

ernments during the mid-1960s. The "mix" or interaction of these two sets of factors has, in turn, led to a greater involvement of the provinces in external relations. While some of these factors are part of the now well-recognized shift in the imbalance of power in domestic federal-provincial relations — the phenomenon Donald Smiley has called "the attenuation of federal dominance" —, some are also peculiar to the question of external activities.

New priorities

During the 1960s, with the expectations fostered by *détente*, the increasing industrialization of the developed world and the emergence of new Third World countries, traditional military-security problems began to give way to economic and social concerns. These changing foreign policy priorities thus touched increasingly upon important and highly visible domestic interests. And, in view of Canada's regional differences, the changes in priorities encouraged, if not demanded, the articulation of correspondingly diverse interests. Since the Canadian constitution gave provincial governments substantial responsibility for economic and social policy, and since provincial politicians saw their own interests as requiring provincial activity, the effect on them of the new foreign policy agenda was profound. Their natural response contributed to what might be called the "domesticization" of foreign policy issues. In a recent paper, one former senior Ontario official noted that such issues as commercial policy, energy, agriculture, industrial development, immigration and the like were "[all] matters of provincial concern". "It is not very difficult," he argued, "to see why the provinces have more than a yearning, indeed a responsibility, to make an effective contribution."

Other international factors also played a role. The French Government openly and consistently supported and encouraged the desire of the Lesage and Johnson regimes, and especially that of nationalist elements within the Quebec bureaucracy, to seek greater autonomy within Canada and to deal directly and freely with France in all areas of provincial jurisdiction. In the light of the Quebec experience, other provinces, particularly Ontario, began to reconsider their own constitutional and political powers in external relations.

Growing American affluence, and especially the prosecution of the Vietnam war, generated a considerably increased demand for strategic raw materials from Canada. During the 1960s, exports of iron ore, aluminum, copper and other metals all

grew dramatically. This demand enhanced provincial economies and contributed to a reassessment by provincial governments which are, of course, constitutionally responsible for the development of resources within their boundaries. Particularly, the phenomenal economic recovery of Japan prompted that country to become a major purchaser of Canadian and lumber products to fuel its basic industries. This development had a particular impact on the resource and transportation sectors of British Columbia and Alberta.

Throughout the postwar period, Canada, like other Western nations, became an industrially and technologically advanced society. Canadians, on the whole, became wealthier and better educated. Canadian society became highly organized, better serviced and more independent. The Canadian labour force became more diversified and specialized. Canadian industry expanded and generally kept pace with technological innovations. Its products became more sophisticated and more expensive, its pollutants more extensive and more dangerous. All these changes had a readily apparent effect: each played a part in increasing the demands on, and ultimately the responsibilities assumed by, provincial governments.

Persistent disparities

While the national society and economy were becoming more complex in a relative sense, regional social and economic disparities were persisting. In 1951, in the provinces with the highest educated populations, 20 to 25 per cent more citizens had secondary or post-secondary education than in the provinces with the most-poorly educated populations. In the 1960s, as in the 1950s, the *per capita* income of the Atlantic provinces was about 30 percent below the Canadian average, while that for Ontario and B.C. was about 15-20 percent above the average. In the 1950s, Ontario accounted for approximately 50 per cent of the total value added by manufacturing in Canada; New Brunswick, the "least industrialized" of the Atlantic provinces, counted for a mere 2 per cent. Ontario's share was 53 per cent in New Brunswick's was 1.4 per cent.

Not all disparities were persisting — some were significantly changing. For example, the gap between the value added *per capita* by manufacturing in Ontario (\$877) and in New Brunswick (\$268) was \$609 *per capita* in 1970, a marked increase in Ontario.

Provincial responsibility for economic and social policy