

# Introduction :

## Notes on a Western Viewpoint

A. D. SCOTT

*National Economic Issues: The View from the West Coast* is a title that indicates both a purpose and a need.

Our purpose, as set out in a memorandum exchanged between the participants in the series of lectures which form the basis of this volume, was to involve faculty members in the discussion of present-day economic issues. This discussion, while pitched at a level of economic jargon and abstraction that was within the grasp of teachers, union members and businessmen, would make some use of recent research or policy writing by the faculty of the Economics Department of the University of British Columbia. The aim therefore, was not to present a popularized version of current received wisdom, or orthodoxy, on the behaviour of sectors of our economy, nor to preach to the converted on the need for more productivity, thrift or honesty in economic transactions. Rather, we aspire to be candid about our models of the provincial and national economy, our assumptions about unmeasured parts of the economy, and our uncertainty or hesitation about our forecasts or conclusions about desirable policies.<sup>1</sup>

The problem of non-communication, because of economists' use of technical shorthand and jargon, would, it was hoped, be handled not only by setting aside each session as a period for questions and discussion, but also by having both a resident chairman and other economists present who might translate or filter the technical discussions, by acting as a discussion panel.

In addition to discussing with a group of interested laymen a list of national issues, we wished to attempt to find whether there is a view from the west coast, and how it differs from other views. It is to this latter task that the notes in this introduction are directed.

When Goldwin Smith visited British Columbia, travelling on the new Canadian Pacific Railway, he reported with grim enjoyment that a citizen of the new Pacific province, on being asked what his politics were, had

<sup>1</sup> The series was originally devised by A. M. Moore, having in mind the success of a series organized by R. A. Shearer. The latter materialized in the volume *Exploiting our Economic Potential: Public Policy and the B.C. Economy*, (Holt Rinehart, and Winston, Toronto 1969).

replied, "Government appropriations."<sup>2</sup> Easterners have often been thus disconcerted in seeking support from British Columbians on national issues. The urgency and insistence of Richard McBride, speaking for the west coast, did not seem to conform with the established economic positions of either of the two eastern political parties. Thirty years later, confusion still reigned, as Mackenzie King confessed. Reporting masterfully to his cabinet colleagues on economic policies in the western provinces, he added lamely "No one knows anything of B.C."

Margaret Ormsby has noticed the same incompatibility of eastern and west coast thinking in Pattullo's time, as has Ramsay Cook in his writing about eastern and western versions of Canadian nationalism. The Rockies, the prairies and the Canadian Shield seemed, among them, to constitute an insuperable barrier to even identifying the most important issues, let alone arriving at recognizable western positions concerning them.

Since World War II, this sense of isolation in policy matters seems to have become aggravated even as communications have improved. Nowhere is this more true than in the world of economic problems. Before 1913 continent-wide controversy over free-trade versus protection actually united Canadians into two camps. Later, protection, conscription, immigration and resource-frontier questions gave the west coast similar interests to many other Canadians, so that before the second World War even Pattullo-McGeer-Social Credit economic unorthodoxy did not tend to make eastern problems look irrelevant to west coasters, nor western problems too unfathomable when viewed from Ottawa.

But not today. To western eyes the economic issues that concern Ottawa sometimes seem the preoccupations of eccentricity. In the late 1950's, the central government kept budgets approximately balanced and money tight when men in B.C. were unemployed and resources were undeveloped. Medical and educational policies were expanded to meet the Ontario view of what Quebec should be asked to accept. Ottawa's century-long engrossment with secondary manufacturing — Toronto's "Golden Mile" — became almost pathological. Electric energy policy was based on the Niagara Falls-Buffalo incidents of the first World War; highway-trucking policy was based on episodes on the route between Quebec and New Brunswick; the attitude to new chartered banks reflected the view from Bay and St. James Streets; overseas aid was perceived as an outlet for locomotives and other manufactures; poverty was what one found

<sup>2</sup> See F. Underhill, *In search of Canadian Liberalism*, (Macmillan, Toronto 1960) 34. Underhill's own Canada, in his works on the NDP and the CCF, Liberalism, Goldwin Smith and J. S. Woodsworth, rarely stretches farther west than Winnipeg.

near Queen's and Laval Universities; and so on. How, said British Columbians, can such scrambled eggs become elements in *national* policy? What has it to recommend it, as a mixture, except its desirability to Central Canada and its tolerability in other regions?

