## POLITICAL MANIPULATION AND REWARDS

IN THE

CROWSNEST PASS, SOUTHERN ALBERTA

Ъу

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# ABSTRACT

The thesis is concerned with an examination of the concept of 'normative' and 'pragmatic' rules as elaborated by F.G. Bailey in his book Strategems and Spoils, and its relevance to the analysis of political processes. Bailey's theoretical framework is based on David Easton's development of 'systems analysis'. Whereas Easton has attempted to lay the basis for an 'empirically oriented general theory' by developing the concept of political structure as an abstraction, Bailey views political structure as 'a set of rules about behavior'.

Bailey's concept was tested in the thesis through an analysis of the affairs of local authorities in the Crowsnest Pass area of Southern Alberta with particular reference to three events, namely: one, the financial arrangement made for a regional swimming pool through the Regional Recreation Board; two, the generation of a school division and construction of a consolidated school; and three, an analysis of the circumstance of two private companies which located in the area under the 1963 Federal government incentives program.

It is assumed in Alberta that a local authority has what is called local autonomy, i.e. a local authority has the right or privilege, under the legislation affecting it, to manage its own affairs and to co-ordinate and utilize such services of senior governments made available to it in a manner likely to advance its interests.

This assumption requires qualification when put into practice: first, to exercise its autonomy, a community must be capable of co-ordinating or utilizing government services offered to it. Secondly,

the adjacent nature of local authorities - which is exaggerated in parts of the Province such as the Crowsnest Pass, but is common elsewhere--permits cost sharing arrangements among them. These arrangements in turn compromise the assumption of local autonomy in the way in which such arrangements are put into practice, though not in the freedom of local authorities to enter such arrangements.

Local authorities are dependent for development, in almost every case, upon monies and services from senior levels of government. These levels of government require that developmental services are arranged on scales adequate for their economic operation. Such scales frequently supersede the boundaries of constituted local authorities. When multiple authorities become involved because of this requirement, the internal political processes among them, and within any one of them, tend to assume the quality of manipulation.

The presence or absence of a developmental service, whether public or private, implies a change in the relative status or advantage of interacting local authorities. The outcome of the manipulative processes local authorities engage in are seen from the outside as being part of a 'natural' process of competition for spoils that throws up through its operation the most favoured locale for construction of the developmental service.

Juxtaposed to these processes are the considerations of 'senior' regional authorities, such as planning and economic development commissions. Their perspective is different from that of the introvertive perspective of any one local authority, but become drawn into the manipulative processes regardless of their perspective.

The provincial government, policy of distributing financial assistance according to the criteria of equalized assessment and population size provides the impetus for competition among local authorities and the manipulation of senior government authorities. While this competition is not always successful for local authorities, it is endemic in the political process. The 'rewards' are returned to local authorities by a process which places facilities in neutral areas and not necessarily in accord with the criteria appropriate to the economic growth of the region or any constituent part of it. Federal government assistance to private industry compromises the normative views of the provincial government with regard to favouring one local authority over another. Private industry may remain aloof from the manipulations of local authorities but without necessarily serving the interests of local authorities.

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## CHAPTER I

## INTRODUCTION

# 1. Examination of Two Theoretical Perspectives

During the past twenty years many political scientists have participated in, and contributed to, an intellectual struggle. The goal has been to establish a 'substantive theory of political life' which could be generally accepted as a basis or approach for empirical research. It is presumed that this theoretical scheme would also define succinctly the scope of political science, clearly differentiating its area of concern from those of other disciplines. In spite of tremendous intellectual efforts, little consensus has developed over the possibility of generating one such theoretical approach to political analysis. Currently, a number of political scientists continue to engage in debate about the validity and efficacy of the approaches that have been proposed, and still others are preoccupied with the development of new approaches. O.R. Young points out: 'There is a considerable amount of disagreement concerning the essential nature of an approach to analysis, and this has frequently led to serious confusion'.2

Despite the various disagreements prevalent in the discipline, the search for an 'empirically oriented general theory' has borne fruitful results. 'Systems analysis', particularly, has provided the student of politics with a conceptual structure through which the analysis of political behavior can be approached. Several scholars have proclaimed an allegiance, of one kind or another, to this concept.

David Easton's works: The Political System, A Framework for Political Analysis, and A Systems Analysis of Political Life, provide an excellent example of one scholar's commitment to 'systems analysis'. This is not to suggest that Easton's theoretical approach represents a consensus among the adherents of 'systems analysis'. There is still much disagreement in recent writings concerning such questions as the proper definition of a political system and so forth. However, it is not the intention of this writer to become embroiled in a discussion of the relative merits of the many definitions that have been formulated or to belabour the virtues of the several 'systems' concepts that have been prepared by various individuals.

Insofar as the content of systems analysis is concerned, it is probably sufficient to quote M.A. Kaplan:

A brief and nontechnical description of the objective of systems analysis would include: the study of a set of interrelated variables, as distinguished from the environment of the set, and of the ways in which this set is maintained under the impact of environmental disturbances. This definition emphasizes the articulation of the system and of its components and the behaviors by means of which it maintains itself over time.

A. Rapoport has observed that, 'The advantages of this approach are in the opportunities it offers of building political theories which are both generally and objectively verifiable'.

The purposes of this section are briefly to examine in theoretical terms the systems approach and the way in which it has been developed and refined by F.G. Bailey.<sup>5</sup>

Since Bailey explicitly acknowledges the contribution of David Easton, it is appropriate to examine that portion of Easton's approach which is relevant to Bailey's presentation. Concerned with the question of elucidating a theory that could enhance the possibility of a cumulative development of knowledge in the field of political science, Easton has become one of the major exponents of systems analysis. For the last two decades, he has endeavoured to impart to those associated with the discipline of political science the idea of examining and understanding political life via a systems perspective. While this conceptual orientation, it is important to note, is designed to accommodate the behavioralist contention '...that the basic element common to all social systems is the individual person', Easton argues that, 'We begin to encounter conceptual difficulties if we are asked to entertain the notion that it may be impossible to adopt the human being as the major unit for analyzing social systems'. With this in mind, Easton has designed his theoretical approach with the view to examining 'political life' as a social system isolated from general social activity. Hence the political system is understood to be that set of human interactions and transactions which can be deemed to be political in nature.

In order to distinguish the political system from other forms of social behavior and from the non-social situation, Easton has advised that the '...political system...will be identified as a set of interactions, abstracted from the totality of social behavior, through which values are authoritatively allocated for a society'. Concomitantly political life is defined as 'a system of behavior imbedded in

an environment to the influences of which the political system itself is exposed and in turn reacts'. Having thus isolated the political system, Easton is able to advance the proposition that the aforementioned set of interactions, as defined, provides a means of differentiating political roles from other social roles. He describes those who participate in the interactory process as being 'members of the system'. As an 'analytic' category this generic concept receives substantial support from Talcott Parsons:

Like any social system, a political system is structurally composed of units and their relationships. As every political system is a collectivity, its units are always 'members' which may be either individual persons in roles or subcollectivities which themselves are ultimately reducible to individual persons in member roles. 11

It must be observed at this point that the problem of differentiating the political system from other systems of behavior has caused Easton some concern. With reference to 'traditional tribal societies' he observes '...that political life need not be sharply demarcated from other kinds of behavior....' In addition he points out that:

The imagery of a system begins to break down when we turn away from specialized roles or organized groups to the vast complex of political activities that are diffused throughout each society, however differentiated its political structure. For example, even in modern highly structured societies many members may engage in political activities outside of any formal role that is designated as political or as a part of their behavior in roles that are distinctly nonpolitical. 14

Clearly Easton recognizes, the difficulties involved in isolating the political system as a distinguishable system of behavior.

However, he is able to overcome these difficulties by arguing that it is possible to '...abstract out of the total interactions in which a person engages those that are oriented to politics'. This abstraction, which assumes the presence of something called a 'political system', is an outgrowth of the criteria used to define one set of interactions as being political.

The most fundamental single characteristic of Easton's theory is that the political system is an 'open system'.

By its very nature as a social system that has been analytically separated from other social systems, such a system must be interpreted as lying exposed to influences deriving from the other systems in which it is embedded. From them flows a constant stream of events and influences that shape the conditions under which the members of the system must act. 16

By conceptualizing 'political life' as an open system, Easton argues that it is possible '...to understand the processes underlying the capacity of some kind of political life to sustain itself in a society....' The responsibility of the political scientist is '...to identify the major and general elements of the system, ... and to describe what it is that lies outside of a system'. Systems analysis, as an analytic approach, aids in this endeavour by drawing attention to, and permitting the examination of, 'the exchanges that take place between a system and its environment'.

Fred Bailey in his book <u>Strategems and Spoils</u> has adopted, in part, Easton's concept of the open political system. Taking up Easton's

notion of a dynamic process, Bailey explains that political systems, 'are understood when the continuous process of adaptation and adjustment between structure and environment is understood'. <sup>20</sup> In contradistinction to Easton, Bailey prefers to describe the political system as an interactory process between a political structure and its environment. The political structure in this case 'is a set of rules about behavior: these rules list the rights and duties of particular roles; they say what a king, a subject, a judge, a voter, a party leader, a village headman and so forth is expected to do in that particular capacity and what he may expect others to do for him'. <sup>21</sup> In a similar vein, G.H. Mead observed that:

In the same...way that the human individual becomes conscious of himself he also becomes conscious of other individuals; and his consciousness both of himself and of other individuals is equally important for his own self-development and for the development of the organized society or social group to which he belongs. <sup>22</sup>

Both E. Durkheim and Talcott Parsons have drawn attention to the importance of social roles and their development and increasing differentiation in modern, complex societies. And Robert Dahl has observed that 'In every society, people tend to develop more or less standard expectations about how they and others will behave in various situations'. 23

For Bailey the environment contains other structures of social action, each with its own set of rules about behavior. He explains that 'at the very least all these different roles compete for a man's time and energy; they may also directly influence his political behavior.... The environment both provides resources for political use

and puts constraints on political behavior. 24 For example, the economic role of an individual may intrude upon and affect his political role. 25

Insofar as political behavior is concerned, Bailey's theoretical construction does not limit the range of structures that may be, from time to time, considered political in nature or in interaction with the political structure itself. Comparatively speaking, Easton's analytic system can provoke a far more static mode of analysis. For Bailey, 'political structures can be recognized at all levels and in all kinds of activities and can, when appropriate, be compared with one another'. 26 With reference to Easton's concept of 'parapolitical systems', 27 Bailey explains that 'For my own part, I find it easier to recognize politics as an aspect of interaction at all levels--even the family....' Furthermore: 'To recognize only one level, or even to focus strongly upon it is to be ethnocentric and, more importantly to waste opportunities for comparative insight'. 29 The foregoing criticisms not only point to the 'isomorphic' character of Easton's approach but also emphasize that this approach is limited in its usefulness. Certainly it would appear that Easton's political system is more analogous to 'institutionalized' political arrangements found in the western world than with political arrangements generally.

It should be noted at this point that Bailey's theoretical development does not deny the value of being intellectually precise or analytically specific when attempting to explain political behavior. It does not move systems theory toward 'the other direction of focus-lessness' by making politics 'co-extensive with all human relations'. 31

Bailey explains that:

If a particular political structure were intimately connected with every other structure of social actions, so that everything which went on in economics or religion or on the domestic scene vitally affected it, the task of analysis could never be finished. Happily this is not the case, for only some parts of an environment hinge onto a political structure.

Bailey proposes that the interaction that takes place between the political structure and its environment takes the form of 'a series of discrete events'. He observes:

that while political structures are connected with an environment and must continually find adjustment with that environment, there is nevertheless a discontinuity inasmuch as  $\underline{\text{not}}$  every change in the environment feeds back onto the structure.

Thus, instead of presenting a 'political system' as an abstracted form of social behavior which persists through time, Bailey views it as being a 'discrete event' which is only activated when a political structure interacts with its environment.

Bailey's theoretical construction is clearly a modification of Easton's conceptualization. With reference to Easton's ideas Bailey observes that, while he has received some direction from them he hopes that his approach is 'somewhat less mechanistic and less rigid'. 34

Bailey obviously feels that it is more useful to speak of a political system in terms of structure and environment, rather than to attempt to isolate a 'political system' as a form of behavior different from other forms of social behavior. Easton, on the other hand, prefers to make a distinction between the political system itself and other social systems. Whereas Bailey presents the political system as an interactory process

between the political structure and its environment, Easton's conceptualization presents the political system as being one form of social system existing and interacting with other social systems in the en-Thus '...once the idea of a boundary between systems is introduced, it should make sense to say that if something happens in the non-political arena, it may influence the political system'. Bailey finds it theoretically more acceptable to emphasize the importance of roles in the interactory process as more generally conceived. In this way he avoids the problem of having to formulate artificial boundaries in order to identify 'the political system'. At the same time he is able to examine political behavior, not as an isolated phenomenon, but as a structure, i.e. 'a set of rules about behavior', which interacts with other structures in the environment. In other words the political system is conceived of as a dynamic arrangement, which is activated when the '...participants through their awareness impose upon their interactions the characteristics of a system', rather than as an entity abstracted from the total structure of human activity by virtue of its relevance for 'political' inquiry.

Due emphasis must be given to Bailey's behavioralist orientation. His success in describing the political system as an interactory process involving 'sets of rules about behavior' has clearly established that political systems are an active expression of human consciousness in the existential sense, i.e. the political system as an interactory process is a projection of the activities and practices of individuals who consciously pursue certain 'human wants'. The degree of political activity is determined by the level of consciousness or

perception of the individuals involved. And the intrinsic characteristics of the 'political system' depend largely on the 'sets of rules' that define particular, political roles. The individual acts in accord with these rules and the 'social knowledge' he has at hand. A 'political system' is activated when an individual, or group of individuals, acts in accord with that 'set of rules' which defines a political role. Consequently political analysis is directed toward an examination of those interactions which are an active expression of those 'rules' which define political roles in a society.

In spite of his stated aim--to construct a conceptual framework which will act as an instrument for analyzing political behavior --Easton is unable to avoid presenting the political system as the 'archetype' in the traditional sense. He asserts that '...what distinguishes political interactions from all other kinds of social interactions is that they are predominantly oriented toward the authoritative allocation of values for a society', 41 but in doing so he limits. perhaps unintentionally, 42 the scope of political analysis to an identification of '...the political system...with the state'. 43 (State. in this sense, refers to the 'institutionalized aspects of political activity, 44 which are an expression of 'settled political habits, 45). H.J. Spiro goes so far as to point out that political systems 'can...be studied as systems precisely because they were set up to be systems'. 46 So, while Easton's conceptualization may offer a means of analyzing an inherent characteristic of 'willed institutional arrangements', it does not provide an effective analytical tool for dealing with political behavior which either occurs outside such arrangements, or is found in

societies in which such arrangements do not exist in readily identifiable forms. Too, it does not recognize that only some activities are made to assume a political reality and that such activities may not form a continuous process which persists through time. The conceptualization fails to take into consideration the unique and dynamic characteristics of certain particular and specific political actions. It precludes consideration of '...those activities that are undertaken in order to modify our settled political habits....' 147 i.e. those 'habits' which usually find their expression in the form of 'institutionalized arrangements' or 'willed organizations'. 48

Using the central concept of an interactory process, Bailey has managed to maintain the individual as the point of departure for political analysis. Easton, however, although initially advancing the individual as the key element of the political system develops an analytic abstraction which subordinates the individual to the system. short, the political system becomes the major unit of reference, rather than 'a device to help us to understand a defined and redefinable area of human behavior'. 49 The individual as an 'actor' is not put up for independent scrutiny or empirical analysis; instead, individual behavior is examined in terms of the norms and expectations of a system. The presupposition is that the system closely defines all the socially relevant behavior of the 'members' of that system. Political analysis is thus directed toward an analysis of the properties or attributes of an abstraction. Whereas the 'system' was originally construed as an analytic tool to aid research into political behavior, there is later imputed to it a life of its own, i.e. the political system, at first

presented as a model to facilitate political inquiry, becomes anthropomorphized. The political process is developed as the interaction of
a 'system' with its environment rather than the interaction of individuals with each other, and individually and collectively with their
environment.

2. F.G. Bailey's Concept of 'Rules' and 'Political Competition' Holding to the proposition that a political structure is a 'set of rules' defining roles and that a political system is activated when this 'set of rules' interacts with its environment Bailey explores the possibility of examining 'politics as a competitive game'. Since games are by definition 'statements of rules', Bailey argues that the political processes of any society are analogous to game processes. 50 This means that an examination of the 'politics' of various societies, traditional and modern, will reveal the existence of 'rules' through which political competition is regulated and articulated. In all cases it will be found that these 'rules' determine the character of individual and collective competitive interaction. A political system, therefore, constitutes political acts, competitive in nature, which proceed in accord with certain basic criteria, called 'rules'. These 'rules' are 'normatively respectable' in the cultural sense in that they are culturally provided and are internalized by the members of a society. 51 Rules can thus be 'culturally understood'. This means, according to Bailey, that:

Beneath the contextual variations and cultural differences, political behavior reveals structural regularities—each culture has its own set of rules for political manipulation, its own language of political wisdom and political action. 52

and

you have to learn the appropriate language and the rules of the game before you can play effectively. 53

Thus, to the extent that it furnishes a means of defining roles, the 'set of rules' also provides a guide for political behavior and conditions political acts.

