LIONS OR JELLYFISH

NEWFOUNDLAND-OTTAWA RELATIONS SINCE 1957

RAYMOND B. BLAKE

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Asked in 2010 about his pugnacious approach to federal-provincial relations, Newfoundland premier Danny Williams declared, "I would rather live one more day as a lion than ten years as a jellyfish." He was only the latest in a long line of Newfoundland premiers who have fought for that province's interests on the national stage. From Joey Smallwood and the conflict over Term 29 of the Act of Union to Williams and his much-publicized clashes with Paul Martin and Stephen Harper, Newfoundland and Labrador's politicians have often expressed a determination to move beyond a legacy of colonialism and assert greater control over the province's own affairs.

Lions or Jellyfish examines the history of these federal-provincial clashes with both clarity and wit. Written by a noted expert on Newfoundland politics and intergovernmental affairs in Canada, this book studies a vital but frequently overlooked aspect of modern Canadian federalism.

RAYMOND B. BLAKE is a professor in the Department of History at the University of Regina and the author of *Canadians at Last: The Integration of Newfoundland as a Province.*

For three scholars and friends – J.L. Granatstein, Peter Neary, and John Whyte. They each have been influential in shaping my views about how best to understand the historical process and have fostered within me the hope that a nation and its peoples will forever have the decency to search for accommodation and compromise that are the basic political principles of any virtuous nation state.

"I would rather live one more day as a lion than 10 years as a jellyfish."

Danny Williams, premier of Newfoundland and Labrador,
on standing up against those who would take advantage
of his province. November 5, 2010

Illustrations

Acknowledgments

This book examines the relationship between Ottawa and Newfoundland and Labrador through the lens of federalism. It covers the period from 1957 to approximately 2010 and surveys relations between the province and federal government through the interactions between eight prime ministers and five or six premiers. All were strong-willed, determined individuals whose actions were shaped by national and provincial priorities as well as by their character and their views of Canada and Newfoundland. They each had distinct personalities and unique political philosophies and often disagreed vehemently over the nature and shape of Canadian federalism and Canada itself. They all recognized the legacy of colonialism that plagued Newfoundland and Labrador but they also had a shared commitment to Canada. This book, then, is a study of how premiers and prime ministers struggled and quarrelled over how to make Confederation work better for Newfoundland and Labrador. They did not fight over Confederation itself and whether or not Newfoundland and Labrador was better inside or outside of it. That issue had been settled much earlier in 1948.

This book is based primarily on archival research in several provincial capitals and in Ottawa. Despite cuts to archives at both the national and provincial levels across Canada, the archivists and other individuals who staff these important institutions remain the historian's best friend. The joys of research are enhanced by the people I encountered in doing the research for this book. At Archives and Special Collections in the Centre for Canadian Studies (CNS) at Memorial University, Linda White was an historian's dream. She knows the collections well and cares about history as well as historical sources. She and Paulette Noseworthy always made a visit to MUN rewarding. At The Rooms Provincial Archives of

Newfoundland and Labrador, Melanie Tucker was particularly efficient at both providing timely access to records and navigating through the process of accessing restricted materials. Library and Archives Canada has changed considerably since I first visited as a graduate student, but I found that if I planned well, the materials I wanted were always available and the staff friendly and accommodating. Sean Dutton, the deputy minister of Intergovernmental Relations and Aboriginal Affairs with the Government of Newfoundland and Labrador, provided timely access to records from the 1970s, as did former Premier Clyde Wells from the 1990s. Andrea Hyde graciously provided transcripts of debates in the Newfoundland House of Assembly. At the Diefenbaker Canada Centre at the University of Saskatchewan, Rob Paul was particularly helpful, as were various archivists at the Provincial Archives of Nova Scotia and the Provincial Archives Board of Saskatchewan. For the photographs that are included, thanks to Arthur Mills for assistance with photographs from the Right Honourable Brian Mulroney's private papers at Library and Archives Canada; to Steve Bartlett, the managing editor at the *Evening Telegram* in St. John's; and to Doug Wells and John Marsden for the photograph of Pushthrough. Thanks, too, to Julia Siemer for her map on Newfoundland resettlement.

I was assisted in the research by several able and enthusiastic research assistants at the University of Regina, including Delaney Jackson and Liam Fitz-Gerald (who helped with the bibliography in the push to get the manuscript to the publisher) and Stephen Hodgson for preparing the index. Several friends and colleagues read various sections of the manuscript and offered insightful comments. Dr Reid Robinson is a chemist by profession but really a historian at heart; he offered wonderful advice throughout. I had many conversations in St. John's with Dr Melvin Baker who has written extensively on Newfoundland and whose knowledge of the province is simply profound. Any coffee with John Whyte always turned to long chats about federalism and Canada. He and Melvin also read parts of the manuscript and offered perceptive comments and questioned assumptions that forced me to rethink aspects of this book. Brian Mlazgar read the complete manuscript and offered sage advice. Other friends and colleagues, notably Peter Neary, Penny Bryden, Ken Leyton-Brown, Cam Blachford, and George Hoffman, helped in various ways from offering support to simply talking about aspects of Canadian and Newfoundland history that helped me sort through the quagmire of Canadian federalism. So, too, did two anonymous and excellent readers selected by the University of Toronto Press where Len Husband did a