What should the west coast think of national policies for dealing with unemployment and inflation? This way of posing the question: "what *should* . . .," already gives part of the answer. It is striking that most British Columbians appear to think less of these problems than of the inconveniences of such policy instruments as wage and price fixing and monetary and tax adjustments. In any case, many of the national aims seem remote and irrelevant, in that nothing that happens in B.C. would seem to have much effect on either national aggregates and price indices or on policies.

The reason for this may simply be that British Columbia is a very open economy. If union actions exclude low-wage labour, the effect is likely to be felt, as Erwin Diewert and Curtis Eaton both suggest, in raw-material prices paid by Americans or Japanese, not by Canadians. If tight money threatens to prevent investment, business is forced to turn to the foreign parent company, and government to Wall Street or the Eurodollar markets. If the automobile tariff redistributes production between Ontario and Michigan, western motorists adjust by changing their purchases of Japanese and European cars. Canadian policy instruments, in short, are often powerless when a region buys and sells in larger markets.

Does this mean B.C. is immune? Far from it. Helliwell and other commentators do make clear that the British Columbia economy does exhibit some sensitivity to national policies, and the two volumes<sup>3</sup> edited by Shearer also show the extent of dependence. What is important is that the "view from the west coast" does not seem as much affected by the exhalations and emissions from Ottawa as one would predict. The curvature of the earth dictates a much larger perspective, and national policies of various countries all seem equally worthy of note. Probably, westerners are not correct in their playing-down of centralist discussions of macro-policies; their influence could be larger and their fortunes are certainly affected. But this dependence is not widely perceived.

Simultaneously with the series on which these papers are based, there took place in Vancouver an annual meeting of the Canadian Tax Found-

<sup>3</sup> See *Trade Liberalization and a Regional Economy: Studies of the Impact of Free Trade in British Columbia*, by R. A. Shearer, J. H. Young, and G. R. Munro, (University of Toronto Press, Toronto 1971).

ation, and another meeting to discuss the forthcoming competition policy legislation of 1972.

The tax convention was mostly concerned with Ottawa's new income and estate tax bill C-259. While the experts attending, of course, dealt faithfully with every aspect of taxation that the programme committee could think of, it was clear that most members (mostly lawyers and accountants) were impatient with the equitable ambitions of the tax reform and worried about its disincentive effects on new investment. This attitude was shared by all present. But the speakers from B.C. seemed most bewildered by the talk of equity; less than anyone did they sympathize with such aims as the redistribution of wealth and income through tax reform.

The competition bill is still, in December 1971, in the works. Who knows who stands where? One conclusion that can be drawn from the discussion, however, is that British Columbians do not see the point of much political effort to achieve better allocative efficiency in the markets for resources usable by different industries and activities, by making competition work better. This may be because, technically, the B.C. economy is just not trying to maximise the social output on *given* resources. Resources of labour and capital move in or drift away in response to incomes and opportunities here. It does not make sense to assume that the economist's "scarce means of production" in B.C. exist in quantities that are independent of the profits and production that attract them.

Hence it may be quite rational to avoid strenuous efforts simply to make the best use of given resources. When much of local economic policy is devoted to augmenting population and capital, as an end in itself, why economize on what we have? Equal legislative effort can, instead, bring in more workers and machines.