Bailey asserts that by studying politics in terms of 'rules' he hopes to isolate 'the cultural idiom in which they (politicians) 54 acted and described and justified their actions'. This approach he feels will cast some light upon the question of why certain acts prove to be politically more 'effective' than other acts.

At the root of Bailey's theoretical approach is the premise that there exist in a society 'rules' which delineate 'normatively acceptable' lines of behavior. These rules constitute an undeniable force or influence in the environment of individual action, i.e. the individual is cognizant of and acts in accord with these 'rules'. Bailey explains that:

Normative rules do not prescribe a particular kind of action, but rather set broad limits to possible actions. 55

and

Normative rules are very general guides to conduct; they are used to judge particular actions ethically right or wrong; and within a particular political structure they can be used to justify publicly a course of action. 56

Bailey explains further that, 'politics' not only has its
'...public face (normative rules'..., but also'...its private wisdom
56a
(pragmatic rules)'.

Pragmatic rules are statements not about whether a particular line of conduct is just or unjust, but about whether or not it will be effective. They are normatively neutral. They may operate within the limits set by the rules of the game: or they may not. They range from rules of 'gamesmanship' (how to win without actually cheating) to rules which advise on how to win by cheating without being disqualified...'

Thus Bailey argues that '...each culture has its own set of rules for political manipulation, its own language of political wisdom and political action'. 58 The 'rules' constitute a basis for limiting, and making explicit, the scope of a political act in terms of its public acceptability. The critical feature of a 'set of rules' is that it expresses a relatively distinct set of values for political competition. Political competition, therefore, hinges upon the preparedness of competitors to limit their acts to the bounds of what is considered 'acceptable'. The 'rules' establish the crucial parameters of political competition by defining the issues at stake, the character of the struggle, and the basis for terminating the struggle. In other words, 'rules' provide both the essential basis for the pattern of competitive political interaction and the means for arguing the ethical validity of the reasoning behind a particular political act, and its resultant goal. Thus, for the homos politicus, these 'rules' have strategic value in that they can be utilized to demand support for or to justify a particular course of action as being socially beneficial or conducive to the well-being of society. In turn, an 'opponent' can be accused of following a course of action which is socially harmful or conducive to the disruption of society, and thereby be publicly discredited. A political act can, therefore, be understood to be a unique expression

of the local and special values of a distinctive community of people.

Consequently, while a political act may tend to be essentially opportunistic, it is a projection of what the <a href="homos politicus">homos politicus</a> views to be 'socially acceptable'.

Bailey's conceptualization credits the individual with having a sufficient amount of intelligence to make those decisions which will facilitate the accomplishment of a particular goal. Since 'human wants' and the 'ability to reorganize impulses and redirect habits' 59 vary from one individual to another, each individual's political actions and experiences will be different from those of others. While individual activities overlap and interpenetrate, the interactive sphere of behavior remains unique, as do experiences. In the context of achieving political goals, Bailey assumes that political action is rational, i.e. the individual will choose from the courses of action open to him, one, which will permit him to attain a particular goal and, at the same time, to maintain a publicly acceptable image. The homo politicus is distinguished by his capacity to analyze a particular situation and to choose a course of action, from among several alternatives, which will facilitate the accomplishment of a particular goal. Through experience this individual is able to associate particular goals with certain acts, and is thus able to pick out a particular course of action from others and combine and recombine it on occasion with other actions. In this way the politician is able to choose the most adequate and harmonious course of action given the situation and the goal to be achieved. Political success depends largely upon the individual's ability to analyze a course of action in terms of its future results or consequences. Having decided on a particular goal the individual relates it to its environment in order to decide on a final action. The individual's experience, knowledge of the 'rules', and the goal to be pursued, will determine the direction, nature, and success of his political act.

Bailey does not make general assumptions about human motivation. He makes it quite clear that it is not his aim to expound upon the question of human motivation or to offer moral judgments concerning the political behavior which he describes in his case studies. Additionally, he will not presume to offer moral evaluations of the goals or 'prizes' sought by the individuals concerned. Such considerations are not demanded by the nature of his theoretical scheme or the problems he wishes to deal with. With regard to normative rules, for example, he does not believe it would be advantageous to offer his opinion about whether or not they might be the 'real reasons' for a political act. Rather, he prefers to analyze them in terms of political utility with regard to the accomplishment of goals. He is prepared to accept that '...by and large statesmen act in the interest of what they conceive to be the general good'. 60 Clearly, it is not the 'game' in the superficial sense that interests Bailey, but rather the competitive acts that are involved, the rules that define these acts, and the 'cultural idiom' within which these acts are generated. His concern is with such considerations as '...how a politician's support is eroded; how, in a particular culture, challenges are issued; how the protagonists come to know one of them has won and the other has lost and so forth'. 61

He explains that:

My central situation is not the game (which connotes only orderliness) nor the fight (where no holds are barred) but competition which, unlike the game, lies close to the edge of anarchy because the contestants do not 'lack all conviction', because, in other words, they think that what is at stake is important'. 62

The concept of 'scarcity' is an integral part of Bailey's theory. In every society, he argues, politics is a manifestation of the competition for scarce 'prizes'. And, 'people compete only because the prizes are in short supply'. 63 The value of the 'prize' is intimately associated with, and isolated by, the cultural peculiarities of the society in which it exists.

The prize is always normatively respectable. One identifies a prize by seeing what kinds of ends can be publicly proclaimed to justify competitive behavior and to denigrate opponents.

The nature of the prize, therefore, and the environment which encapsulates it, will determine the various sorts of actions that could be used to acquire it. The inherence of a certain value in a certain goal, and the rules associated with the goal, will define the political act. Concomitantly, only when an individual becomes identified with a 'prize' through a purposeful act does a system become identifiable and take on a political meaning. A 'political system' can thus be understood to be a process which comes into existence when an individual or collectivity acts in such a way as to use 'normatively acceptable' techniques to achieve valued objectives or goals. The techniques are defined by the 'rules' which exist to regulate political behavior.

Indeed, it is for the reason stated above--pronounced commitments to particular goals -- that 'rules' acquire their significance. Without 'rules' man's struggle for 'scarce prizes' would take the form of a fight rather than a competition or, to use Bailey's terminology, an 'encounter' rather than a 'confrontation'. Bailey explains that. 'The orderliness of a competition...depends upon both sides knowing the rules...'66 This is not to suggest that all behavior is in accord with the 'set of rules' found in a particular society. Ignorance, misunderstanding and so forth can cause an accidental deviation away from what are considered to be acceptable courses of action or the '...regular and accepted ways of getting things done and of prevailing over others...'67 In addition: 'Sometimes there may be a drift away from the normative rules, arising from the actions of individuals, but unintended by them'.  $^{68}$  Also, from time to time, an individual may initiate a course of action without knowing what the consequences will be. Bailey observes that:

It follows that there can be a level of understanding of how a game or a competition works, which may not be known to the players themselves.  $^{69}\,$ 

and

Close analysis of any set of rules whether normative or pragmatic, may reveal consequences unknown to those who play the game.  $^{70}$ 

Political entrepreneurship requires a capacity for innovation,

Bailey explains. While political acts can take a variety of forms,

depending on the 'cultural idiom' and the 'rules' involved, Bailey

makes it quite clear that the political resources available to an

individual are not unlimited, and thus the individual must rely on his ability to invent '...new strategems which will throw the opponent off halance'. However, he also points out that '...resources expended on nolitics should not exceed a proportion of the society's total resources'. 72 Even though the '...element of self-destruction is built into any political structure from the moment it defines prizes, which not everyone can win', 73 the 'set of rules' or political structure offers a means of regulating political competition so that it will not radically change or destroy a particular society. To a significant extent, therefore, competition evolves in such a way as not to run completely counter to the 'rules' that regulate political competition. Whereas a political act '...may be a calculated deviation from the normative rules of fair play..., 74 it will not conflict with the 'rules' to such an extent that the society, or human survival itself, is placed in jeopardy. This is not to say that Bailey does not recognize the 'real politics' of revolutions but that his stated interest is the '...competition...which lies close to the edge of anarchy....<sup>75</sup> In short, he argues that political competitors have a common interest in preserving those 'rules' which regulate political competition and that political acts must be judged in terms of their overall cost to society.

The set of rules which regulate political competition must find some adjustment with the set of rules which regulate economic interaction, family life, religious organization, educational opportunities, and so forth. <sup>76</sup>

Bailey observes that, 'If we stand inside one political structure, then its environment may include, besides economic, religious and

other kinds of structure, other political structures'. Thaving thus established that a variety of political structures may exist in a society, Bailey argues that some of them may be viewed as being 'encapsulated'. By this he means that certain political structures can be seen to be '...partly independent of, and partly regulated by, a larger encapsulating structure'. The encapsulated structure the 'difficulty' is the same that '...faces all political structures: how to maintain themselves by finding adjustment with a changed environment'.

## 3. Background to the Thesis

The subregional plan of the Crowsnest Pass, prepared by the Oldman River Regional Planning Commission, explains that:

"The Crowsnest Pass Area of Alberta is construed as being an area extending from Burmis on the east to the Alberta-British Columbia border on the west, the width in a north-south direction extending from one to several miles."

Within this area the thesis will make specific reference to the following communities: the Towns of Blairmore and Coleman, the Villages of Frank and Bellevue, the community of Hillcrest and Improvement District #5.

A comprehensive history of these communities is available in the Planning Commission's subregional study and in J. Cousins' M.A. thesis titled,

A History of the Crow's Nest Pass.

It is necessary to give a brief outline of the responsibilities of three government agencies which are mentioned at various points throughout this presentation.

Municipal Financing Corporation and Local Authorities Board--At the present time the Municipal Financing Corporation makes loans to Alberta municipalities on the basis of a fifty-dollar per capita guideline. The Local Authorities Board is responsible for ascertaining the financial situation of a municipality, and, having done so, making a recommendation to the Municipal Financing Corporation concerning a loan for that municipality.

Oldman River Regional Planning Commission—The Commission is made up of several representatives from various municipalities located in Southern Alberta. The professional planners, employed by the Commission, are charged with the responsibility of providing expert opinion on matters of planning for the municipalities represented on the Commission.

The purpose of this thesis is to use Bailey's theoretical framework to analyze and describe a series of discreet political events that occurred in the Crowsnest Pass. The second chapter analyzes the nature of the competitive interaction that took place among the Crowsnest Pass communities with regard to the location of a regional swimming pool. To illustrate the importance that the Crowsnest Pass communities attach to their local autonomy and the position of the provincial government with regard to that attachment, the third chapter describes and analyzes the political processes involved in the formation of a school division in the Crowsnest Pass, and in the selection of a site for a composite high school. The fourth chapter offers an elaboration of Bailey's theory and directs attention to the relationship between local authorities and private investment. The conclusion provides an overall analysis of why the Crowsnest Pass communities compete with one another, and the goals they are trying to accomplish; the relationship

of senior government authorities and local authorities; and the role of private enterprise with regard to economic development and growth at the local level.

Field work was carried out as a part of the Human Resources Research Council's Urban Studies project. The research techniques used included extensive interviews with selected individuals. Among the individuals interviewed were: provincial government civil servants and M.L.A.'s; local community secretary—treasurers and councillors; local service directors and co-ordinators; newspaper editors; managers of private companies; and residents of the Crowsnest Pass area. The purpose of the interviews was to uncover the various political activities involved in the projects under analysis, and to have elucidated the explanations and attitudes of behavior that individuals ascribed to their activities. Concurrently, an analysis was made of the correspondence and written material associated with the public development projects. With regard to private companies, the written material was limited to annual reports, budget sheets, and so forth.

## Notes to Chapter I

- 1) Easton, D., A Framework for Political Analysis. Prentice-Hall Inc., Englewood Cliffs, N.J. 1965. p. ix.
- 2) Young, O.R., Systems of Political Science. Prentice-Hall Inc., Englewood Cliffs, N.J. 1968. p. 3.
- 3) Charlesworth, J.C., Contemporary Political Analysis. The Free Press, New York. 1967. p. 150.
- 4) Easton, D., <u>Varieties of Political Theory</u>. Prentice-Hall Inc., Englewood Cliffs, N.J. 1966. p. 141.
- 5) Bailey, F.G., Strategems and Spoils. Copp Clark, Toronto. 1969.
- 6) Easton, D., Political Analysis, op. cit., p. 35.
- 7) ibid., p. 36.
- 8) ibid., p. 57.
- 9) Easton, D., Political Theory, op. cit., p. 144.
- 10) Easton, D., Political Analysis, op. cit., p. 57.
- 11) Easton, D., Political Theory, op. cit., p. 75.
- 12) Easton, D., Political Analysis, op. cit., p. 141.
- 13) ibid., p. 41.
- 14) ibid., p. 40.
- 15) ibid., p. 43.
- 16) Easton, D., Political Theory, op. cit., p. 144.
- 17) ibid., p. 146.
- 18) Easton, D., Political Analysis, op. cit., p. 57.
- 19) ibid., p. 62.
- 20) Bailey, F.G., Strategems, op. cit., p. 10.
- 21) ibid., p. 10.
- 22) Mead, G.H., Mind, Self and Society. University of Chicago Press, Chicago. 1967. p. 253.

- 23) Dahl, R., Modern Political Analysis. Prentice-Hall Inc., Englewood Cliffs, N.J. 1963. p. 11.
- 24) Bailey, F.G., Strategems, op. cit., p. 10.
- 25) ibid., p. 10.
- 26) ibid., p. 12.
- 27) ibid., p. 145.
- 28) ibid., p. 182.
- 29) ibid., p. 182.
- 30) Charlesworth, J.C., Contemporary Political Analysis, op. cit., p. 172.
- 31) ibid., p. 171.
- 32) Bailey, F.G., Strategems, op. cit., p. 11.
- 33) ibid., p. 193.
- 34) ibid., p. 18.
- 35) Easton, D., Political Analysis, op. cit., p. 59.
- 36) Charlesworth, J.C., Contemporary Political Analysis, op. cit., p. 172.
- 37) Bailey, F.G., Strategems, op. cit., p. 9.
- 38) ibid., p. 10.
- 39) A.H. Somjee directs attention to Dewey's argument that 'Human wants as expressed by individuals...are in fact the products of the social <u>milieu</u> in which they live and act'. Somjee, A.H., <u>The Political Theory of John Dewey.</u> Teachers College Press, New York. 1968. p. 116.
- 40) 'Knowledge', Somjee asserts, 'is a product of social endeavour, but it is <u>individuals</u> who put it to fruitful purposes—individuals differing in insight, aptitude and resource—fulness. Application of social knowledge at their hands consequently yields differing results'. <u>ibid</u>., p. 157.
- 41) Easton, D., Political Analysis, op. cit., p. 50.
- 42) Easton does point out that a system '...is a device to help us to understand a defined and redefinable area of human behavior, not a strait jacket to imprison analysis permanently within a preconceived mold or model. <u>ibid</u>., p. 67.

- 43) Charlesworth, J.C., Contemporary Political Analysis, op. cit., p. 166.
- 44) Somjee, A.H., The Political Theory of John Dewey, op. cit., p. 122.
- 45) ibid., p. 123.
- 46) Charlesworth, J.C., Contemporary Political Analysis, op. cit., p. 167.
- 47) Somjee, A.H., The Political Theory of John Dewey, op. cit., p. 122.
- 48) ibid., pp. 122-123.
- 49) Easton, D., Political Analysis, op. cit., p. 67.
- 50) Bailey, it must be noted, is not making reference to 'game theory'.
- 51) Bailey, F.G., Strategems, op. cit., p. 10.
- 52) ibid., p. ix.
- 53) <u>ibid</u>., p. 6.
- 54) ibid., p. 54.
- 55) ibid., p. 5.
- 56) ibid., p. 5.
- 56a) ibid., p. 5
- 57) ibid., p. 6.
- 58) <u>ibid.</u>, p. 6.
- 59) Somjee, A.H., The Political Theory of John Dewey, op. cit., p. 114.
- 60) Bailey, F.G., Strategems, op. cit., p. xi.
- 61) ibid., p. xiii.
- 62) <u>ibid.</u>, p. xiii.
- 63) ibid., p. 21.
- 64) <u>ibid.</u>, p. 21.
- 65) ibid., p. 94.
- 66) ibid., pp. 115-116.
- 67) <u>ibid.</u>, p. xiii.
- 68) <u>ibid.</u>, p. 113.

- 69) <u>ibid</u>., p. 7.
- 70) <u>ibid</u>., p. 8.
- 71) <u>ibid</u>., p. 113.
- 72) <u>ibid.</u>, p. 115.
- 73) <u>ibid</u>., p. 121.
- 74) <u>ibid</u>., p. 113.
- 75) <u>ibid.</u>, p. xiii.
- 76) <u>ibid</u>., p. 145.
- 77) <u>ibid</u>., p. 145.
- 78) <u>ibid</u>., p. 12.
- 79) <u>ibid</u>., p. 181.

#### CHAPTER II

## THE SWIMMING POOL INTRIGUE

Organized in October of 1967, the Crowsnest Pass Recreation Board was one of the first regional recreation boards in Alberta. Geographically its area of responsibility extends from Burmis, Alberta, to the British Columbia border; an area of approximately twenty-six miles in length and one and one-half to two miles in width. This expanse, which is the geographic location of the Crowsnest Pass, has a population of approximately seven thousand people who live in the communities of Coleman, Blairmore, Frank, Hillcrest, Bellevue, and in those areas defined by the Summit Lime Works and Improvement District #5.