superb job of shepherding the manuscript through the publication process. Gillian Buckley brought the keen eye of a copy editor to improve my prose and bring clarity to my thoughts, and Lisa Jemison, UTP's managing editor, made publishing look effortless. I must also acknowledge the generous financial support of the Social Science and Humanities Research Council of Canada through its SSHRC Insight Grant, the Faculty of Arts at the University of Regina for its Dean's Research Awards, and Christopher Pratt for permission to reproduce his 1997 serigraph print, *The Raven*, as the cover image for this book. I would also like to thank *Acadiensis* and the *Canadian Historical Review* for the earlier opportunity to present parts of chapter 1 and chapter 6, respectively, in essay form and for allowing me to use the material again.

During one of my visits to Jack Granatstein's home when I was a graduate student, I remember another friend talking excitedly of the joy of landing a salmon. Jack responded: "Wait until you publish your first book." Jack was wrong. The excitement is not limited to the first book; it comes with each one. The joy and excitement of seeing in print the culmination of several years' research and writing continues to be quite extraordinary, and having the support and love of a family along the journey makes it even more rewarding. Once again Ben, Robert, and Wanda have been tremendously supportive, encouraging, loving, and patient and for that I will be grateful always. Don't believe anyone who tells you that being a historian and writing history is a solitary pursuit. I have found it is done best as part of a family.

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Introduction

Governing is often a messy and confrontational pursuit in federal states such as Canada where jurisdiction is divided between two orders of government. Canada has had long periods of strong central authority at the national level, but provincial governments have had an equally long history of resisting the centralizing tendency of the Canadian federation. All legislators have at one time or another lost sight of the common good and become fixated on issues of jurisdiction rather than what might be the best policy choices for the citizens who elected them. Former Newfoundland and Labrador Premier Danny Williams manifested that tendency when he told his party faithful at an annual premier's dinner in St. John's, "I would rather live one more day as a lion than 10 years a jellyfish," while reflecting on his battles with Canadian prime ministers Paul Martin and Stephen Harper. Not a single premier or prime minister could ever allow him or herself to be the jellyfish in any of the federal-provincial battles that have marked the often bitter and protracted history of intergovernmental relations in Canada even though both premiers and prime ministers actively tried to solve national and provincial problems to provide social and economic security to all Canadians. A successful state must find within itself the capacity to find accommodation for all its members. Federal states have the added responsibility of finding accommodations among their constituent parts while managing successfully the competing national interests to ensure political stability and social and economic justice for all.

The province of Newfoundland and Labrador is a relatively new entrant into Canada, one of the world's oldest and most stable federations, and its first ministers have often been at the centre of the troubled relations between Ottawa and the provinces that began with Confederation

itself and have been a common occurrence since then. When the British North American colonies came together to create a nation state in 1867, Newfoundland chose to remain outside the new union. Unlike two other maritime colonies – British Columbia and Prince Edward Island, which succumbed to imperial and Canadian pressures to join in 1871 and 1873, respectively – Newfoundland voted only in 1948 to become part of Canada and then only after a bitter and protracted internal debate. A National Convention had been elected in 1946 to consider various constitutional options that it would recommend that the British government place before the people in a national referendum to decide the country's constitutional future. This was a part of the process to re-establish democracy and return to Newfoundland the self-government that had been surrendered amidst the fiscal and economic crisis of the Great Depression. Negotiations between Canada and Newfoundland began in 1947 when a delegation from the Convention travelled to Ottawa to investigate what Canada might offer if Newfoundland decided to join the Confederation. The Canadian negotiators had decided long before they sat down with the Newfoundlanders that the new province had to fit into the existing political and constitutional model that had evolved since 1867. They could not offer terms that would create significant differences between Newfoundland and the existing provinces. Hence, the negotiations became largely an attempt to reconcile the demands of Newfoundland with what Ottawa provided to the other provinces. The Canadians were prepared to offer to Newfoundland only what they believed would be acceptable to the other partners of the federation.

The Newfoundland negotiators in 1947 – and again after a narrow vote in 1948 in favour of joining Canada – argued for the unique circumstances of Newfoundland, which had long remained outside of the Canadian federation. They were acutely aware of the economic and social disparities that existed between their country and Canada, even if the Second World War had restored to them some measure of prosperity, and they looked forward to the post-war period with considerable uncertainty and dread. Yet they insisted on the exceptionalism of their country – the belief that it was extraordinary and deserved special consideration because of its peculiar constitutional history and economic disadvantages. It is important to recall that before Confederation, Newfoundland had no experience with federalism, and it insisted that it should not have to conform to all of the normative rules and general practices of the Canadian experiment. The negotiators in particular hoped to win special concessions in fiscal matters. Ottawa was willing to concede a