Of course, at any particular time there is a cost of attracting more resources, and there is a gain to be achieved from getting as much social product as possible from whatever we now have. But the route to regional gain in a very open economy is different from that in an economy as a whole. National policies that are supposed to squeeze out monopolistic distortions may simply push out factors from a region, looking for greener fields elsewhere.

It is not surprising, therefore, that westerners dealing with the competition act dwell less on its allocative aspects than is to be found elsewhere. In one way or another they stress its distributive aspects (though the distinction is not sharp). Thus, in talking to British Columbians, Orr examines the services, in effect asking how legislation can change the

distribution of income from certain service industries in favour of their customers, clients and patients. And both Milton Moore's earlier work on entry into the gasoline station industry, and his recent lectures, lay stress on the income-pattern that results from administered and non-competitive prices, and the improvement that can result from legislative reform.

General policy-making on any frontier, of course, is typically more concerned with growth than with efficiency or equality. Do west coast attitudes merely reflect this impatience to get on with development? The data on income and welfare expenditure in Wales' essay, and that in Section G below do indicate a certain lack of generosity.

The essay by Neher evokes the inward flows of foreign capital and the ownership and control over economic decisions they bestow on residents of other countries. The "foreigners" were once mostly British, but then they became American and now, like the pattern in Alaska, they may be becoming Japanese. Do west coast people share the unease of easterners about this extending of foreign ownership and control?

Of course, it is not even clear that, in B.C., it is extending. Most railways, utilities, forest resources, mines, fisheries, banks and food companies have long been owned and managed from elsewhere. Nevertheless, for the sake of argument, let us assume foreign control is expanding, and ask how British Columbians feel about the threat of foreign ownership and control of Canadian economic or social self-determination.

Compared to their opposite numbers in Ontario and Quebec, whose thoughts are revealed to the public, they scarcely have any feelings at all. A perceptive senator once explained that if it was economic colonialism Ontarians and the Waffle group were suffering from, they should recognize that the complaint was such an old one on the West Coast that the patient had already completely adjusted. It was impossible for British Columbians to sympathize with people who until recently were themselves regarded, from B.C., as the foreign owners, along with those in Montreal, pre-1914 Britain, Berlin, Paris, Wall Street, and now Tokyo, Helsinki and Copenhagen. Hong Kong and Peking may be next. A similar impatience with Ontario's attack on foreign ownership was voiced in the 1950's by Maurice Lamontagne, speaking about Quebec and American control. Conceding that French Canadians had endured much from United States' managers, he strongly made the point that, if enemies had to be identified, it was the English-Canadian central Canadian establishment that should become the chief target.

The point is not that the west coast is uninterested in some forms of economic nationalism. Its support of mavericks like Duff Pattullo and

W. A. C. Bennett is, in itself, some evidence to the contrary, not to mention its through-thick-and-thin adherence to the CCF and the NDP, when even the prairie provinces appeared to have forsaken labouristic socialism forever. The point is, rather, than life sustained by the products of Imperial Oil, Cominco, Hudson's Bay, the CBC, FP and Southam newspaper chains, Life-Time, Imperial tobacco, Royal Securities, Toyota cars, Hovis bread, Chilean wine and Ontario sherry is hardly an existence likely to force consumers, employees, investors or tax collectors to discriminate sharply between Canadian and non-Canadian enterprise. The west coast has never felt that central Canada was putting much effort into its "Laurentian" mission of saving the west from the manifest destiny of other economies. True, national parties welcome western members, national policies are stretched to make room for west-coast goals and national taxes adjusted to take account of the western cornucopia. But most "nationalistic" aims of policy-makers, whether framed in Quebec City, Montreal, Toronto or Regina have never seemed relevant or pressing.