It was visualized in 1967, that recreation in the 'Pass area would be co-ordinated, promoted, and directed by a Recreation Director and Recreation Board, both operating in accordance with the Recreation Development Act. While it is certainly true that the responsibilities of the Recreation Director and Board were and are of a regional nature, each individual municipality still maintains its right vis à vis money by-laws. Therefore, although each municipality found it necessary to agree to a 69¢ per capita taxation formula in order to obtain a provincial grant, major expenditures for regional recreation facilities have to be passed by each individual municipality in turn. 

In other words, each community associated with the Crowsnest Pass Recreation Board retains the authority to determine the degree

to which it is prepared to co-operate, and to decide the limit of its financial commitment. The significance of this particular arrangement will become clear as the case study is developed.

In 1968 the Recreation Director was pressured by a number of Pass residents to persuade the Recreation Board to participate in a study which would examine the possibility of building a swimming pool for the 'Pass area. The desire for such a pool had already been clearly demonstrated by the fact that several 'pool organizations' had been formed. Indeed, the notion of building a swimming pool which would meet the needs of the 'Pass communities had already received considerable debate before the Director's arrival. Although he was not particularly enthusiastic about the project, the Director did proceed to analyze the situation. His analysis indicated that the Coleman swimming pool was far too small for a swimming program and that for several years parents had been forced to drive their children to Pincher Creek for swimming instruction. Having concluded that a large number of parents were very interested in swimming facilities for their children and recognizing that a trip from the Crowsnest Pass to Pincher Creek involved a distance of thirty miles, the Recreation Director decided to assist with the proposed project. At that point in time, it should be noted, the Director felt that to assist, rather than to assume control, would produce better results in the long run. As a result, he encouraged not only the organization of a Recreation Board committee, as a formally constituted authority of the Board to oversee the progress of the proposed project, but also the formation of a 'Pass Pool Project Committee. The latter organization was to be primarily responsible for the co-ordination, supervision, and promotion of activities at the community level. While this organization was activated in order to provide a mechanism for facilitating local endeavors, and for exploiting all available resources, it was also an attempt to develop a sense of co-operation among the various communities--something which had been lacking up to that point--in a project which would, if brought to fruition be of some advantage to them all. Significantly, the committee was only established after innumerable meetings, and even then it was questionable as to whether or not it would function effectively. Once the Project Committee was established, the Recreation Board requested it to regularly communicate all progress to the Board committee, to make information available to the residents of the 'Pass communities through local organizations, and to deal with the matter of fund raising. However debate concerning the proposed swimming pool became intensified, particularly on the question of location. On March 6, 1969, shortly after the Recreation Director had arrived in the Crowsnest Pass, the 'Pass Herald published a letter from a Bellevue resident, which stated, in part, that: '...the Crowsnest Pass has little harmony among the towns when it comes to the location of a school, a swimming pool, or anything that requires co-operation from all towns in the Crowsnest Pass.' To ease the situation, the Project Committee was asked to become dormant for a short period while the Recreation Board committee

attempted to familiarize itself with the various problems that were associated with the building of a regional swimming pool for the 'Pass communities.

Although the debate continued among the communities, by the summer of 1968, the Recreation Board had embarked, with other local organizations, on an intensive study of the possibility of building a swimming pool. In July of 1968, the first donation, a sum of ten dollars, was received by the Project Committee. During the ensuing months, while the Board committee conducted its research, further contributions were made to the pool fund. Throughout 1969, enthusiasm for the construction of a pool continued to grow, especially among the young. On June 1, 1969, one thousand marchers participated in a 'march for a swimming pool' and this, the Director later reported, '...accomplished a great deal; funds were raised for the pool, and it gave the 'Pass an opportunity to unite as one and work for a common goal.'

By the end of 1969, the Recreation Board, having received advice from a firm of consulting engineers, was confident that the 'Pass area had a large enough population to warrant the construction of a pool and sufficient financial resources to pay for it.

At a special meeting of the Recreation Board, on September

3, 1969, the various representatives to the Board from the communities unanimously decided to proceed with a course of action which would growide for the building of a swimming pool. It was agreed that

each council and tax collecting authority in the Pass area would be requested to raise their share of the capital cost involved. In addition, it was also decided that the Improvement District would be approached through the Department of Municipal Affairs for a contribution toward the capital cost. The study, which had been undertaken by the firm of consulting engineers, indicated that the total capital cost for the swimming pool would be \$154,000.00. It is also important to note here that a site in Blairmore had been chosen by the engineers as the most suitable location for the pool.

On January 7, 1970, the Recreation Board met with the representatives of the engineering firm to establish procedures for appointing a consultant to supervise the construction of the pool, and to prepare the necessary advertising for the calling of tenders. At this meeting the Director and one other member of the Board accepted the responsibility for presenting to the 'Pass community councils, information concerning the type, location and cost of the pool, and the plan to be followed in its construction. In addition, the Recreation Board decided that a news release containing general costs, decisions, and progress relating to the pool would be issued the following week. The Board also decided, presumably to avoid offending any group or individual, that actual cost figures would not be released, and that a consulting engineer would not be employed to supervise construction until after proper presentations had been made to the community councils.

The councils of Frank and Bellevue gave the Recreation Board, on January 28, 1970, a 'verbal indication' that they were prepared to

support the proposal to construct a swimming pool for the 'Pass At this juncture, then, since Blairmore and Coleman had already approved in principle the Recreation Board's proposal, all the communities had offered their endorsement. The possibility of a contribution from the Improvement District was still being discussed by the Recreation Director with the Department of Municipal Affairs. However, it is significant that the Lethbridge Herald reported that Blairmore had '...approved in principle the proposals of the Crowsnest Pass Recreation Board for a swimming pool to be built on the Armories site in west Blairmore', and that the councils of Frank and Bellevue had indicated that '...they are in agreement with the construction of a swimming pool in the 'Pass'. These reports would suggest that, although the councils of each community had had the opportunity to submit sites to the consulting engineers for consideration, the decision to locate the pool in Blairmore was not being viewed with a great deal of favour by any of the councils except for Blairmore's. Of equal interest is the fact that none of the councils made reference to a financial commitment. So, while the councils were prepared to convey their approvals in principle, none of them had indicated their willingness to commit funds, and only the Blairmore council had signified approval for the site chosen by the consulting engineers.

The Recreation Board, at its meeting of February 25, accepted the Director's suggestion that public forums should be held in each major locality in order to familiarize 'Pass residents with the facts

concerning the proposed swimming pool. This recommendation was an attempt on the part of the Director to offer a method whereby the Recreation Board could successfully deal with the increasing number of criticisms being directed at the pool proposal.

It should be mentioned that the Social Credit M.L.A. for the area informed the Board on February 25 of the possibility of receiving \$43,240.00 from I.D.#5. He explained that the I.D.'s tax portion was available in a fund set aside for such a development project as a swimming pool. However, he pointed out that it was up to the property owners residing in I.D.#5 to decide whether this 'lump sum' should be committed to the swimming pool. As a consequence, a Post Office Vote—a mail ballot procedure followed by the Department of Municipal Affairs to facilitate voting in Improvement Districts—would be held on April 8, 1970.

Having been informed of the April 8 vote, the Recreation Board, at a meeting on March 5, decided that the various councils should hold their by-law votes on the same day. In addition, the Board decided to make a last unified effort to present, to the rate-payers of the 'Pass area, the details concerning the proposed swimming pool. However, it was determined that insofar as the formal advertising of the by-law votes was concerned, each council would be responsible for its own. Moreover, public meetings would be left to the discretion of the various towns and villages; however, the dates would be finalized by the Board before its next meeting.

Shortly after the March meeting the councils of each community decided that they would prefer to hold an 'opinion vote' before going ahead with a by-law vote. Significantly, the Bellevue council also decided that they would hold their vote on April 15, rather than on April 8. As a result, on April 8, the pool proposal was put to the voters—except for those residing in I.D.#5 and the Village of Bellevue—in the form of an opinion poll. Following the Bellevue vote, the following results were officially published: Coleman, 196 in favour to 152 opposed; Frank, 36 in favour to 23 opposed; Blairmore, 360 in favour to 127 opposed; I.D.#5, 324 in favour to 85 opposed; and Bellevue, 86 in favour to 182 opposed.

The Bellevue vote put the possibility of building a regional swimming pool in jeopardy. However, on May 27, the Director was able to report to the Board that although the Bellevue ratepayers had voted against the pool project, the Department of Youth had advised him that the remaining communities could contribute their provincial recreation grants to the proposed pool, and that the I.D.#5 commitment was still available. On the other hand, he explained further, the loss of Bellevue's grant and debenture amounted to eighteen thousand dollars and this would require an adjustment to the budget as other funds were not available. Following a discussion concerning the Director's report, the Recreation Board members attempted to determine why the majority of the Bellevue residents had voted against the pool proposal. One of the Bellevue representatives suggested that the major reason for the outcome may have been that the Recrea-

tion Director had not appointed a Bellevue representative at the meeting preceding the vote to argue the supporting case. However, further discussion revealed that the Director had made every attempt to do this, but there had been a 'lack of communication' between the Village, the Recreation Board and the representatives to the Board from Bellevue. The Mayor of Bellevue then explained that the ratepayers had voted against the proposal because the Village was at that time confronted with a twenty thousand dollar repair job to its ice hockey arena. Furthermore, many residents felt that the Village could not afford to contribute any more money to regional recreation, its commitment already amounting to  $1\frac{1}{4}$  mills. At this point another member of the Board requested information concerning the circular letter which had been sent out to the Bellevue residents by the Bellevue Council before the vote had taken place. The representative suggested that this particular piece of material had only mentioned the total cost of the pool, and had not given the details concerning the actual cost breakdown. It was decided by the Board that discussion in this area would prove to be of no value since the vote had already taken place.

It was at this point that a representative from the Department of Youth informed the Board that with the Bellevue council's approval, the Department was prepared to permit the council to use its provincial grant to cover a portion of the cost of building the new pool. Following this matter up, the Mayor of Bellevue advised the Board to present the proposal by letter to the Bellevue council. After the Mayor's

comment, a Board member observed that if the Bellevue council did indeed allocate its grant toward the construction of the pool then the rest of the deficit could be made up through public contributions and the cutting of construction costs.

#### Analysis

As the above comments indicate, certain Bellevue residents, associated with the Recreation Board and/or holding positions of authority in the Village, had managed to influence a large number of ratepayers in Bellevue to vote against the proposed project. The Bellevue council had supported the pool proposal in principle and had submitted, when requested, a site to be examined by the engineers. The councils' support, however, had been carefully worded in order to avoid a financial commitment to the construction of a pool in Blairmore or, for that matter, in any location in the Crowsnest So while the council had endorsed the pool proposal this did not, in the view of some councillors, commit it to any financial obligation. However, the individuals who were opposed to the proposal could not afford to appear to be deliberately opposed. Therefore, in order to preclude or reduce the possibility that the majority of ratepayers would support the proposal, it became necessary to take discreet action. Obviously the presentation of the total cost of the pool rather than the readily available cost breakdown was a 'pragmatic' technique to persuade vacillating or uninformed individuals to vote against the pool proposal. A number of ratepayers became convinced that they had to choose between the arena and the pool. To them it was perfectly

clear that the Village would be unable to repair the arena if it became involved in the financing of what in their view was an extremely expensive pool. As a result they voted against the proposal. Clearly a few astute individuals realized, that given such a choice, the majority of voters would opt for the arena. The importance attached to the arena cannot be underestimated. Not only does it have historical significance for the residents, but also symbolic value in terms of the community's competitive status vis à vis other communities. Thus the notion of providing financial assistance to 'build a pool for Blairmore' was an abhorrent suggestion in the eyes of the majority of residents, at a time when the Village's own arena required repair.

Over a period of months the relationship between the Recreation Director and the Bellevue council had slowly deteriorated as is evidenced by the following excerpt extracted from a letter sent to the Director by the secretary-treasurer of Bellevue on March 17, 1970:

"I am further instructed by the Council of the Village of Bellevue, to respectfully request, that any business you may have with the Council, as Director of the Recreation Board, be conducted with the Village representatives on that Board. Please govern yourself accordingly."

It seems reasonable to assume that the Director's attempts to promote the swimming pool were viewed by the Bellevue council as a threat to its own recreational goals. The evidence indicates that the Director received very little, if any assistance from the council. Since

this council had found it necessary to obscure certain details concerning the proposal, it is not surprising that it did not respond to the Director's suggestion that public meetings should be held and that they should be properly advertised. The council, needing a scapegoat, quickly blamed the lack of support for the proposal on the Recreation Director's incompetence. By castigating the Director, the council obviously hoped to avoid being accused of culpability in the activities that had culminated in the negative vote. When it was pointed out that the Director had taken every possible measure to make the Village residents aware of the details relating to the proposal, the matter was quickly dropped.

Presumably, the Bellevue council's decision to hold its
'opinion vote' one week after the other councils held theirs was
a technique to slow down the progress of the pool proposal and to
acquire additional time to persuade ratepayers not to vote in favour
of it. However it is interesting to note that, although the councils
had agreed not to release their results until such time that all the
votes had been completed and the ballots counted, the towns of Blairmore and Coleman and the Village of Frank released their results
almost immediately. The reason why these latter communities decided
not to abide by the original agreement has not been determined by this
writer.

It should be noted that certain councillors and other individuals found it convenient to explain that their lack of support for the proposal was a product of their opinion that the old age pensioners,

resident in the Village as ratepayers, were already under too much financial strain. The sincerity of this particular argument was highly questionable since the same individuals were prepared to commit a total of twenty thousand dollars to the arena. This latter commitment, however, had received the full support of the individual who was, and still is, considered the pensioner's representative on the council. His strong feelings concerning ice hockey and Bellevue, as a separate and independent community, are well-known in the area. In fact his analysis of the pool issue persuaded a number of pensioners to vote against the proposal. While the majority of pensioners may not have attributed too much importance to the financial factor, they, among a considerable number of others, were influenced by the argument that support for the pool would place the future of the arena in jeopardy. It is clear that those individuals who referred to the financial position of the pensioners were merely attempting to make their position 'normatively respectable'.

Following the disclosure of the Bellevue results a series of letters was published in the Pass Herald. One of them, published on April 22, 1970, stated:

"Remarks have been made that it was the old age pensioners who voted the pool out, I say 'hogwash', these grand people knew that the tax increase was so small that it was less than a carton of cigarettes a year. The wasteful and tragic loss of life by drowning has been particularly heavy in the Bellevue area and are vivid in the minds of the not too old and elderly citizens.

Put the blame where it really belongs, on a few who are gifted enough with the gab to convince the uninformed. It's the squeaking wheel that always gets the grease and those who were against this project made enough noise until they were heard. This was quite evident by the vote."

This letter illustrates that at least one explanation provided by certain individuals in Bellevue had not been accepted by a number of residents.

A guest, at the last meeting referred to above, requested information concerning the possibility of a re-vote. He was informed by a representative, on the one hand, that the M.L.A. was preparing to make an attempt to get the Bellevue residents together for that purpose, and by the Mayor, on the other, that provincial government legislation prevented such a move and therefore it was useless to debate the issue. The Mayor, as a councillor party to the circulation of the letter in the Village, appears to have taken the precaution of examining government legislation to determine whether or not it would be possible to hold another vote. From a strategic point of view the legislation was particularly useful. However, the guest pursued the matter and enquired into the possibility that the Bellevue ratepayers could demand a money by-law vote. At this point one of the representatives, not associated with the Village of Bellevue, explained that it would be a complete waste of time to negotiate with the Village, particularly since it was clear that the rest of the communities were prepared to proceed. The Mayor, apparently in an attempt to retain some influence over the situation, then stated that several residents

had indicated to him that they were willing to pay double their assessments in order that the pool could be built. He further argued, it is important to note, that the Hillcrest arena should be taken into consideration as a location for the pool. Naturally, since Hillcrest is a community closely associated with Bellevue, both socially and geographically, this suggestion was a clear attempt not only to stop the pool from being built in Blairmore, but also to provide a 'solution' which would be advantageous to Bellevue.

In reply to the Mayor's statement, a representative pointed out that the Board had already employed the services of a qualified engineer and he had determined after thorough study that the Blairmore Armories was the most suitable location. This point having been made clear, another representative suggested that a committee of three individuals from Bellevue should be organized and asked to promote support for the pool among the ratepayers of the Village. Not liking this particular suggestion, the Mayor quickly asked if the advertising which had accompanied the I.D.#5's ballots could have had anything to do with the resulting vote in that area. also informed the Board that some of the I.D. #5 residents had received three or more votes. Presumably, by bringing into question the promotion techniques that had been used in the Improvement District, in this rather peculiar way, the Mayor hoped to persuade the Board to dismiss the committee suggestion. Of course, his comments could also have the effect of directing the Board's attention away from the fact that the Bellevue council's behavior, up to that point,

could be viewed as being both questionable and somewhat irregular.

But it was pointed out by the Recreation Director that the Department of Municipal Affairs had taken the precaution of having the I.D. vote properly screened. At this point a Bellevue representative indicated that he was prepared to form a committee which would approach non-pensioners for pledges in support of the swimming pool.

