credit Party, now headed by W.A.C Bennett's second

son Bill, restored the political right's electoral dominance in December 1975. The latter contest occurred amidst economic turmoil marked by inflation and labour unrest, symptoms that foretold the end of the postwar boom in Western countries. But first, one last surge of resource-based prosperity returned to British Columbia in the late 1970s; the provincial growth rate from 1975–80 of 5.6 percent exceeded the Canadian average, and government employment trended upward.[1] Then, from mid-1981, BC's resource-based economy collapsed amidst the worst global recession since the Great Depression.[2] BC's unemployment rate jumped from 6.7 percent in early 1981 to 15.7 percent in June 1984, its highest since 1945.[3] More than 20 percent of pre-recession forest industry workers – an estimated twenty thousand – lost their jobs.[4] Double-digit inflation accompanied disappearing markets and exploding unemployment.

The Bill Bennett government's response illuminates the connection between BC's traditional economy and the welfare state. Across Western democracies, conservative parties had been forced to accept at least some Keynesian-style accommodation of the welfare state.[5] In British Columbia, the governments of W.A.C. Bennett (1952–72) and Bill Bennett (1975–86) did so grudgingly. Indeed, Bill Bennett *grew up* believing the welfare state weakened individual initiative.[6] In 1981, influenced by the Vancouver-based Fraser Institute (formed in 1974) and the recently appointed advisor Norman Spector, he embraced the neo-liberal ideas informing conservative political thought in Europe, Britain, and the United States at the time.[7] Neoliberalism emphasized the power of the market to generate wealth, the defence of private property, and

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[1] Christopher Dunn, *The Institutionalized Cabinet: Governing the Western Provinces* (Montreal and Kingston: McGill-Queen's University Press, 1995), 228; Rennie Warburton and David Coburn, "The Rise of Non-Manual Work in British Columbia," *BC Studies* 59 (Autumn 1983): Table 6, 23.

[2] John Malcolmson, "The Hidden Agenda of 'Restraint'," in T*he New Reality: The Politics of Restraint in British Columbia*, ed. Warren Magnusson, William K. Carroll, Charles Doyle, Monika Langer, and R.B.J. Walker (Vancouver: New Star Books, 1984), 77.

[3] Stan Persky and Lanny Beckman, "Downsizing the Unemployment Problem," in Magnusson et al., *New Reality*, 195 and 208.

[4] Jeremy Wilson, *Talk and Log: Wilderness Politics in British Columbia, 1965–96* (Vancouver: UBC Press, 1998), 23.

[5] David Laycock, *The New Right and Democracy in Canada: Understanding Reform and the Canadian Alliance* (Don Mills, ON: Oxford University Press, 2002), 10.

[6] Allen Garr, *Tough Guy: Bill Bennett and the Taking of British Columbia* (Toronto: Key Porter Books, 1985), 51.

[7] Bob Plecas, *Bill Bennett: A Mandarin's View* (Vancouver: Douglas and McIntyre, 2006), passim.

"the primacy of the individual." These ideas produced an agenda of less government, fewer taxes, and fewer government constraints on capital.[8]

In February 1982, its small government conservatism now ideologically reinforced by neoliberalism, the Bennett government announced a "Restraint on Government" policy that fuelled its successful re-election in May 1983. In the subsequent 7 July "restraint" budget, Finance Minister Hugh Curtis attacked what he called "a major overextension of government" in British Columbia. The "ambitious social and regulatory agenda" of the latter years had spawned "a tangled web" of commissions, regulatory laws, tribunals, and related government activities, he argued, a bureaucracy that employed "planners, lawyers, sociologists, geologists, biologists, economist, and other highly trained people" but that suppressed individual initiative. For Social Credit, "committed to a government role in the economy which supports private initiative," the province's welfare state had "grown too large."[9]

Viewing the "recession as an opportunity to slash the public service and curb the power of their unions," the government introduced twenty-six bills that aimed at "nothing short of totally redrawing the economic and social contours" of the province. The civil service would shrink 25 percent; government employees could be fired without cause. Human rights apparatuses created by the Barrett government and rent control mechanisms were eliminated. With this legislation, conservatives pushed back against the social democratic agenda that had grown largely unchecked since the 1930s within provincial political discourse. For Bob Plecas, a senior official in Bill Bennett's government, this onslaught of bills constituted a radical intent "to virtually rewrite the postwar social contract."[10]