Ramsay Cook has made an appealing attempt to state the present central-Canadian pressure for an independent nation-state, as a response to the "challenge of the frontier in Canada . . . to develop metropolitan [central Canadian] sources of power sufficiently significant to ensure independent Canadian growth." Cook goes on to say that central Canada has never entirely met this challenge, but that ". . . in attempting to meet it . . . each generation of Canadians has defined itself."<sup>4</sup>

Clearly Cook does not agree that all can be explained in Laurentian or metropolitan terms. In any case, this is not the place to argue historical theories about Canadian nationalism. But the very debate, and Cook's sensible comments, suggest that the world of ideas in which he, Watkins, Trudeau, Pearson, Grant, Creighton and McNaught and other historians and political observers debate, is one from which most British Columbians can expect very little change in their present ambience.

Is Montreal, Toronto or Ottawa to develop the sources of power that will be adequate to ensure Canadian independence? Which one will meet the challenge, and so succeed in defining itself? Cook's gibe is accurate. The nationalistic exercise is salutary for thinkers in central Canada, as a sort of psychoanalysis, renewed in every generation. The present "political disintegration" which they deplore, and blame on foreign political and economic control, would lead to more concern on the west coast if the integration they claim to seek had once been a transcontinental reality.

<sup>4</sup> Ramsay Cook, *The Maple Leaf Forever*, (Macmillan, Toronto 1971). 173, 175.

One doubts that it has been. Scrutiny of the final chapters of one-volume Canadian history textbooks, many written or re-written recently for centennial 1967, make this clear. Lower, Creighton, Saywell, McNaught, Morton, write mostly about the success of Ontario, plus or minus Quebec, in not relaxing its hold on the west or the north, in spite of foreign temptations. Our success or failure, in nationalism, is judged about the same way by Walter Gordon, Mel Watkins, or George Grant and Kari Levitt.

Most of these Ontario-based writers have simply equated Canada's national interests with the continuing dominance of "metropolitan" centres. They have not succeeded in defining a Canadian economic identity for their generation independently of that of their perceived nation-state along the St. Lawrence.

Of course, there *are* Canadian economic nationalists on the west coast (as critics of an earlier draft of these notes have warned me). Some of them are recent arrivals, and have escaped the earlier west-coast sense of the irrelevance of much eastern anti-American fulmination. Others have brought eastern attitudes with them. Still others have picked up Canadian nationalism as their particular way of joining the world-wide club of anti-American students and youths. It remains to be seen whether the traditional British Columbian attitude will prevail against these newer arrivals.

Of course, economic ideas on the west coast do not become cosmopolitan, or American, simply by rejecting Ontario's claim to the anointed leadership of Laurentian Canada. Much local thinking is parochial, isolationist, or uninformed. Some is indifferent. Some is devoted to questions that require local answers, in debates about resources, energy exports, wilderness preservation, and so forth. Some is earnestly concerned about whatever concerns Ottawa. British Columbia is in Confederation by choice, and contributes to it, even without that chosen-instrument motivation so attractive to Ontarians. The upshot of the remarks above is simply that, having never had much experience of local economic control of large industries, B.C. cannot be expected to bewail its loss nor to anticipate its restoration. It must be allowed to see foreign ownership in the light of its own experience, and to evaluate the enthusiasms of eastern nationalists in western terms. The loss to Canada as a whole of further foreign encroachment into Ontario and Quebec has yet to be expounded. Meanwhile, the miseries of being a branch-plant society, no less than the evils of being "hewers of wood and drawers of water" in the speeches and writings of easterners, seem far-fetched and unusual to those who experienced both and have been able to compare them with the home-owned industrialisation of Seattle, Hamilton, Sorel or Pittsburg.

Such differences in experience are unlikely to produce an acceptance of eastern economic nationalism. Instead, sympathy with some of its social, political and cultural objectives, and a parallel concern for the environment, space and wilderness, are likely to emerge. When one sees that capital is needed to take the next steps in replacing depleting sources of metal or fuel, one's interests are less in the citizenship claimed by the capitalists than in the terms they offer. Of course, one of the matters to be settled is how much control the foreigners are to exert, and how much they are to pay; keen interest is taken in the *quid pro quo*.