It must be understood that the nature of the competition between the communities in the 'Pass area is such that it precludes any community-wide support for a scheme that might prove to better the position of any one community. The reasons for this competition will be analyzed in the conclusion of this thesis. At this juncture the analyses will only deal with the strategy used to achieve 'desired goals'. The above analysis gives a reasonably clear presentation of how the Bellevue council managed to 'effectively' dissuade Bellevue residents from supporting the pool proposal.

Soon after the result of the Bellevue council had been declared, Coleman Colleries Ltd. indicated to the Recreation Board that it was prepared to make a donation of \$8,000.00 toward the construction of a Crowsnest Pass swimming pool. The company stipulated that the donation would be given on the basis that all the communities, including Bellevue, would have the privilege of using the pool. At the May 27 meeting of the Board, a Bellevue representative announced that the council had decided to maintain its position with regard to

contributing to the capital cost of the pool, however, it was prepared to accept its share of the operating costs. This decision was obviously a result of the donation and the stipulation which it The council knew that it was no longer in a position to continue its rather covert activities and still justify itself publicly. However, it is interesting to note that the Bellevue council had not found it necessary to hold another vote concerning the matter, and had simply, without referral to the residents of the Village, decided to assist with future operational costs. Since a number of ratepayers presumably voted against the proposal for reasons, other than financial, it might be argued that the council was, in fact, obligated to place the entire matter again before the ratepayers. view of the fact that certain individuals had spent a great deal of time presenting arguments against the proposal, it may be assumed that the council was not entirely confident, even though the Colleries had contributed \$8,000.00, that those ratepayers who had voted against the proposal would now be prepared to vote in support. On the other hand, the council may have concluded that the ratepayers would succumb to public pressure and vote for contributing to the capital cost. Either result would prove to be an embarrassment for the council.

At its May 27 meeting, the Recreation Board was informed by a representative of the new Bellevue committee that this committee had managed to obtain pledges from property owners. In fact, the committee had been reasonably successful, receiving in some instances pledges of

\$2, \$5 and \$10. This would indicate that a number of residents were indeed prepared to support the building of a new pool for the 'Pass area. But the debate in and among the various communities continued, and a variety of individuals persisted with their efforts to have the proposal defeated. The editor of the Pass Herald stated in his column on May 27 that:

"There are some people in public office in this beautiful valley who are doing everything in their power to buck the building of a community swimming pool.

I feel I am using a mild word when I use "buck" as an expression of their activities. Okay, if these people want to frustrate the vote of the majority, then I feel it is my duty as an editor to expose them.

They say that if you give a person enough rope, they will hang themselves. I feel some have had plenty and have managed to avoid the noose so far."

The Pass Herald reported on September 2, 1970, that,

'Providing everything else goes smoothly with the by-laws, the
engineers can begin to draw up the final papers of specifications.

We would be ready for tenders at the start of the year and swimming
by summer of 1971.' Discord concerning the pool proposal, however, had not subsided. Although the Colleries' contribution had
persuaded the Bellevue council to co-operate, debate continued
in the Town of Coleman. While the councils of Blairmore and Frank
had decided that, because they had sufficient financial resources,
a money by-law was unnecessary, the Coleman council announced its

intention to proceed with one. More than seventy percent of the Coleman ratepayers turned out to vote on the by-law. The result was extremely close, the total number of votes cast in favour of the proposal being only two or three votes more than the opposition total. As a result a recount was requested. Two days later the recount was held and the Assistant Deputy Minister of Municipal Affairs, who had been in the 'Pass area to attend a local government study meeting the night before, watched the procedure. The official recount disclosed that out of 469 votes cast, 233 were in favour of the by-law, 228 votes were against and 8 had been spoiled.

After the Coleman recount, it was generally felt and anticipated in the 'Pass area that the Coleman council would take the necessary action to borrow the money required to pay its share of the capital cost of the swimming pool. But it soon came to light that three Coleman councillors were dissatisfied with the way in which the by-law had been presented to the ratepayers of Coleman. In order to facilitate the presentation of the by-law, one member of the council, who was known to support the proposal, authorized the secretary-treasurer to initiate by-law procedures. The matter was not referred to the council as a whole for its consideration. Having received the order, the secretary-treasurer placed public notices in the local newspaper and made the necessary arrangements, soon after, for the vote.

## Analysis

At no time, during the months before the by-law vote, did the Coleman council give the impression that it was sincerely prepared to co-operate with the other communities. At the May 27 Recreation Board meeting a representative from Coleman indicated that the Town was prepared to draw up a money by-law, but only after the Board had accepted certain amendments to the Joint This Agreement had been drawn up as a contract and outlined the privileges and responsibilities of the various communities. One clause was extremely significant as far as the Coleman council was concerned. It stated that if for some reason the Recreation Board was disbanded, the Blairmore council would administer the pool until another committee could be organized. One of the Coleman amendments obviated the possibility of Blairmore ever having 'control' over the pool for any length of time. Even though the Coleman council had apparently decided to co-operate with the proposal, the competitive feelings and distrust still persisted. It had been difficult enough, and later proved impossible, for the Coleman council to accept that the proposed pool would be built in Blairmore. For the council to endorse an agreement, which appeared to provide Blairmore with proportionately more control over the finished project than Coleman, was out of the question. Though it was clear that the Joint Agreement had been phrased and structured in such a way as to provide a mechanism whereby the discontinuation of

the Recreation Board would not overly affect the operation of the pool, the notion of allowing Blairmore to have a privileged position for any length of time was quite unacceptable to the Coleman council. Indeed, the council was reluctant to accept any agreement which even gave the impression that Blairmore had more control or influence over the future pool than the other communities. The fact that the Coleman council suggested, in another amendment, that each contributing community should have title to the pool periodically is a good indication of the council's desire that none of the contributing communities should appear to have a privileged position. While the Coleman council was not prepared to accept a clause which allowed for the possibility of Blairmore administering the pool for a certain length of time, it was prepared to suggest that the title be rotated. Since the Coleman council had made it quite explicit that control over the pool should remain with the Recreation Board, or if this organization should cease to exist, with a committee 'composed of one representative from each contributing authority, 'it is reasonable to assume that one of the reasons for the council's desire to have title rotation was 'appearance'. Additionally, title rotation meant that the various communities would receive, for periods of five years, the frontage tax involved. As far as water consumption costs were concerned, the Coleman council was prepared to leave this financial obligation with Blairmore. It can be argued that the Coleman council, having rather unwillingly accepted the Blairmore site, had no intention of

permitting the Blairmore council to reap any benefits that might accrue to it because of the pool location. Certainly the Coleman council was not prepared to assist with water consumption costs even though it was quite prepared to receive the frontage tax for periods of five years at a time.

By June 1, 1970, a third draft of the Joint Agreement, containing many of the amendments proposed by the councils of the communities, had been prepared and was submitted to the Local Authorities Board for its approval. Having received the Agreement, the L.A.B. referred it to the Department of Municipal Affairs and subsequently this Department indicated that two agreements would be required -- one covering joint construction, and one covering joint operation. On June 30, the Director of Field Service sent two drafts of the Agreement to the Recreation Director, and pointed out that minor changes had been made by his Department's solicitor. During the ensuing weeks, the various municipalities signed the two agreements and, finally, on July 23, the Director sent them back to the Department of Municipal Affairs fully signed. Several months later, after the events surrounding the by-law vote and the Attorney General's letters (these will be dealt with further on in the analysis), the Mayor of Coleman visited the solicitor who provides legal services for both Department of Municipal Affairs and the Local Authorities Board. The Mayor complained that although Bellevue had not contributed towards the capital cost of the pool, the Village had been included in the ownership clause of one agreement. This remark, presumably another attempt

hy the Mayor to cause further problems, did draw the solicitor's attention to the fact that there was an inconsistency between the two agreements from a legal viewpoint. To resolve the matter, the solicitor decided that two more agreements had to be prepared and signed by the communities. Insofar as the operation of the pool was concerned vis a vis operation, ownership etc., it really did not matter whether or not Bellevue was included in the ownership clauses. The Mayor, however, although presumably being well aware of this fact, did not feel that it was 'fair' for Bellevue to be included in the ownership clause. While the solicitor was not concerned with the Mayor's opinion with regard to Bellevue's inclusion, his decision concerning the inconsistency satisfied the Mayor's goal, i.e. to have two more agreements prepared which in turn would cause further delay. In actual fact, it was never assumed or proposed by the Recreation Board that Bellevue should be mentioned in the ownership clauses of the two Agreements and therefore it was apparent that Bellevue's inclusion in the clause of one agreement was simply a mistake. Insofar as its \$8,000.00 contribution was concerned, Coleman Colleries had only stipulated that every municipality should contribute towards the operating cost of the pool and that every community should have the right to use the pool facilities, and had not suggested that every community should be considered a party to its ownership.

The Coleman council's decision to proceed with a money bylaw was a manoeuvre to delay the progress of the pool and, in
addition, to forestall the possibility of criticism and dispute for

impeding the progress of the proposal. Before the Bellevue council's decision to participate in the operating cost of the proposed pool, the Coleman council had made it quite clear that Coleman was prepared to finance its share of the capital cost out of available resources and, therefore, a by-law was unnecessary. This position satisfied the 'Pass residents that the Coleman council was prepared to go along with the proposal. Apparently, however, the Coleman council was merely attempting to create an acceptable public image and had no real intention of providing a share of the capital cost. It should be mentioned that not all of the councillors were opposed to the project. In fact the council was evenly divided on the subject, three councillors being in favour of the proposal as it had been presented to the 'Pass, three opposed, and one abstention. Of the three in opposition, one was the Mayor, one a school teacher, and the third the owner of the only hotel still in operation in Coleman. Following the Bellevue decision, the latter three councillors decided that a by-law was indeed necessary and managed to get their way. The notion of a by-law vote obviously had merit since the procedures leading up to it would cause enough delay for the councillors to attempt to convince the majority of the Coleman residents not to support the proposal.

Having failed to 'persuade'--this persuasion took various forms, but probably the most interesting was a sign on the hotel window which read, 'Free beer for all those who vote Against'--the three opposing councillors had to develop an alternative strategy to forestall Coleman's contribution to the capital cost. On

November 18, 1970, the Mayor of Coleman informed this writer that since the by-law had passed by such a small margin, he did not feel that it would be responsible for him and his council to proceed to issue a debenture. However the Mayor could not argue this particular contention publicly without the risk of provoking widespread criticism. To avoid generating such criticism and still impede the progress of the proposal, the Mayor decided to request legal advice from the Attorney General's Department concerning the money by-law vote. He pointed out in his letter that on March 10, 1970, the Coleman council had given the by-law its first reading and then later, on April 8, had held an opinion poll to discover whether or not the 'ratepayers of Coleman were in favour of the Town of Coleman participating in the construction of a swimming pool in Blairmore'. Although the latter sentence is not particularly significant from a legal point of view, it is interesting to note that the Mayor made specific reference to the fact that the pool would be constructed in Blairmore and apparently found no reason to indicate that it would provide a service for all the communities in the 'Pass area. This would suggest that insofar as the Mayor was concerned, the real issue was the proposed pool's location. The measures taken to select a site were quite irrelevant, the ultimate decision being of far more concern. In his letter to the Attorney General, the Mayor observed, among other things, that the council had not consented to the by-law vote; the bylaw had not been advertised properly; and the by-law had not been

submitted to the Local Authorities Board for approval.

In reply to the Mayor, the Attorney General stated that he had obtained the opinion of the Director of Civil Law and that, as a consequence, it was the opinion of his office, to which he concurred, that the by-law was illegal and of no force because it had not received 'the approval of the Local Authorities Board as is required by Section 311 of the Municipal Government Act.'

That the Attorney General decided to give the Mayor and his council legal advice is worthy of comment, since his department's responsibility is only to provide legal services to the government and the various departments, and to superintend the administration of justice within the province. Taking this into consideration one might suggest that the Attorney General should have advised the Mayor to refer the entire matter to the Local Authorities Board. This the Mayor was hardly likely to do, since approval from the L.A. B. would have required Coleman to take up its share of the capital cost. The Mayor was clearly more interested in having the by-law declared illegal and on this point the Attorney General's office proved obliging. During conversations with individuals in Edmonton this writer learned that it is unusual and, in the opinion of some, improper or injurious for the Attorney General's Department to provide legal advice to municipalities. A civil servant expressed the opinion that because this year is an election year, the Attorney General has instructed his solicitors to offer assistance not only to municipalities, but also to individuals. This present policy has

been exemplified by the Department's willingness to offer legal advice to the Town of Coleman. So, although the majority of the Coleman ratepayers, who voted, supported the money by-law, the Mayor and two of his councillors were able to delay the progress of the pool by utilizing the services of the Attorney General's Department. It was very convenient to the Mayor and his two colleagues to have the by-law declared illegal. The Attorney General's decision provided vindication of their position concerning the by-law and, in addition, provided additional time for them to proceed to argue that their opposition to the proposal was a product of sound reasoning.

The hotel owner, during his campaign for a seat on the Crowsnest Pass school board, pointed out in an appeal for support, published in the Pass Herald on December 2, 1970, that:

"It has been brought to my knowledge that many people in this area feel that I was not in favour towards the swimming pool issue, but this is not true. I would like to see an indoor swimming pool constructed at the site of the new Crowsnest Pass School where it belongs."

This councillor realized that, in order to get support from the voters, it was necessary to state that he was not opposed to the building of a pool in principle, but felt rather that it should be build adjacent to the new high school. This opinion, which conveniently ignored the fact that the engineers had chosen the Blairmore site for geographic and population reasons, was an

attempt to convince Coleman residents that the obstructionist tactics that had been used up to that point were merely attempts to have the pool properly located. Of course, as has been pointed out, the three Coleman councillors were primarily interested in preventing the pool from being built in Blairmore. The suitability of the high school site was of little significance, its main attribute being, in the minds of the councillors, that it was much closer to Coleman than Blairmore. Nevertheless the councillors continued to justify their delaying tactics by making reference to this site. Since the hotel owner was defeated in his attempt to obtain a school board seat, it appears that the majority of Coleman voters were not satisfied with his activities up to that point. This is not to say that the Mayor and his two councillors were not having some success in convincing people that the pool should really be built at the high school site. In addition, the Mayor had managed to convince the Coleman representative of the old age pensioners that Coleman's share of the capital cost was so high that the pensioners would suffer adversely. This representative in turn convinced his own people that they had better vote against the by-law. In other words, the Mayor was making, during the delays he and his two colleagues created, every attempt to acquire enough votes to defeat the money by-law when it was presented to the Town for the second time. also hoped that by causing delays he would force the other communities into considering the high school site. His representations to the pensioners were only a ploy to get their negative vote. If the high

school site was chosen then the cost factor would immediately lose significance. On the other hand, if he failed to achieve this latter goal then he was left with only one other course of action, i.e. to stop the pool from being built at all. Having achieved this he would presumably justify his position by referring to the attributes of the high school site and its advantages over the Blairmore site.

And his expressed concern for the old age pensioners would give added credence to the 'respectability' of the position that he and his two councillors held.

In February 1971, the Recreation Director managed to obtain, after months of difficulty, two Joint Agreements, and a by-law for each of the various communities to sign. The Blairmore council signed the document immediately and shortly thereafter the Recreation Director requested the Coleman council to do the same. However the Coleman council decided that it could not possibly sign Agreements which had not received official ratification from the solicitor of the Local Authorities Board. In order to obtain such ratification, the Director sent a copy of the by-law to the solicitor in Edmonton. Within a very short time the Director received a phone call from a representative of the L.A.B. and was advised that the by-law would have to be changed and that a revised version would be prepared by the solicitor and mailed to the Director as soon as possible. Thus the Director was now in the position of having to go back to the Blairmore council and indicate that the by-law,

which they had passed and signed, had been changed by the solicitor. As a result the Blairmore council had to pass a new by-law and sign two new Joint Agreements, since the dates on these latter documents would have to correspond with the passage of the by-law. Coleman's demand for ratification, which had been essentially another attempt to delay the progress of the swimming pool proposal, had, in fact, proved to be worthwhile for everybody concerned. However the three councillors, who opposed the pool, now decided that it was necessary, in order to ensure that no councillor--one was absent from this meeting--would be denied the opportunity to vote on the by-law because of illness etc., to give the by-law readings at two separate council meetings i.e. the first two readings at one meeting and the third reading at the following meeting. While the legislation does not require that the readings should be held at two separate meetings, it is the prerogative of a council to follow such a procedure if it so desires. gave the by-law all three readings at one meeting. It is probably not necessary to point out that certain of the councillors were fully aware that the decision to deal with the by-law in this fashion would cause at least a one month delay in proceedings. At this same meeting, the council decided not to send the twentyfive dollar fee, required by the L.A.B. for filing a by-law, until the L.A.B. had officially requested it. Notably this council has, from time to time, requested approval from the L.A.B. on

other by-laws, and is therefore fully cognizant of the fact that such a fee is required. The council's new position on the matter was still another attempt to delay progress. Being aware of this particular situation, the Director informed a representative of the Local Authorities Board who immediately wrote a letter to the Town Office in Coleman which was received on March 1, 1971.