In the summer and fall of 1983, the province erupted in extra-parliamentary opposition to the government. Over 130 days, tens of thousands of British Columbians joined protest marches, rallies, and strikes.[11] Brilliantly labelled "Operation Solidarity" by BC Federation

8 Gordon Hak, *The Left in British Columbia: A History of Struggle* (Vancouver: Ronsdale Press, 2013), 148–49; and David Harvey, *A Brief History of Neoliberalism* (Oxford: Oxford University Press, 2005), 11.

9 Budget quotations from British Columbia, 32nd Legislature, First Session, Budget Address, 7 July 1983, Poltext, Canadian Provinces Budget Speeches, online.

10 Quotations in paragraph from Plecas, *Bill Bennett*, 202–203.

11 Bryan D. Palmer, *Solidarity: The Rise and Fall of an Opposition in British Columbia* (Vancouver: New Star, 1987); Rod Mickleburgh, *On the Line: A History of the British Columbia Labour Movement* (Madeira Park, BC: Harbour Publishing, 2018), 214–29; Hak, *Left in British Columbia*, 149–57; Ted Richmond and John Shields, "Reflections on Resistance to Neo-liberalism," *Socialist Studies/Etudes Socialistes* 7 , 1/2 (Spring/Fall 2011): 216–37. For a critical response to Mickleburgh's *On the Line*, see Bryan D. Palmer, "The Ghost of Jack Munro,"

of Labour president Art Kube, after the Solidarnosc union protests in Poland, the resistance marked "a political protest movement unlike any other in the history of the province."[12] While the organizational leadership came from the trade unions under the umbrella of Operation Solidarity, much of the energy flowed not from blue-collar industrial unions but from salaried state employees, community groups, and human rights advocates committed to protecting postwar social and cultural gains.

The "restraint" legislation and Solidarity experience revealed how modernization had complicated the traditional class cleavage of BC politics and re-sorted partisan identities along an ideological continuum from individualistic to collectivist notions of responsibility and risk-sharing.[13] This is evident in *Pacific Tribune* photographs of the 27 July demonstration. Emotion spills out from signs that express "rage," proclaim "tyranny," holler "Resign Billy Boy Resign," and call to "Build the General Strike." Tradespeople, including carpenters, painters, pipefitters, and the Victoria Labour Council, are evident, but the International Woodworkers of America, British Columbia's largest union, is not. By contrast, representatives of the welfare state economy *are* clearly visible across several photos: the British Columbia Teachers' Federation, the Health Sciences Association of BC, the BC Association of Social Workers, and the Public Service Alliance of Canada.

I was particularly struck by two signs in the photo featured here: the "BC Coalition of the Disabled" and the "Human Rights Commission of British Columbia." They illustrate how the agenda for provincial politics had changed since the war. The "rights revolution" had evolved from emphasizing specific civil rights to stressing broader human rights.[14] For the Bennett Socreds, "restraint" was not just about the cost of government. They also wanted to restrain the "growing inclination of people and organized groups to define politics in terms of rights."[15] Clearly, thousands of British Columbians disagreed.

Ormsby Review, 348 (22 August 2018), https://bcbooklook.com/2018/08/22/bc-labour-movement-history/.

[12] Richmond and Shields, "Reflections on Resistance to Neoliberalism," 221.

[13] Donald E. Blake, *Two Political Worlds: Parties and Voting in British Columbia* (Vancouver: UBC Press, 1985), 66. See also 67, 73, 90–92, and 172.

[14] Murray Rankin, "Human Rights under Restraint," in Magnusson et al., *New Reality*, 168–72.

[15] Michael Schudson, *The Good Citizen: A History of American Life* (New York: The Free Press, 1998), 242. See also Dominique Clément, *Canada's Rights Revolution: Social Movements and Social Change, 1937–82* (Vancouver: UBC Press, 2008).