Accordingly, the essay by Neher is very welcome to the pragmatic west coast point of view. Instead of condemning foreign ownership, he looks at the levels and rates of growth of Canadian incomes that depend on alternative rate of inflow of foreign capital. He suggests alternative future growth paths with and without foreign investment. The audience in Vancouver, once they understood the model, were keen to discuss its alternative outcomes and state their views on how much foreign inflow could be dispensed with. All assumed that capital would have to continue to flow in, from Toronto, Europe or California; and that "branch-plantism" would continue to be in the province's fate. The only question was, how much?

The essays by Lewis, Evans, Swidinsky and Wales give some idea of the amounts British Columbia makes available for certain social services, and so tend to reveal the burden the west coast province is prepared to shoulder for these functions. The following table suggests that the average public effort, both provincial and local is not great. The ranks are calculated so that a high rank indicates either wealth or generous transfers and social assistance.

TABLE I  
BRITISH COLUMBIA'S SPENDING RELATIVE TO OTHER REGIONS

	(1) <i>Canada Average</i>	(2) <i>Median Province</i>	(3) <i>British Columbia</i>	(4) <i>Provincial Rank</i>
Per capita revenue from provincial tax- able sources 1971 <sup>(b)</sup> (\$)	—	402	513	Highest
Abatement per capita	123	—	139	Second highest
Per capita personal income 1970 (\$)	3091	—	3322	Second highest



	(1) <i>Canada Average</i>	(2) <i>Median Province</i>	(3) <i>British Columbia</i>	(4) <i>Provincial Rank</i>
Canada Assistance Plan recipients as per cent of population 1970 <sup>(d)</sup>	5.8	—	4.9	Second lowest
Old age allowance monthly, March 1968 (\$)	—	66 <sup>(a)</sup>	71	Second highest
Blind person allowance March, 1968 (\$)	—	73 <sup>(a)</sup>	73	Median
Disabled persons allowance (\$)	—	74 <sup>(a)</sup>	73	Median
Canada Assistance Plan Family Standard Budget				
4 persons (\$)	—	215 <sup>(e)</sup>	211	Third lowest
1 person (\$)	—	100 <sup>(e)</sup>	80	Third lowest
Educational spending as per cent of provincial revenue 1968 <sup>(c)</sup>	38.1	—	36.4	Fourth from lowest
Provincial general expenditure per capita <sup>(c)</sup> (\$)	558	—	520	Second lowest
Federal half of post-secondary education spending per capita 1970 <sup>(b)</sup> (\$)	36	—	26	Lowest
Spending on Primary and Secondary education as per cent of personal income, 1967 <sup>(c)</sup>	—	6.1	4.9	Second lowest
Provincial Government percentage of local school board spending 1967 <sup>(c)</sup>	51	—	39	Lowest
Pupils per teacher in primary and secondary schools 1968 <sup>(c)</sup>	—	22.8	24.7	Second highest

## NOTES AND SOURCES:

(a) Nine provinces; excludes Quebec.

(b) *Remarks by Prime Minister*, Federal-Province Conference, November 1971.

(c) Collected by *Advisory Commission on Intergovernmental Relations*, Wash., D.C.

(d) *White Paper on Income Security for Canadians*, (Queen's Printer, Ottawa).

(e) Eight provinces; excludes Quebec and Alberta.

These numbers, pulled out of various compendia, all suggest that although British Columbia (a) is one of the wealthiest provinces, and (b) gets a high yield from its various tax sources, it (c) tends to spend less or transfer less than other provinces for social and welfare functions. The evidence for this is pervasive enough to suggest a general west coast disinclination for public spending of any sort, especially for the social services or transfers.