The Director's attempts to encourage the Coleman council to hasten its activities caused one of the councillors, the hotel owner, to accuse him of being 'pushy, pushy, pushy'. At a later date the councillor explained to this writer that the reason why the Coleman council had been so careful with by-law procedures was that the Recreation Director was 'pushy, young, and incompetent'. It soon became apparent that this particular estimation of the Director had been circulated throughout the 'Pass communities. Generally speaking, it had not been accepted as an opinion worthy of consideration; however, it can be interpreted that the three councillors in Coleman and others were attempting to place responsibility for certain of their activities on the Recreation Director.

In fact the evidence suggests that the activities and views of certain individuals resident in Coleman had not gone unnoticed by those who were in favour of the pool proposal. The Pass Herald published, on October 7, 1970, an advertisement titled 'To the rate-payers--Town of Coleman', which had been sponsored by a group of people who referred to themselves as 'people who care'. The adver-

tisement stated that:

"There appears to have been considerable misrepresentation on information about the proposed swimming pool. For the benefit of the ratepayers of Coleman, the facts as they relate to Coleman are as follows..."

As well as providing information pertaining to cost, the advertisement also included particulars concerning the forthcoming money bylaw vote and ended by suggesting that 'The 'Pass will be a better
place to live if we have a pool - regardless of where it is located.'

Despite the preparation for the money by-law vote and the additional assistance provided by 'interested citizens', and the fact that the majority of the ratepayers in Coleman who voted were in favour of the proposal, the Mayor and two councillors managed, as has been pointed out, to effectively stall the progress of the pool proposal.

In an attempt to give a reason for their opposition to the pool proposal, the Mayor and one of his councillors explained to this writer that Blairmore had refused to accept the Coleman council's offer of an old school building for the location of the pool. The utilization of this building, they explained, would have reduced the cost of the pool from \$154,000.00 to \$50,000.00. It would also have provided a cover for it. The Mayor went on to observe that while the Town of Coleman makes an extensive contribution to the 'Pass as a whole, Coleman Colleries providing a large number of jobs, the town itself receives very little consideration in return from the other 'Pass communities.<sup>5</sup>

## 59 Notes to Chapter II

- 1) The council of a municipality may, by by-law levy a special tax on all property within a recreation area established by by-law or included in a joint program that appears on the assessment role of the municipalities'. And 'the council may pass the by-law unless a petition is received within 30 days of the date when the notice of the by-law was published in the newspaper from 10 percent of the proprietary electors who reside in the recreation area asking that the by-law be submitted to a vote of the proprietary electors who reside in the recreation area'. And 'if a petition is received asking that the by-law be submitted to a vote, the by-law shall be submitted to a vote of the proprietary electors who reside in the recreation area and shall not be passed by the council until it has been approved by a majority of the proprietary electors voting thereon'.
- 2) To assist rather than to control was the major principle behind the notion of regional recreation development as propounded by the provincial government.
- 3) Number of representatives from each community: Coleman--2; Blairmore--2; Frank--1; Bellevue--2; I.D.#5--2.
- 4) The agreement negotiated between the Crowsnest Pass communities and the provincial government provided for a government grant of \$12,000.00 per year for three years. The local governments according to the agreement were responsible for taxing the residents to a maximum of 69¢ per capita for those three years. For the first year the total working budget which had to cover all operating expenses including the operation of a summer program in the area amounted to \$18,000.00 of which approximately \$6,000.00 was derived through local taxation. In 1969 the Department of Youth provided an extra grant of \$12,000.00 in order that the Recreation Board could employ an additional staff member.
- 5) On July 2, 1971, the <u>Lethbridge Herald</u> reported that the Coleman ratepayers had rejected the 'Pass swimming pool with a vote of 269 against and 241 in favour.

# CHAPTER III

#### School Administration and Its Political "Umbrella"

During the early days of the province's development, the communities of the Crowsnest Pass area, although very much preoccupied with the day to day problems usually associated with struggling company coal towns, launched six school districts: Coleman school district #1216; Blairmore school district #628; Frank school district #629; Bellevue school district #1336; Mohawk school district #5080; and Hill-crest school district #5081. The first step toward an integration of school services in the 'Pass area took the form of an arrangement between Blairmore and Frank in 1921. At the initial stage this arrangement permitted Frank high school students to attend classes in Blairmore and at a later date was extended to accommodate all those students registered in grade seven and above inclusive. The fact that the Frank mine was closed permanently after an explosion in 1917 induced this community, now faced with extreme financial difficulties, to view with equanimity an arrangement with Blairmore.

While the communities of Frank and Blairmore negotiated their arrangement, Bellevue and Hillcrest discussed the possibility of integrating their services in a similar fashion. From its inception in 1905 Hillcrest had been a 'closed' town operated by the Hillcrest coal and coke company. Although the mine had survived a disaster of extreme magnitude in 1914 and had managed to continue production throughout the early years of World War I, during which time the demand for coal was

on the decline, it was unable to remain in operation. Following the closure of the Hillcrest mine the community joined with Bellevue to form the Bellevue-Hillcrest school district. Significantly, Bellevue was also suffering economic difficulties. Thus the new amalgamated school district, formed in 1921, was brought to fruition only after the mine closure in Hillcrest and Bellevue was no longer in the position to continue paying for the costs of its own school facilities. Discussion previous to the general decline of the coal market had only involved a judicious examination of the possibility of integrating the school facilities of Bellevue and Hillcrest. The supposition here is that while the Hillcrest mine was producing and Bellevue was feeling economically secure there was little reason for either community to view an amalgamated school district with a great deal of interest or enthu-The closure of the mine and a generally declining economic situation in the coal industry were the major factors which contributed to the formation of an amalgamated district. Following 1921, therefore, the 'Pass school districts included: the Bellevue-Hillcrest school district; the Blairmore school district; the Frank school district; the Mohawk school district; and the Coleman school district.

Following the Bellevue-Hillcrest amalgamation, and for a number of years afterwards, the notion of amalgamating all the districts came up for frequent discussion in the communities concerned, but produced nothing in the way of fruitful results. Finally, in March of 1956, the secretary-treasurer of Blairmore, who was also secretary for the school board, was instructed by that board to write to the secretary-treasurer of the Bellevue school district and indicate to him that 'the Blairmore

board is desirous of calling a joint meeting of the boards in the 'Pass to again consider the idea of an enlarged school area'. It was agreed that the various boards would meet at the Turtle Mountain playgrounds in the village of Frank on May 15, 1956, to discuss the matter of consolidation with various representatives of the Department of Education. The meeting was held; however, shortly afterwards, on June 15, the Coleman school board passed a resolution which made it clear that the formation of a division at that time in their view would be inimical to the interests of their school district and would therefore not receive endorsement from the Coleman school board. The letter to the secretary-treasurer of Bellevue stated the reason for this decision was prompted by the fact that the economic conditions in the Crowsnest Pass did not seem to favour major expansion of school facilities. Having been informed of the Coleman position, the board members of the Bellevue-Hillcrest school district unanimously agreed, on June 19, to present three resolutions to the Minister of Education for his consideration. The first suggested the formation of a division which would comprise the districts of Coleman, Blairmore, Frank, and Bellevue-Hillcrest. The second, obviously one to overcome the inflexible position taken by Coleman, suggested a school division which would exclude Coleman. The third suggested that if neither of the above two was acceptable that the Bellevue-Hillcrest district be included in the Pincher Creek school division.

On June 26 the Deputy Minister of the Department of Education, in response to the letter, observed that he and the Minister had been informed of Coleman's desire to remain independent of any proposed form

of amalgamation and 'this being the case it is highly improbable that action will be taken to force the Coleman district into any amalgamation'. (The Act makes it quite clear that the Minister of Education has the power if he chooses to use it to dissolve a school district and make it a part of a school division. In the same vein the Deputy Minister proceeded to explain that inclusion in the Pincher Creek school division would be possible by Ministerial Order; however, 'it is not an action which the department is likely to take without the consent of the school division.' Moreover, he noted that the location of Pincher Creek in relation to Bellevue-Hillcrest made it extremely unlikely that Pincher Creek would give its consent, since the experience of the Department had been 'that in the main school divisions do not favour the inclusion of districts such as your own unless they are able to integrate the school services there with their existing ones by the establishment of a centralized school.' The Deputy Minister suggested that this opinion could only be explored further through direct conversations with the Board of Trustees of the Pincher Creek School Division. As for setting up a division excluding Coleman, the Deputy Minister pointed out that 'unhappily Subsection 5 of Section 23 of the School Act which was included in it in 1954 to take care of an anticipated Crowsnest Pass School Division gives the Minister power only to establish a division "comprising all school districts in the area contained within the outer boundaries of Local Improvement District #10".' The Deputy Minister ended by suggesting that taking, as precedent, Turner Valley 'where a single school district of considerable area includes Black Diamond, Turner Valley, and other communities and farm lands, the minister could by Ministerial Order constitute a district comprising only Blairmore, Frank, and Bellevue-Hillcrest'. It is implicit in the letter, however, that the Minister would only take such action if the communities that would comprise such a division first indicated their approval. On June 27 the board of the Frank school district agreed to proceed with the establishment of an enlarged administrative area. The Blairmore board had already passed a resolution to the same effect two days previously. In response to Frank, the Deputy Minister acknowledged that he had received their letter and that the Department would, having concurrence from all three school districts, now attempt to overcome certain problems; however, this would take 'a little time' because 'the Minister is currently absent from his office on official duties.' To the secretary-treasurer of the Bellevue-Hillcrest school division he wrote, 'I wish to inform you that because of reduced staff due to the holiday season and the prospective absence of the Minister on his own vacation, the question of amalgamation of districts cannot be dealt with immediately'.

The Minister, presumably having successfully sorted out the conflict of his 'holiday season' with his 'official duties' managed to 'dispose of the matter,' and on January 1, 1957 the districts of Bellevue-Hillcrest, Mohawk, Frank, and Blairmore combined their school organizations and became the Crowsnest Consolidated School District #78. To understand why it was that the various districts agreed to form a consolidated school district, it must be made clear that Blairmore was in the position of having good teachers, poor schools, and no budget surplus, and Bellevue had a surplus, limited school facilities, and was

short of teachers. Frank was still in the position of having no high school and paying a fee to Blairmore for that community's school services. Through consolidation the communities were able to finance, with provincial government assistance, a new high school, which was eventually built in Blairmore, and a new elementary school for Bellevue. Coleman, on the other hand, having refused to participate in a consolidation program was told by the provincial government that it would receive no additional provincial grants until such time that it joined the consolidated school district. It is worth noting that Coleman, at that time, was in the advantageous position of having sufficient school facilities and so forth, and was not in the position of Bellevue and Blairmore which had decided to relieve their educational difficulties by co-ordinating their resources and facilities. Clearly Coleman's reluctance was a reflection of its unwillingness to participate in a venture which might prove to be costly and beyond the means of its resources which depended largely on a fluctuating coal market. the foregoing may very well be true, it must also be acknowledged that Coleman's desire to remain autonomous from the other communities also played an important part in its decision.

In 1960 the Coleman school district sent a delegation to

Edmonton and requested the government to grant the required assistance

for the building of a new high school. Notably, the government acceded

to the district's request and a new high school was built in Coleman.

The government's shift of position of course resulted in the continu
ation of two separate school districts in the Crowsnest Pass area.

Apparently, the government felt obliged not to force Coleman to join

the consolidated school district; reasons for this will become increasingly clear throughout the paper.

October of 1966 must have appeared to a member of the Department of Education a propitious moment to again promote the idea of a school division for the entire Crowsnest Pass. He advised the members of the school board of the Crowsnest Consolidated School District in a letter to them that he had had discussions with the Director of School Administration concerning his recent visit to the Crowsnest Pass area and had also conversed with members of the Executive Council whom he had accompanied on a visit to the 'Pass that September. He further explained:

"I am prompted at this time to propose that the whole area of the Crowsnest Pass should be constituted as a school division. Such administration could reduce some duplication of services, particularly in secondary education. It would provide opportunity to establish one central high school with a more diverse program than now exists in either school. It would also warrant an application to secure Federal assistance for establishment of a business education section on a vocational basis. Any application in this respect would have to be proceeded with very quickly."

On Sunday, November 27, 1966, the entire Coleman school board, trustees from the Crowsnest Consolidated School District, three school principals, the superintendent of schools, and two representatives of the Department of Education met at the Isabelle Sellon School to discuss the formation of a school division. At this meeting a representative of the Department of Education 'surmised' that the provincial government, being cognizant of the fact that the federal government was proposing to discontinue its plan of offering federal assistance for vocational

services, 'might share some portion toward a vocational commercial wing for the new school.' Those present at the meeting were informed that if the communities pursued the matter with the Minister concerning such assistance, it was possible that he would allocate supplementary assistance of \$2.00 - \$3.00 per square foot for a library, \$4.00 per square foot for industrial arts, and \$7.00 per foot for a language laboratory, if enrolments were high enough, i.e., 360 minimum. Needless to say, it was necessary for the communities to participate together if they were to be assured of some possibility of success in their pursuit of such a grant. At the same time a division, because of the large student enrolment involved, would justify further assistance in the form of grants for a home economics program in grade 9 to be continued through to grade 12, and be supplemented by 'some other' vocational programs. The Director of School Administration also suggested that the existing schools in the 'Pass could all be turned into elementary schools and thus alleviate a distinct shortage in that area. However, of course, all these proposals were dependent upon a positive decision to form a division. Another representative of the Department of Education explained that the cost of a school was \$16.00 per square foot for all 'approved space'. He further informed those in attendance that 'approved space' consisted of 4,000 square feet for the business area, 3,600 square feet for the shop, 900 square feet for the language laboratory and library, and additional allowances for equipment. If the cost proved to be more than \$16.00 per square foot the local areas would be assessed accordingly.

Following the talks given by the guest speakers and statements

by one or two members of the boards involved, the board members as a whole voted unanimously in favour of supporting the formation of a division. One of the main speakers during the deliberation had been a representative of the Coleman school board and the one chosen to chair the meeting. His obvious support, from the beginning, reflected Coleman's conversion concerning the formation of a division which would include itself and the other communities. The original stands taken by those who had agreed to a consolidated school district had not changed over the ten-year interval.

During those years when two school districts operated in the Crowsnest Pass area, the school situation had changed sufficiently to make the division proposal far more tolerable from Coleman's point of view. The comments made by the representative of the Coleman school board certainly illustrated that government functionaries had explained to him the advantages that would accrue to Coleman if that district cooperated in the formation of a division. It can be argued that Coleman's position, at that point being one of rapid deterioration, had been an essential factor in the government's renewed interest in assisting with the formation of a division. While the Deputy Minister had informed the communities ten years earlier of the Minister's reluctance and perhaps refusal to intervene in the debate between the communities, he now felt more at ease in proposing again a division and, in addition, had the persuasive power of vague promises of special assistance. Common sense prevailed in Coleman. Buffeted by changes in the coal market and a general decline of its school facilities, the community realized that it would require assistance, and naturally this

assistance could only be obtained through its agreement to participate in the formation of a division. Scant persuasion was required to get this community's approval.

## Analysis

Of course, the operation of two high schools only two miles apart involves duplication of facilities, and can therefore be considered an unwarranted wastage of public monies. Presumably, the government had yielded to Coleman's vociferous demands in 1960 in order to avoid future vituperation from that community. Reasons given by Coleman in 1956 to vindicate its negative position vis à vis a division certainly come into question. The fluctuations of the coal market had not subsided by 1960, and yet Coleman found itself in an affluent enough position to request assistance from the government and thus commit certain local monies toward the building of a new high school. The town, it may be concluded, was more interested in maintaining local control over its school facilities than the immediate costs entailed in participating in a division. It can be interpreted that the government in 1956 did not wish to push this community into co-operating with the other districts and, as a result, involve itself in a situation which might have had political repercussions. There is no doubt that from the point of view of cost and efficiency the Minister had every reason to take those steps which would have required Coleman's co-operation. Apparently, in 1960 the government was still not in the position of being able to obtain Coleman's support for a division, and thus allowed itself to engage in a proposal which would not only eventuate in wasteful expenditures but would also protract an awkward

situation. It wasn't until 1966, when Coleman's school facilities had again degenerated, that the community indicated a willingness to participate with the other district to form a division. By this time, not surprisingly, Coleman's debenture situation did not allow it to finance a new elementary school to replace the one that had been condemned as a fire hazard; too, the community was finding it extremely difficult to obtain qualified teachers prepared to accept the conditions that existed in the elementary school at that time. Blairmore and Bellevue were also facing difficulties: the Bellevue elementary school was no longer able to accommodate grade six students from Blairmore as well as its own elementary school students. Naturally, Blairmore wanted government aid to expand its elementary school; however, Bellevue also wanted such assistance for its own school, and the debate between the two communities about which one should receive assistance was well on its way by the time the Department representative proposed that the communities should join together and form a division. Stimulated by the fact that it would have to make a decision which would resolve the Bellevue-Blairmore debate, and that this decision would entail not only an expenditure of public funds but would also probably evoke a situation which might have political ramifications, and all this added to Coleman's request for special assistance, provoked the government to offer a 'carrot' in the form of a composite high school to facilitate the move toward the creation of a division. The government had supported and attempted to encourage, from time to time, this type of school organization for the 'Pass area; however, it wasn't until 1966 that the situation in this area had ripened sufficiently for the government to bring its persuasive

powers to the fore without becoming involved in a decision which might have had adverse political ramifications.