However, this disinclination to share should not be confused with other B.C. (or Alberta-B.C.) tendencies, which tend to affect the statistics the same way, but arise from different motives. One of these is a tendency to decentralize. For example, it appears that opinion to the contrary, B.C. tends to give relatively larger amounts untied as to purpose to municipalities than other provinces thus allowing school boards and city councils more power over non-property tax revenues than generally in Canada. (Although most school boards do not lack power to determine the use of parts of their own contribution.) Other examples of decentralization are to be found in the administration of automobile insurance and medical (not hospital) insurance; in both cases the two western provinces show some preference for "private" provision of the services with some provincial control and some financial role. Again, it is striking that a higher percentage of British Columbian children attend private schools apparently, than in any other province.

Another B.C. propensity, that for economizing, is also quite distinct from the laissez-faire attitudes already mentioned. The essay by Evans does suggest that B.C. hospitals — and perhaps medical care services — are run at a lower cost per patient successfully treated than in other provinces. And apparent province-wide approval for both Mr. Gaglardi's efforts to find and disinherite malingerers on relief roles, and for Mr. Bennett's promotion of a guaranteed annual income in place of the more open-ended provincial equalization system, may point the same way.

The original idea of this series had been to offer a series of symposia on national problems in which specialists would take opposite sides in well-known economic issues. We found, however, that a good number of our colleagues proposed to dwell at some length on the issue in its west coast manifestation, and eventually, with their co-operation, transformed the series till it was given its present title. The west coast content, of course, differs from paper to paper. While economic aid to less developed countries is certainly a national issue (or should be), it is difficult to claim that many experts would recognize that a west coast doctrine concerning aid exists. Again, while British Columbia certainly has more experience of

contact with China than most other Canadians, it must be agreed that much more of Canada's economic policy towards trading with China has emerged from the work and thought of those in the prairie grain belt than from those in west coast ports. On the other hand, there is certainly a non eastern view of many topics (labour unions, tariffs, foreign ownership, energy, welfare and medical care) that is worth digging for.

Compared to the outpouring of economic, and economic-history, studies of the prairie provinces or even of the maritime provinces, British Columbia has had remarkably little attention from economists. Early studies by Carrothers, investigations by Drummond and Clement, and theses and bulletins on various industries make up the major part of a very sparse crop. Innis, Easterbrook, Howay, Sage, H. F. Angus, Reid, Willard Ireland, Kaye Lamb and other historians touched on important developments, and tracts and speeches by politicians like G. G. McGreer and T. D. Pattullo showed a recognition of special west coast ways of viewing the economic problem. But for the most part, academic study until very recently was not devoted to the B.C. economy. Regional studies as general as those by Hanson for Alberta, Britnell, Fowke, Timlin, and Buckley in Saskatchewan, and Barber and Waines in Manitoba have rarely been attempted in B.C. Some of the best recent work has been inspired by the curiosity of research organizations elsewhere.

Is the explanation that British Columbia is closer to the west coast of the United States, in social and economic matters, than it is to central Canada? The facts are otherwise, and the explanation, in any case, does not work. Few British Columbians know anything of economic policies or issues in the northwest states, and many are surprised when they hear of the problems of Boeing in Seattle, or the economic ideas of Senator Jackson of Washington. City managers, teetotal liquor policies, public hydro ownership and syndicalist ideas of west coast unionism did seep north, along with populist and progressivist thought, forty years ago to reinforce similar notions from Ontario. But there is no present northwest United States equivalent of British Columbia's radical industrial unionism, Social Credit religious fundamentalist politics, and B.C. is little more impressed with California's economic fads and struggles than is Ontario or Newfoundland. And it would be absurd to claim that ideas and ideologies move north and south with the fresh celery or cut lumber that keep highways and railways busy. (They certainly do not move with the Seattle newspaper, or in Vancouver or Seattle TV broadcasts.)

There is indeed a healthy inter-port rivalry on the west coast, and there is much trade and busy-ness, but neither Mr. Bennett nor his opponents

have been able to collect much intellectual ammunition from the west coast states, or Alaska either. If the connection with Seattle and Portland were closer, no doubt more thought and action would be stimulated, and more would be written. But the uniqueness of the policy-problems of B.C., which are not the same as Washington's or Oregon's, appear to have daunted academics and laymen alike. There is no use pretending that Quebec's grappings with its militant labour movement, or Ontario's dependence on the automobile pact, have west coast equivalents. They have not. Even Alberta's petroleum and energy musings seem pretty remote from what B.C. has to make decisions about. The west coast has its own collection of economic problems and issues, but it has not bothered to formulate them carefully or debate them constructively, much less present them effectively to others.

One reason, undoubtedly, is an anti-intellectual bias. While Saskatchewan and the other prairie provinces have long turned to their universities and newspapers for careful analysis of central economic questions, British Columbians have rarely done so. Specialists presenting ideas to meetings or royal commissions are cross-questioned as though they were hostile witnesses in criminal hearings. (What is surprising is not that suspicious counsel for particular interests should wish to cross-examine, but that those running inquiries, and the public, should feel such a procedure is a useful approach to every public question.) Academics who comment on provincial economic affairs are rarely refuted, but instead find their qualifications to do so questioned and besmirched. Information and data are refused, files are closed, students' questions are unanswered.

The consequence is that, until very recently, most economic academics have been relieved to leave much of the analysis of local questions to outside consultants, and to concentrate instead on national and international questions. Hence the present series. Has this cross-hauling been wasteful? While fine for the airlines it has, perhaps, contributed to a sustained lay unfamiliarity with economic reasoning, and a profound academic unfamiliarity with regional economic questions.

A second reason is that the local specialists who might make studies have been missing. While there are now three universities and several community colleges with, altogether, more than one hundred academics capable of conceiving researchable economic questions and carrying out the research, there were less than ten in 1950 and less than 5 in 1939. Graduate studies, producing the type of experts required, has been available to train young people with an interest in B.C. economy, for less than ten years. It is not surprising there has been, compared to lawyers, engi-

neers, accountants and medical professionals, only a corporal's guard of local economists, most of them working directly or indirectly for the provincial government.

Yet the absence of home-grown expertise cannot be the main reason for the lack of economic expertise. British Columbia did not suffer *seriously* in its first 75 years from a lack of doctors, dentists, lawyers, historians, psychologists or teachers of English. Native sons took the required training elsewhere; and trained people also migrated into the province. Why did this not happen in economics? It can only be that the demand did not exist.

Reflection on the quiet revolution in Quebec, during the Lesage years, points to the same conclusion. The sudden change in legislation and the need for impact studies created new requirements for economists both in the private sector and in the government. There was not time to train the number demanded; indeed, the graduate schools had not specialized in giving training in the expertise that became suddenly needed. What happened was that natives of Quebec returned to the province from Ottawa, where their talents had been better appreciated; specialists came from Europe and the United States; English-speakers learned French; and those who had given up economics for other professions returned to it. A supply was "created"; the lack of a supply at previous salaries and working conditions did not prevent assembling a group near the size that was wanted. Similar anecdotes can be told about the gathering of economists for the remodelling of the Tory government in Ontario, for the two NDP administrations in Saskatchewan, and in other provinces as well. Only B.C. governments and industries continue to make policies that are little investigated, perpetrated on the shareholders and the taxpayers without full review of the alternatives, and without data.

Have matters changed? A little, perhaps. The provincial government now has more recourse to particular university departments than in earlier decades. Academics move into and out of municipal government, as politicians and as consultants. A society of professional industrial economists now flourishes. The present papers, (and even more the two Shearer volumes), show the willingness of academics, given the invitation, to address local problems. The present papers, moreover, like the warm and interested audience who first heard them, reveal the possibilities for developing independent views of national topics, views that may or may not coincide with those formulated elsewhere, but, like them, based on good data and good analysis.