After the vote at the November 27 meeting, the Director of School Administration explained that while the boards could take a plebiscite on the matter of forming a division, it was not necessary. Considering that the disharmony between the communities was still pronounced, the Director's observation could be viewed as an attempt to circumvent action that would put the division proposal before the communities for their approval. The built-in resistance against cooperation, and the already substantial commitments made by the Town of Coleman for the financing of school facilities, made it extremely unlikely that the residents of that community would support a proposal which would have the effect of reducing their control over their own school facilities.

It was at this meeting that the matter of representation on the division school board was discussed, a topic that received further comment and attention in later months. The proposal that emerged at this time was: one representative for Bellevue and Maple Leaf; two for Blairmore; three for Coleman; and one for Hillcrest and Frank. Sensibly enough, the proposal was weighed in Coleman's favour. However, it was pointed out at the meeting that the Minister had the authority to both decide the question of representation and the question of location for the new school. Presumably, it could have been also pointed out that the Minister's previous reluctance to intervene in the affairs of communities made this suggestion rather vacuous. Even had the communities indicated their desire to have the Minister make either one or both of

these decisions, it can be assumed, taking precedent as a guide, that he would probably have reluctantly refused. Aside from this, it is important to note that the question of site selection was already coming to the fore and that the suggestion to involve the Minister was obviously an attempt to offer a prescription to resolve prospective difficulties concerning this matter. In fact, prominent among the points raised during the meeting was the proposal that the new school being promised by the government, if a division was formed, should be located on 'neutral ground'.

A representative of the Department of Education advised the meeting that the question of forming a division should be brought to a rapid conclusion since it was always more agreeable to start a division at the beginning rather than toward the end of a school year. Having taken this advice into consideration, the Coleman board decided to hold a meeting on December 8, and the Consolidated School District board arranged one for December 2, both groups indicating a desire to have representatives of the Department of Education in attendance at these meetings to answer questions.

At the public meeting of the Crowsnest Consolidated School District, with the Social Credit M.L.A. for that area in the chair, the superintendent of the Pincher Creek School Division explained that the Dominion Government was intending to withdraw its vocational grants and that 'the figures quoted as grant estimates in the minutes of the joint meeting are minimum under Alberta regulations and would be augmented by any grants offered by the Dominion Government'. How, if Dominion assistance did not eventuate, the Alberta grants would be supplemented was

not made clear. Further to this, however, the superintendent reiterated the advantages of having a composite school which would provide for the education and training of nonacademic students. The Mayor of Blairmore, speaking on behalf of that community, declared that the council was in full support of the division proposal and suggested that such factors as adequate water supply, sewerage facilities and air pollution be taken into consideration by those who would be responsible for choosing a site for the new high school. The import of the Mayor's latter statement was not immediately evident at this meeting; however, it would become more so during the ensuing months. Finally, after due deliberation, those in attendance voted to support the formation of a division and the meeting closed.

On December 14, the secretary of the Consolidated School District board wrote to the Deputy Minister of Education and advised him that the board was desirous of forming a division with the Coleman school board. Shortly afterwards, the Deputy Minister received a letter from the Coleman school board indicating that board's willingness to participate. A copy of the Ministerial Order covering the formation of the Crowsnest Pass School Division #63 was duly received from the Department of Education by the two boards involved. The Order indicated that the division would be divided into the following subdivisions: Coleman school district #1216; Blairmore school district #628; and the third would include Frank school district #629, Bellevue school district #1336, Mohawk school district #5080, and Hillcrest school district #5081. With reference to representation, the Order dictated that subdivision I would have three representatives, and that

the other two would each have two representatives. In accord with the Ministerial Order, the temporary secretary of the division held elections in the various subdivisions on February 1, 1967.

The 'Pass communities, having been persuaded to endorse the notion of forming a division after fifty years of controversy and debate, now had a new interest, i.e. the site to be selected for the location of the new composite high school.

What must be emphasized is that the Minister of Education has the authority to bring about the consolidation of school districts without waiting for the approval of the districts involved. Insofar as the Minister's position on this matter is concerned, the Social Credit philosophy concerning 'local autonomy' comes to the fore. If the Minister had used the authority referred to above to hasten the consolidation of school districts in the Crowsnest Pass, his position could have been viewed as being antithetical to that held by the government regarding local decision-making. It can be suggested, however, that insofar as consolidation was concerned, the districts of the 'Pass at no point 'willingly' amalgamated their school facilities, but were rather 'forced' to do so out of necessity. Considering the state of affairs in the two districts in 1966, the boards really had no choice but to agree to a division if they were to receive assistance from the provincial government.

The argument here is that while the provincial government may very well advocate the importance of local autonomy, it has the legal power and sufficient command over financial, professional, etc., resources to allow it to indirectly dominate and direct the affairs of

local authorities. It would appear that the provincial government's strength is inversely proportionate to a local authority's weakness. A community with a high mill rate and unable to afford large expenditures is usually not in a position to question a Department of Education proposal for resolving school facility problems. The Department, on the other hand, has to be careful not to appear to be pressuring a community and must offer the 'carrot', i.e., proposal, in such a way as to make those involved feel that they have come to a decision independent of outside interference. For example, it has been pointed out that before public discussion took place concerning the matter of forming a division, certain Department of Education representatives and employees toured the 'Pass area and discussed with representatives of the two school districts the problems that they were experiencing vis a vis school facilities. It was during this tour that the notion of a division was again proposed, and this time was viewed with 'approval' by the Coleman school board. In fact, the decision about forming a division was made quite some time before the first public meeting. However, the meeting was required to make it clear that the school boards and residents of the 'Pass were making an independent decision. In this way the local authorities satisfied their need to feel that they were still in control of their own affairs and were making their 'own decision' while satisfying the Minister's penchant for having local authorities make their own decisions.

The ritual was brought to a conclusion with a comment made by a Coleman school board representative who attended the last Crowsnest Pass Consolidated School District meeting: 'Both boards should be very proud

for being instrumental in the formation of a division for the whole of the Crowsnest Pass area.'

On February 6, 1967, the newly-elected school board representatives commissioned architects to design the school; directed the secretrary to advise all the councils throughout the division that they should submit their site selections for the new school before the next regular board meeting; and passed the following motion:

"Providing the board cannot come to an agreement on the site of the new high school, the Department of Education be asked to choose the location with the understanding that the board will accept their recommendation."

The latter motion reflects the board's feeling that while the communities had been induced into agreeing to form the division, the competition between them had not subsided to any significant extent. Thus, it was probably thought that the selection of a site would prove to be a rather difficult process and, in the long run, might require the Department of Education's assistance.

On February 20 the board met and discussed the submissions that had been presented to them by the Towns of Coleman and Blairmore, the Village of Frank, and the Hillcrest citizens committee. At the following meeting on March 20, the board selected three sites for further examination: the Coleman East site, the Blairmore South site, and the Frank site. Subsequently, at a special board meeting, the representatives expressed their impressions about the three sites and resolved that the Oldman River Regional Planning Commission should be asked for its advice, and that the secretary-treasurer should write to the

Minister of Highways concerning the route of a proposed new highway.

A representative of the Planning Commission met with the school board on May 15, 1967 and candidly explained that, although he was prepared to offer his opinion concerning the relative advantages and disadvantages of the three sites which had been selected for examination, it was impossible for him to recommend one of them. He further explained that he and his colleagues were still waiting for a decision from the provincial and federal governments concerning the financing of a subregional study of the 'Pass area. This decision was expected within two weeks, and if the two governments approved of the project, then the Commission would be able to present a site recommendation six months after the study was initiated.

The secretary of the school board received a letter from the Minister of Highways on May 1 which explained that the 'quite difficult' and 'restrictive' nature of the terrain in the Crowsnest Pass area had created an involved task for the planning branch of the Highways Department, and for this reason it was not possible, at that time, to make a recommendation concerning a permanent realignment of Highway #3. However, since the proposed highway would be unable to accommodate an access road from the new school, 'it would not be advisable to locate the school close to it and it would be preferable to depend on access to the school from the existing highway.' He concluded by stating:

"I have checked the three tentative sites which you are considering for the school and none of these would appear to interfere with any site that may be chosen for the new highway. It would also appear that there is reasonable access from each of the three sites to the existing highway."

It is somewhat difficult to understand how the Minister could, without a 'clear cut' decision from his planners, endorse, although admittedly in rather vague terms, three sites, each in a different community. But the substance of his letter did give the school board a sufficient amount of leeway to discuss the three sites tentatively suggested.

On June 12 the school board was informed that the Planning
Commission had received 'unofficial reports' to the effect that the two
senior governments were prepared to finance a subregional study of the
'Pass area. And on July 17 the Commission representative told the
board that it would be well-advised to postpone its site decision 'as
the Commission has information which cannot be revealed at this time'.

To all intents and purposes, the school board was now justified in
thinking that it would be receiving a recommendation within a very short
time. While the Commission representative had not told the board explicitly that the project had received both federal and provincial
government concurrence, the board was left, as a consequence of the
information it had received, with the impression that the subregional
study was a certainty.

A letter from the board secretary to the Planning Commission representative, dated November 15, 1967, expressed the board's anxiety about the progress of the report that had been 'promised'. The representative, at the November 27 regular board meeting, attempted to meet the board's demand for some action by explaining that the federal government had not given official sanction to the study and 'therefore the study has not progressed as previously anticipated'. Again, the

representative was unable to make a recommendation; however, he did promise to have a brief ready for the December 19 meeting and requested that a site decision be delayed until that time.

In accord with his promise, the Planning Commission representative had a report prepared on the sites. The report, titled 'Report on Site for Proposed Composite High School--Crowsnest Pass', stated that:

"Of all the sites, it is considered that the location east of Coleman is the most suitable after taking into consideration all factors except the highway, but the decision of the Department of Highways would appear to preclude the use of this site."

Since the Department of Highways had given permission to the school board to proceed with plans for the Coleman East site several months before, it can be assumed that the Planning Commission had not been fully informed of all the decisions that had been made concerning the three sites. Alternatively, the Department of Highways might have changed its mind concerning the Coleman East site, but there is no record of it having done so. However, the Commission report did encourage the school board to again enquire into the status of this site vis a vis the new highway.

During the January 22, 1968 school board meeting, the Director of School Administration phoned the board and appealed for a quick site decision, indicating that the new school was high on the government's priority list but that further vacillation might make financing a problem in the future. Without further cogitation the board voted for its first two site choices. The Coleman East site received four votes and the Blairmore South site, two votes. Following the vote, the board

passed the following motion:

"In the event a reply is not received from the Department of Highways regarding Coleman site, within ten days of the proposed meeting with the Department's officials, the school board proceed to procure the Blairmore site."

The board also directed the secretary to contact the superintendent and request him to arrange a meeting for January 25 with officials of the Departments of Highways and Education to discuss the Coleman East site. So, after more than a year of work, the board had managed to eliminate one site of the three originally chosen and was still sounding out the Department of Highways.

As a consequence of the Planning Commission report and its decision to make the East Coleman site its first choice of location for the new school, the board wrote to the Minister of Highways:

"We have been informed that this site conflicts with the proposed location of the re-routed highway. We sincerely request your consideration for the adoption of an alternative highway route so that this land may be available to the school division.

It is imperative that the school division commence construction as soon as possible. The board has agreed upon a site, and it is advisable that action on this location be taken immediately."

In his report of February 19, the superintendent informed the board that the 'original plan for the highway shows that the route passed through the centre of the area we have chosen for a site for the school'; however, 'it is quite possible for us to purchase more area to the north and north-west and allow more room for school expansion.' Although there is no record that the meeting the board desired took place on January 25, it would appear that the Department of Highway's

position on the Coleman site had been cleared up through the action of the school superintendent.

At its meeting of June 15, the board was informed that the Department of Highways was not prepared to approve the school site because the access road was going to be, according to the plans, connected to Highway #3. A new plan was hurriedly drawn up and submitted to the Department of Highways for its approval. Shortly afterwards, on July 22, the board was informed that both the Department of Education and Department of Highways had approved the site, and that the Department of Highways had received a grant to construct the access road to the site. What is of significance here is the fact that several months previously, the Minister of Highways had indicated to the school board that the East Coleman site did not interfere with the proposed location of the re-routed highway, and, in addition, had suggested that the board seriously consider 'an access to the school from the existing highway'. Apparently, the Department of Highways had reconsidered its original suggestion and, as a result, forced the school board to change its plans.

During August, 1968, difficulties arose again concerning the access road to the proposed high school. The board was informed that the option on the Coleman East site had been extended three months; however, the board's lawyer had informed the superintendent that in order to obtain title to the site, he had to have the legal description of the boundaries, and this he was unable to get because 'the Oldman River Regional Planning Commission is holding him up as they want the access road to come off Highway #3'. After being made aware of this

particular development, the board instructed the secretary to phone the Department of Highways and determine the disposition of the Planning Commission's proposal. On September 16, the school board was advised that the Chief Planning Engineer for the Department of Highways had reconfirmed the decision that the access road should not lead onto Highway #3.

An individual who had been involved with the site selection question explained to this writer, with reference to the Planning Commission's request, that had the board agreed, 'we wouldn't have a school today'. He added, 'As a matter of fact I am not sympathetic to the planning group at all because we didn't get any co-operation, and there are lots of instances where communications would come to a town council but not to the board'.

Essentially, the Planning Commission representative was concerned that the location of the new high school would conform to the overall plan for the 'Pass area which would evolve from the subregional study. In other words, if the board proceeded to choose a site before the study had been completed, there was a possibility that the value of the subregional plan, which was intended to fulfill requirements for urban renewal assistance from the federal government, would be partially negated. Nevertheless, the representative did feel that it was his responsibility to make 'comments and recommendations on the limited information presently available', and, as has been pointed out, eventually prepared a report. Although the representative did not actually make a recommendation, he did emphasize the suitability of the Coleman East site. However, as far as he was concerned, this site was in the

way of the proposed highway. Since the school board had already received a letter from the Minister of Highways indicating that this particular site would not interfere with the proposed route, it would appear that the Commission representative was lacking certain information at the time he wrote his report. On the other hand, the representative may have been trying to slow down the selection process. His position was such that he could not promote a site without risking the possibility that it would, at some later date, negate a large portion of the subregional study. At the same time, however, he was responsible for giving assistance to the school board. The suggestion is that by referring to the proposed highway route the Commission representative attempted to undermine his recommendation and thus stall the activities of the board.

Since the board was under continual pressure by the Department of Education to choose a site, it became increasingly dissatisfied with the activities of the Commission's representative. In addition, the Commission representative's requests for delay gave the communities of Bellevue and Blairmore further ammunition for their fight with the school board. Following the decision to purchase the Coleman East site, the debate increased in tempo and the Blairmore council sent the following letter to the school board:

"The council feels that this construction should be postponed until such time as the Planning Commission presents their plans and location for this particular school, since it has been recommended by the Planning Commission in their temporary plans that construction be delayed....

Council also feels that if your board does go ahead with the present plan to construct the new

school immediately, they will be working against the general plan of the area, and in this way be devaluating the study that is to be made."

Apparently the Blairmore council had taken note of the fact that the Planning Commission representative had stated in his report that the school board 'would be well-advised to await the completion of the survey stage of the subregional plan before making a final decision on the choice of a site for the school', and had decided to use this to attempt to discourage the board from persisting with its site decision. To all intents and purposes it would appear that the Blairmore council had decided that to support the Planning Commission's recommendation would be the responsible thing to do; however, this council's prior relationship with the Commission would suggest that the council only supported those Commission recommendations which would prove to be of some benefit to it. In other words, it is being suggested that the Blairmore council was not acting in deference to the Planning Commission but viewing the recommendation as a means of impeding the progress of the school board. On July 22, 1968, the Bellevue council wrote to the school board and also indicated its feeling that the choosing of a school site should be held in abeyance until the Planning Commission had handed down its final recommendation, and added that a refusal to concur with this opinion would effectively destroy the usefulness of the subregional study which all the municipalities of the Crowsnest Pass area had agreed to and partially funded. There is no evidence to suggest that the two councils, however, had been made aware of the pressure being applied by the Department of Education on the school board with respect to its priorities regarding school construction.

Several school board members gained the impression that the Planning Commission was in collusion with these two councils and therefore complicit in an attempt to subvert the board's decision. This may very well have been the case; however, there is no real evidence to support such a notion. With reference to the access road question, the school board wrote a letter in July, 1968 to the Planning Commission which stated that:

"At a regular meeting of the Board of Trustees held yesterday, the matter of better communication between the Board of Trustees of the Crowsnest Pass School Division #63 and the Oldman River Regional Planning Commission was discussed.

Our Board has received information from other sources that you have approached the Department of Highways requesting that the access road into the new school be off Highway #3 instead of the Kananaskis Road.

We would appreciate receiving information of your decisions on matters involving the Crowsnest Pass School Division #63."

This letter indicated that the school board was becoming increasingly annoyed with the Planning Commission. Over the months, the Commission had offered very little in the way of assistance to the board, particularly on the question of selecting a suitable site for the new school, and now it seemed that the Commission was involved in certain covert activities which would have an affect on the development and planning of the new school. In addition, while the board was still primarily concerned with the attributes of the first three sites submitted, it had been encouraged, by this time, to consider all the sites submitted to it. Presumably this was an attempt to appease the feelings of the various

communities and interest groups, and to ensure that suitable sites, although submitted late, were not overlooked. So far as the Commission representative was concerned, the most important goal was the preparation of a document which would act as a guide for future development and growth, and would, as a result, place the individual 'Pass communities in a better position to attract private investment.

While it has been noted that certain individuals associated with the school board during the months following the formation of a division were, and in some cases still are, highly critical of the Planning Commission's efforts, it should not be assumed that all these individuals were particularly interested in receiving a recommendation from the Commission. For those holding elected positions on the board, a recommendation was viewed with some enthusiasm for it would have had the effect of lifting some of the criticism and pressure being applied on them by the individual communities; a recommendation would have provided a means of shifting responsibility for the choice of a particular site. But in the case of school division employees, who had been as critical of the Planning Commission as any other group, there is now a tendency to argue that a recommendation from the Commission was of relatively little importance, and, furthermore, to suggest that if one had been made, it could have caused further complications. individual said to this writer, 'I hadn't put too much thought into what they were going to decide, and as far as I am concerned, there are too many people making decisions about educational problems that they don't know anything about'. This comment received further support from another individual who described the proposed Planning Commission

recommendation as a 'red herring' put forward by someone to misdirect the board. Both individuals agreed, however, that for a while certain board members held the opinion that such a recommendation would act as a 'scapegoat'. But the questions and problems associated with locating a school were better dealt with, they contended, by those intimately involved in the education system. This is not to say that the professional employees of planning commissions lack sincerity or ability, but rather that they do not understand, nor have they the knowledge to deal with, the complex factors that are involved in establishing a location for a school.

There are now reasons to believe that the board's site decision may prove to be an unsuitable one in terms of general, future development in the Crowsnest Pass area. Although the lack of interest, illustrated by certain individuals in a recommendation from the Planning Commission, is understandable, the fact remains that the Commission was proposing to produce a document which would offer substantial advice concerning the direction of future development and growth in the 'Pass The proposals, if they were accepted, would presumably impose a new set of factors which would have to be taken into consideration in the choosing of a school site. The opinion that it was important to proceed quickly, however, resulted in the Planning Commission's request for delay being virtually ignored. This opinion, as has been pointed out, was primarily stimulated by pressures from various outside interest groups. If these pressures had been ignored and a complete delay agreed to, there is a possibility that the final site choice would have been more in concert with future development and urban renewal activities in

the 'Pass area.

The Planning Commission's ultimate site recommendation, submitted months after the school board had decided to purchase the East Coleman property, was that the high school should be located east of Bellevue, approximately twenty miles away from the site that had already been purchased. Although this recommendation was one of many contained in the study prepared for the urban renewal program, and although this program was eventually cancelled, it is important to note that the Planning Commission believes that the study offers the best guide for planning future growth and development in the Crowsnest Pass' area. It can be assumed, therefore, that if the plans outlined in the completed subregional study are followed, the advantages that obtain to the present location of the high school may very well be negated. If, on the other hand, the plans were altered in a fashion to take into account the present location, then the overall value of the plans may very well be dissipated.

#### Analysis

The secretary of the division and the superintendent spent many hours examining the various sites submitted to the board for consideration and thus performed, in their view, a fiduciary responsibility that others, including Commission planners, could not. The evidence suggests, however, that while the secretary and superintendent did do a great deal of work, they were both rather reluctant to come forward with an outright recommendation for the board to consider. The superintendent did provide the school board with comprehensive reports of his findings from time to time, and, at one point, prepared a chart of the relative ad-

vantages and disadvantages of the various sites the board was considering; however, at no time did he overtly recommend any particular site, although a careful scrutiny of his chart would have made one aware of the most suitable location from his point of view. The secretary, being an employee of the division, was reluctant to express a definite opinion on such a volatile issue. So while the board was receiving a great deal of advice from these two individuals, it was still without a clear-cut 'scapegoat' and thus could do little else but face up to the pressures being applied by the various communities.

In his report of December, 1967, the superintendent put forward the view that the board should make every effort to select a site and not to hand this responsibility over to the Department of Education. Presumably, the superintendent realized that the Minister had no desire to involve his Department in a local issue; particularly an issue of the political significance that existed in the 'Pass area. To improve the credibility of the above suggestion, this writer will refer to a point that was made during conversations with an authority in the field of education. This authority stated that the superintendents of the province had been ordered by the Minister's office not to openly support the consolidation of school districts. To support consolidation and to take measures to facilitate its progress might involve the Department of Education in an awkward political situation. The argument here is that there is a possibility that the Minister's posture concerning consolidation would be similar to the one regarding a superintendent's involvements in a school site debate. Thus, it is possible to assume, the power of the Minister not withstanding, that officials of the Department of Education

were anxious to avoid involvements in matters of this kind, just as they were in discouraging local school board reliance on a Planning Commission recommendation. Hence these interested individuals, while exerting an influence, were reluctant to use the authority they possessed in law to resolve a local contentious issue.

There was only a remote possibility that the school board would take such delaying action as would permit the Planning Commission to come forward with its decision. It is popularly thought among school administrators that by taking temporary measures, such as the introduction of portable classrooms to relieve immediate problems, they provide the Department of Education with the necessary rationale for not allocating funds for the building of permanent structures. The Crowsnest Pass school board, being cognizant of the fact that several other districts and divisions were requesting funds for new school structures, was therefore reluctant to introduce temporary facilities into the Crowsnest Pass. There was, certain individuals felt, a possibility that the school board, by making such arrangements as would accommodate the Planning Commission and not cause inconvenience for the division, would compromise the case for a new high school.

Insofar as the Department of Education was concerned, there seemed to be no inclination to co-operate with the Planning Commission.

Too, the Department's continual pressure on the board obviated any inclination on that group's part to co-operate with the Commission.

Essentially, the Department, having promised to allocate a sum of money for the building of the new school, wanted to avoid being embarrassed (politically) by other divisions who were 'crying for assistance'. And,

as has been mentioned, there was the opinion, which probably influenced the board representatives, that the approach of the Planning Commission was a 'Chamber of Commerce one', i.e., one of promotion rather than interest or understanding. However, according to one individual, who was present at the time of the site vote, the Coleman representatives all voted in favour of the East Coleman site, and the others, with one exception, voted for the Blairmore site. This would suggest that, in the final analysis, the board representatives were really not all that interested in outside opinions except from the point of view of having a 'scapegoat'. They were, rather, more concerned with voting for the site located in the subdivision which they each 'represented'. This consideration far outweighed the impact of a recommendation which would be forthcoming from a subregional study or the 'opinions' provided by educational administrators.

Although the school board was empowered by the Minister of Education to choose a site, a number of difficulties arose. The school board had the normative responsibility of having to provide suitable educational facilities for the students of the area and the pragmatic problem of facilitating such provision without engendering an uncomfortable position for itself in the 'Pass area. Far from obtaining assistance from outside authorities, the board was confronted with a panoply of interest groups whose numbers increased as time went on. And, in addition, the presence of diverse interests on the school board itself further exacerbated the overall problem of meeting a public obligation.

The Planning Commission report finally provided the much

desired 'scapegoat'. Although the Commission representative viewed the report as a pragmatic way of meeting his obligation to the school board without undermining his commitment to the subregional study, the school board and other interest groups immediately used it to make their own positions 'publicly acceptable'. While the comments in the report did not posture as 'recommendations', it must be remembered that they did point to the Coleman East site as being the most suitable site of those being discussed by the board.

The Commission reports plus the appeal from the Director of Field Administration enabled the Coleman representative on the school board to argue that their site decisions were a product of both the comments contained in the report and the necessity to meet the demands of the Department of Education. Once the decision was made, the board as a whole was able to argue the same points and thereby protect itself from adverse publicity.

Shortly after the Coleman site decision was made, the Blairmore council decided to pursue its grievances, not with the school board, but in correspondence with the Minister of Education, presumably with the hope that the Minister would overrule the school board's decision. The fact that representation on the school board was weighed in Coleman's favour may have dissuaded the council from pursuing the matter at that level. In reply to the council's letter of February 21, 1968, the Minister observed that the school board had spent many months taking steps to ensure that its final choice for the location of the new school would be a suitable one. Furthermore, he pointed out that the board had 'enlisted the services of the Regional Planning Commission to survey all

possible sites....' Having indicated his satisfaction that the board had taken appropriate measures to determine the most suitable site for the new school and 'to make the best decision bearing in mind the unusual conditions existing in the 'Pass' the Minister concluded by pointing out that 'your presentations should be made to the school board where authority to deal with this matter resides'. To secure his position, the Minister wrote to the school board secretary on March 4, and informed him of both the fact that he had received a letter from the Blairmore council and the nature of his reply to that letter. Thus it would appear that the Minister of Education managed to remain, overtly at least, absolved of any complicity in the situation that had developed in the Crowsnest Pass. Indeed, the Commission report provided him with the necessary argument to justify both his position and the board's decision. Significantly, he referred to the Commission's assistance as one of the reasons for his belief that the school board had taken every possible action to secure advice concerning the suitability of each site under its consideration. In fact, as has been pointed out, the Commission had given very little assistance and, for one reason or another, had been unable to make a concrete recommendation.

Assuming that the Commission report reflected a change of mind on the part of the Department of Highways concerning the East Coleman site, the school board attempted to convince the Department to stand by its original decision. In correspondence with the Department the school board not only pointed out that 'The board has agreed upon a site, and it is advisable that action on this location be taken immediately' but attempted to secure its position by arguing that the Planning Commission

report 'shows clearly that the Coleman site would be the choice of the Planning Commission. This location was chosen by an independent Planning Commission after their intensive and impartial survey of the area'. Although there is no evidence to suggest that the Department of Highways had changed its mind, it is interesting to note that the board decided to use the Commission report to secure its own position and encourage the Department of Highways to support the site decision.

While the school board attempted to persuade the Department of Highways to make available the East Coleman site, the Town of Blairmore and Village of Bellevue decided, as has been pointed out, to step up their campaigns to stop the board from persisting with its decision. Having failed to obtain support from the Minister of Education, these two communities proceeded to argue that the board should wait for the completion of the subregional study. Among the points made by the school board in reply to the Bellevue and Blairmore correspondence, the board noted that their decision had been based on the Planning Commission report and that:

"The Department of Education has allotted the school board money for this year's construction program and the balance of monies allowed for the building will be forthcoming in 1969. If the school board delayed construction now, we would lose our school building and our statement of need would not be recognized for at least three years, since funds for school buildings are at a premium."

Responding to this letter the Bellevue council informed the school board that the M.L.A. had explained to the council that the money for the new school would be available during the five ensuing years, and therefore the board's argument had no validity. Thus the board found itself in another difficult position, its primary argument for pushing

ahead with the building of a school on the East Coleman site having been undermined by a government M.L.A. To resolve the matter, the board decided to hold a special meeting on August 23, 1968, and to invite the M.L.A. to attend. At the meeting the school board indicated to the M.L.A. that it was very concerned about the letter which it had received from the Village of Bellevue since it had been the board's understanding that it would have to act with haste if it were to receive full co-operation from the Department of Education in the building of a new high school for the Crowsnest Pass area. In reply, the M.L.A. explained that he had been in communication with the Deputy Minister of Education and that following his discussions with this individual, he had informed the council of the Village of Bellevue that monies would be available for school construction during the next five years; however, the priority factor had not been mentioned. The school board minutes regarding this meeting record that 'after considerable discussion on the merits of a new high school for the 'Pass, the M.L.A. indicated he would offer his full support to our efforts'. It would appear that the council of Bellevue, realizing that it had failed to coerce the school board to change its mind by imposing on the gathering what presumably was its own interpretation of the M.L.A.'s position, proceeded to attack from a different direction by initiating debate on 'the merits' of the new school. But apparently this failed as well.

# Notes to Chapter III

- 1) According to the Act respecting public and separate school the

  Minister of Education has the authority to establish a

  division consisting of any number of public school dis
  tricts. The implication is that if the minister deems

  that such a course of action is necessary he will act

  accordingly and the school boards, those which had for
  merly directed the affairs in each district, are dis
  solved. With the establishment of a division all the

  assets and liabilities of the board of the public school

  district become the employees of the board of the

  division. The importance of this section which permits

  the minister to dissolve any division or district and

  as a result bring to cessation its rights and privileges

  will become more apparent in later discussion.
- 2) Improvement District #10 was later changed to Improvement District #5.
- 3) Funds being referred to were those provided through the 'Technical and Vocational Training Assistance Act, December, 1960.
- 4) Pursuant to Section 33 (1) (h) of the National Housing Act, 1954,
  The Central Mortgage and Housing Corporation, The
  Alberta Housing and Urban Renewal Corporation and the
  Municipal Corporations of the Towns of Blairmore and
  Coleman, the Villages of Bellevue and Frank, the
  Municipal District of Pincher Creek, No. 9 and Improvement District No. 10, entered into agreements to finance
  a Sub-Regional Study including the preparation of an
  Urban Renewal Program for the Crowsnest Pass Area of
  Alberta and for the Study to be undertaken by the Oldman River Regional Planning Commission.

## CHAPTER IV

## PRIVATE ENTERPRISE - A CONFEDERACY

This writer has examined the circumstances of a number of companies which were induced to locate in the Crowsnest Pass area by the 1963 'Tax Concession and Depreciation Scheme' and subsequent federal government incentive programs. For this presentation two companies, that best illustrate the conduct and experience of those companies which were afforded financial assistance through the 1963 federal program, have been selected for detailed case analysis—Phillips Cables Limited, and Becker Drills Limited. The nature of the inquiry, however, requires that Bailey's theoretical concept of normative and pragmatic 'rules' be superceded by one of normative and pragmatic 'obligations' and 'expectations.'

Once a government makes available, through legislation, a provision for private companies which can be taken up at a company's own discretion, the disposition of the ensuing relationship is best understood in terms of 'obligations' and 'expectations,' rather than 'rules.' The formal contract signed between a company and an agent of government, under such legislation, obliges the parties to perform in accord with the requirements contained in the contract. However, the special quality associated with a company's decision to act under incentives legislation places the company in an exceptional or extraordinary relation both to government, and to its competitive peers. The normative and pragmatic quality identified with company behavior

within such an extraordinary relationship is not that of games among peers, but of 'playing the game' that is a consequence of its newly acquired, and extraordinary status. This situation is best treated in terms of the concept of 'obligation' and 'expectation'.

The broader implications of the concept of 'obligation' and 'expectation', insofar as they relate to the authority of that government providing the incentive and the economic advantages and opportunity provided to private companies, will not be taken up in this thesis. It should be noted, however, that the implication of the federal government's incentive program is to generate two additional sets of competitive situations. One set is generated among the governments that are not themselves party to the particular incentive legislation, but within whose jurisdiction private companies may wish to locate under the provisions of the legislation. The second set of competitive situations is the one which develops among the companies themselves.

As the individual company has the choice of whether or not to utilize the incentives legislation, a company is obliged to consider the incentive in terms of the relative competitive advantages it offers both to the company itself, and to its peers. At the same time companies are aware that the incentive program contains certain implicit 'obligations' and 'expectations'. Although their 'obligations' at this level remain similar to those expected of any company, those companies which utilize the incentives program are aware that the federal government has initiated it in order to stimulate local employment and economic

development. Therefore, the companies which accept incentives are left with an obligation to fulfill certain government expectations, though the terms of the formal contract with the initiating government are the only legal requirement they have. The concept of 'obligation' and 'expectation' is therefore used to describe this situation of companies insofar as it affects the choices available to their managements.

The federal government introduced the 'Tax Concession and Depreciation Scheme' in 1963, to stimulate private investment in certain designated areas of Canada. On June 13, 1963, Mr. Gordon, Minister of Finance, explained to the House of Commons that:

"In order to encourage employment by reviving private capital expenditures, which have lagged so conspicuously for the past six years, I shall propose important new tax concessions. Effective on the date of enactment new manufacturing and processing enterprises located in designated areas of slower growth will be given an exemption from income taxes for three years from their inception. I shall also propose that such enterprises be entitled to write off new machinery and equipment which would otherwise fall in class 8 in as little as two years thereafter. And I shall propose that any taxpayer be entitled also to write off the cost of new buildings located in designated areas of slower growth at the rate of 20 per cent per annum straight line, or in as little as five years. If these proposals do not stimulate very marked activity in the Atlantic provinces and in other areas of slowed economic progress, I do not know what will. are major incentives to new industry locating in those areas." 1

The above quotation is a clear presentation of the 1963 federal government incentive program. It must be noted, however, that the government did not establish criteria which would delineate the responsibilities of an industry to a designated area once it had received financial assistance through the federal program. The normative expectation on the part of the private enterprise sector was that

the government would not attempt to impose obligations on industry which could be construed as being contrary to those rights industry is assumed to have in a free enterprise system. On the other hand, the incentive scheme was a deliberate attempt to rejuvenate depressed and remote urban areas by inducing industry to locate in those areas. Concurrently the program was aimed at rectifying the unemployment situation in certain areas of Canada. Thus the federal government initiated a program which it hoped would not only revive 'private capital expenditures—in designated areas of slower growth'2\_but would also not conflict too radically with the normative expectations of the private enterprise sector by favouring one industry over another. The final formulation of the program, which can be viewed as a pragmatic solution to a rather sensitive situation, maintained the normative rule of fair and equal opportunity by permitting private enterprise the right of decision concerning location, once the tax incentive had been offered. In other words, the government took the chance of recognizing the inherent right of an industry to move away from its location at the end of the 'tax holiday'. From a 'pragmatic' point of view, the government had little choice, since the right of decision regarding location is a significant part of those rights ascribed to private enterprise. To have compromised this right would have placed the incentive program and the goals it was to achieve in jeopardy. The government, it can be assumed, expected industries, which had received financial assistance through

the program, to meet their normative obligations to the areas concerned.

Phillips Cables Limited is a wholly owned Canadian subsidiary with a head office located at Brockville, Ontario. British Insulated Callender's Cables Limited, a United Kingdom cable manufacturing concern, owns fifty-one per cent of the company; General Cable Corporation, located in the United States, owns twenty-five per cent; and the rest is owned through common shares. The Board of Directors consists of one Englishman, one Scotchman, one American and seven Canadians.

During the early years of the 1960's, it became clear to the Board of Directors of Phillips Cables that it would be efficacious, from an economic, logistical point of view, to establish a cable manufacturing plant in Alberta. After considerable discussion and debate, the Board decided to build such a plant at Sentinel, an area of land located in Improvement District #5, and a short distance from the Town of Coleman. The Board chose this location because it was a part of the Blairmore National Employment Service District. This district had been designated as an area of static growth by the federal government in its 1963 'Income Tax and Depreciation Concession Scheme'. It should also be noted that this district, which included the Crowsnest Pass area, the Municipal District of Pincher Creek #9, and the southwestern portion of British Columbia, was the only area so designated in western Canada by the federal government. Although the federal program

provided attractive financial allowances for industrial and manufacturing concerns prepared to locate in this area, a number of other factors, such as freight rates, inventory requirements etc., were also taken into consideration by the Board. It must be understood that while incentive programs may encourage industries to locate in certain specified areas, an incentive itself does not protect a concern from the problems that are involved with competition in world markets or, for that matter, from competitive trends in domestic markets. Understandably, therefore, a business concern must, before locating in a designated area, view this area in terms of its relative advantages and disadvantages vis à vis the competitive market. Essentially, the point is that before committing private capital to an area, even one which has been designated under an incentives program, investors will devote considerable time and attention to those factors which determine economic feasibility and potential. In other words, a large business concern will not expand its operation into an outlying area unless the overall economic picture is favourable. It may be assumed that in cases where location is of import vis à vis those sophisticated services and facilities usually found in a larger centre, the incentive program will not act as an inducement. Although the Sentinel area had some distinct disadvantages, the evidence suggests that the Board of Directors for Phillips Cables came to the conclusion that the incentive was large enough to offset much of the risk involved with locating a plant there.

Apparently the Board judged that the incentive would be substantial enough to cover a large portion of the financial loss that a failure would entail. Success, on the other hand, would permit the plant to enjoy a 'tax holiday' for a period of three years. Presumably, if such an incentive had not been available, one of the larger Alberta centres would have been chosen as the location for the plant.

In his 1965 annual report, the President of Phillips Cables Limited stated:

"Our new wholly-owned subsidiary--Phillips Cables (Western) Limited--at Sentinel, Alberta, started commercial production in the first quarter of 1966, approximately three months behind schedule. Construction problems, slow deliveries of equipment and a longer-than-anticipated training schedule combined to delay start-up operations. The plant is now in full production and will make an important contribution to the production of communication cables, which are in a very heavy demand."

As the above quotation reveals, the task of bringing the new plant to a point where it could start commercial production had not been an easy one. However, even after commercial production was initiated, problems had to be overcome. Chief among these was a shortage of skilled labour. This shortage, a chronic problem in most of the outlying areas of Alberta, encouraged the management to urge their employees to make use of provincial trainee and apprenticeship schemes. Several employees were permitted to take time off from their jobs so that they could complete courses of one kind or another. The plant management was surprised and naturally pleased to learn that through its training

schemes the provincial government was prepared to pay a portion of the employee's wage. Although this assistance was not substantial, it did help the Company to cover some of the cost of having its employees trained. The Company also managed to obtain similar assistance through a Federal government scheme. As a result of its own efforts, and the assistance mentioned above, the management was able to successfully overcome the problem of a skilled labour shortage. In addition, four employees obtained their licenses in highly skilled trades; consequently, today the plant has a licensed machinist, electrician, welder and technician. These four individuals are all 'Pass residents as are all the others who completed courses.

In order to aid interested employees to develop management techniques and to prepare them for future promotion, the production superintendent, at an early stage in the plants operation, initiated an industrial management club in the Crowsnest Pass area. For a time, at the beginning of the plant's operation, a number of non-Pass people were involved with the onerous task of making the plant operational. Today, except for the plant manager, all the salaried personnel are 'Pass residents. Most of these individuals have little formal education, the majority not having completed high school. However they have all developed expertise in the management field by availing themselves of the courses etc. provided by the management club.

Over the last three years the Sentinel Plant has employed between 150 and 165 individuals, of which number approximately

seventeen are on salary. For the last five years, and up until a few months ago, the responsibility for developing the plant into a profit making concern rested in the hands of two 'outsiders': the manager and the production superintendent. A short time ago, the original manager was transferred, the production superintendent was promoted and an employee of the plant was made production superintendent. It is important to note that an employee, a 'Pass resident, was promoted to production superintendent. This latter promotion is a good example of the kind of policy that has been followed by the plant's senior management. Although this internal promotion policy involves a very 'delicate' process and operates according to the criteria of ability rather than seniority, the two senior members of the management staff had only three 'bad experiences' out of fourteen promotions. The new manager explained to this writer that the internal promotion policy caused a number of individuals to strive to improve their qualifications and, as a result, a 'good blend has come to the surface'. However it should be observed that the credit for overcoming the skilled labour shortage and the problem of attracting professional management personnel must be given to the two individuals who, for a period of five years, formed the senior management of the plant. The new manager, in a conversation with this writer, observed that his initial reaction to the plant's location and future was 'how did they pick a place like this'; however, from the beginning he treated the entire endeavour as a challenge. Fortunately he and his predecessor found that their

notions about what should be done to resolve a number of the problems facing the plant were similar. Because of the variety and complexity of these problems they devoted many hours during the first few years to devising various courses of action, such as the internal promotion policy. Often they found it necessary to view certain initial financial losses as contributions toward stepping up their programs. From time to time, they met with the employees and attempted to make them understand their responsibility to the plant. At the beginning it was not unusual for an employee to be absent from work for two or three days at a time and then to return to the plant to continue on with his job. The manager and the production superintendent realized that these employees viewed such behavior as being quite normal and that they did not understand or realize that the company expected them to be accountable for their absences. Gradually such problems were worked out and today the company enjoys the advantage of having a hard core of responsible and permanent employees. original manager explained that although the labour turnover is 'higher than we would like to see it', there is no reason to believe that it would be considerably lower if the plant was located in one of the larger centres, such as Edmonton or Calgary. He pointed out, moreover, that there are at least fifty persons employed at the plant who have worked there since its inception. These people make up a reliable work force which grows each year as others see their employment as being permanent.

Insofar as freight rates, inventory, market proximity and other considerations are concerned, the location of the plant has not proved to be a real handicap. At first the freight rates were far higher than those in larger centres, such as Calgary or Edmonton. However, as the plant got into full operation and began to ship more freight, the rates came down accordingly. Since the plant is now shipping approximately fifteen thousand pounds of goods a year, the rates are on par with those in the larger centres. The plant is obliged to maintain an inventory which is fifty per cent higher than the inventories of similar plants in larger centres, but this has not caused significant problems.

It must be understood that the plant at Sentinel is one of a number of such plants located in various areas across Canada. The Company is careful to ensure that each of its plants maintains the highest degree of production possible. When one plant is unable to meet a particular order because of excessive demand, the order is passed on to another plant. In addition, certain plants are responsible for the production of a particular type of cable. About twenty per cent of the products are exported; the rest are marketed across Canada from Vancouver to Newfoundland. The President of Phillips Cables Limited reported in 1966 that 'substantial year-end backlogs, together with record orders entered for the month of January have occupied new plant capacity as quickly as it was installed'. In 1965, the President had reported that:

"Although the factories are now running at,

or very close to, maximum capacity, the backlog of unfilled orders is still increasing and deliveries lengthening correspondingly. In order to meet present and indicated future demand, early this year your Directors authorized an expansion programme to provide additional manufacturing capacity at the Vancouver and Dartmouth plants for the production of communication cables."

The above quotations indicate that to maintain a competitive position, Phillips Cables Limited must concern itself not only with the type of product being produced by its plants, the cost of these products, etc., but also with the delivery time factor. It was this factor which led to the decision to build a plant in Alberta. In 1966, the President also observed that:

"The new wholly-owned subsidiary--Phillips Cables (Western) Limited at Sentinel, Alberta-started commercial production early in 1966. After owercoming some difficult manufacturing problems, due to break-in of new equipment and training of new employees, the operation rapidly gained momentum, and is now an important profit contributor. The Sentinel plant enjoys the benefits of the Department of Industry's Designated Area Program, and profits from its operations are tax-free until February 1969."

With regard to the question of market proximity, a manufacturing plant of this kind can be located almost anywhere since delivery time does not depend so much on speed of delivery as on speed of production. It is for this reason that the question of location is examined from the point of view of production, and as a consequence such factors as the availability of skilled labour and managerial personnel gain in significance. As for such considerations as a ready water supply for cooling its products, railroad facilities,

and room for expansion, the Sentinel plant is well situated.

Approximately nine to ten years ago there was very little competition in the area of cable manufacturing and monopoly conditions almost existed. Over the last few years the market has become far more competitive and today the bidding for government contracts, etc., can be described as being 'cold-blooded'. Although Phillips Cables Limited did receive federal government assistance, the company maintained its competitive posture and did not attempt to radically underbid its competitors. To have done otherwise would have certainly created difficulties for competitors, but at the same time it would have set a precedent which would have undermined Phillips' own competitive position at some later date. It should be emphasized that the cable market is such that manufacturers have found it more important in order to maintain their competitive positions, to emphasize production and the development of new products than to substantially underbid one another. A good productive plant can work at the same margin of profit from year to year and still be in a good bidding position. In 1970, the Sentinel plant received, much to its surprise, a contract from Alberta Government Telephone for 2,500 miles of a new type of cable which, until that time, had been sold only in England. The present manager of the plant explained to this writer that A.G.T. is a forward-looking organization and this has encouraged the development of new products and the introduction of some which have not been marketed in North America. He further ob-

served that A.G.T.'s policy with regard to bidding is somewhat different from the policies of similar organizations in other provinces. In Alberta contracts are awarded strictly according to the bids that are made. If the bids on a particular contract are the same, then Alberta Government Telephone will make arrangements to distribute the business, however, in all other cases the business does go to the lowest bidder. Further distribution takes into consideration the ability to deliver and the development of new products. For example, it is clear that the Sentinel plant could not possibly meet the demands of the entire A.G.T. program and therefore the contracts are portioned out in such a way as to ensure that this plant, if it is the lowest bidder on certain contracts, receives its share of the business, and the rest is divided up among the competitors according to their bids. In 1970, the Sentinel plant received approximately one half of the A.G.T. contract, and this year it received one third. It should be noted that in other provinces arrangements are made to divide contracts up equally among competitors.

Insofar as union activity is concerned, the new plant has not experienced untoward difficulties because of the plant's location. Although the rejuvenation of mining activity in that area has influenced wage demands in Southwestern Alberta, wage rates at the Sentinel plant are determined by union activity on the West Coast. This influence, of course, would be felt no matter where the plant was located in Alberta. The question of whether or not there is an advantage in having the plant located in an Improvement District has not been determined, however. Presumably the present site was chosen for the reason that

the only other acceptable site was privately owned and would, therefore, have been much more expensive to purchase.

Although the original manager of the Sentinel plant did spend a few years in the 'Pass area, during the setting up of the operation, he did not find this area a suitable place in which to live. He explained to this writer that the area does not have much in the way of social amenities, or, for that matter, customary facilities. He further noted that the 'Pass is a rather remote area, quite distant from centres such as Calgary and Edmonton. But on the other hand he also observed that the area does have certain advantages, i.e. it is reasonably close to Lethbridge, it is quiet and clean, and for the young people the area does offer a variety of sporting activities. Having taken everything into consideration, however, he concluded that it was necessary for him to return to a larger centre where opportunities for his children, both in terms of employment and education, would be better.

The production superintendent, at first, found it very difficult to become accustomed to the Crowsnest Pass area and, at one point, seriously considered accepting a job offer in the United States and moving to that country. The most difficult period, he explained to this writer, was the first eighteen months, during which time he and his wife debated whether or not they could accept a way of life that was so much different from that which they had experienced in Montreal. Gradually they came to appreciate that the 'Pass area has distinct advantages of its own, and today the new manager

finds it 'one of the nicest places in Canada to live.' At the beginning it was the challenge of starting a new operation and the tremendous amount of work associated with such an endeavour that prevented the production superintendent from making a precipitous decision about the Crowsnest Pass. The opportunity, after seventeen years of being strictly an 'office man', to become involved with the 'operations' side of cable manufacturing enabled the production superintendent to 'convince' himself that he could adjust to the Crowsnest Pass way of life. It wasn't until months later that he realized that given the choice of living in the 'Pass area and living again in a larger centre he would take the former. Indeed, on his last two visits to Montreal, the new manager has found the environment of this large city quite unbearable.

From time to time during the last few years attempts have been made to attract management personnel to the Sentinel plant, but without success. On at least two different occasions individuals, with management experience, left their jobs with the plant shortly after arriving and took up job offers elsewhere in larger centres. Feeling that in both cases the individuals concerned should make up their own minds, the superintendent did not attempt to persuade them to remain by explaining his own experience and the fact that he too had been discouraged at one point. However it is important to note that it was the difficulty of attracting and retaining qualified management personnel that encouraged the manager and the superintendent to develop the potential that existed in the 'Pass area.

Even though it may be possible to locate a cable manufacturing

plant almost anywhere, this is not necessarily the case for all manufacturing concerns. It can be assumed that an incentive program will not persuade certain industries, ones which because of economic reasons have to be located in or near larger centres, to undertake to locate in an outlying or designated area. However there are examples of industries which have utilized federal incentive programs and later moved from the designated areas to larger centres. For example, Becker Drills Limited, a drill manufacturing concern which was purchased by Union Carbide Canada Limited in 1965, received, when it started operation in Blairmore, certain tax concessions and depreciation allowances under the 1963 federal incentive program. During the fall of 1970, the plant was moved to Calgary. This writer was informed by the company's management personnel that for three years the tax concession made it feasible for Becker Drills to operate a plant in Blairmore; however, after the end of the 'tax holiday' it became clear that it would be profitable to move the plant to Calgary. In the view of the management, the disadvantages of operating the Blairmore plant far outweighed the advantages. the disadvantages outlined to this writer were:

1. Amenities - Skilled labourers and administrative personnel, living in the 'Pass area, missed the conveniences that a larger centre offers. Although it is cheaper to live in the 'Pass area than in a larger centre, the overall standards of living are much lower. This

resulted in a tremendous turnover of skilled personnel, i.e. thirty-six employees during the last twelve months of the plant's operation.

- 2. <u>Housing</u> The lack of adequate housing for employees was viewed as a grave problem. Although the Company did look into the possibility of providing trailers, its investigation indicated that such an endeavour would be too costly.
- 3. Skilled Labour One of the most difficult problems that confronted the Blairmore plant during its stay in the 'Pass area was a continual shortage of dependable, skilled employees. Since the area was only able to provide the odd semi-skilled machinist or welder, the management had to rely almost entirely on the services of non-Pass people. However, it proved to be virtually impossible to retain married men, and the single men exhibited a propensity to move as soon as a better job was offered elsewhere.
- 4. Staff The Company was not able to find a competent accountant in the 'Pass area and was forced to move one of its accountants from Calgary to Blairmore. The same procedure had to be followed in the case of draftsmen. As in the cases of the skilled labourers, the staff members found the remoteness of the 'Pass area and lack of amenities discomforting.
- 5. Administration The fact that Becker Drills Limited had a shop in Calgary and a plant in Blairmore made administration difficult. Since the shop handled repairs and a certain amount of rebuilding, and the plant concentrated on manufacturing and rebuilding,

it was considered to be far easier, from an administrative point of view, to have the plant located in Calgary.

- 6. Wages When Becker Drills first opened its plant in Blairmore, hourly wage rates were somewhat lower than those to be found in larger centres. However it soon became necessary to equalize rates with Calgary in order to persuade people to accept jobs in Blairmore. During times of pressure the employment situation threatened to create a bottleneck in production and the Company was forced to offer its employees additional wages i.e. 'spike pay'. In addition the resurgence of mining activity resulted in heavier union activity and, although the Becker employees were not unionized, the Company was soon forced to increase wages or lose employees.
- 7. Logistics The distance between the Blairmore plant and the Company's operation in Calgary created many inconveniences. During the years there was a continual flow of personnel and equipment back and forth between Calgary and Blairmore. On occasion a particular problem in the plant would have to be ignored for days until it became convenient for someone to travel to Blairmore. Because of the time factor involved it was often necessary to do some major work in Calgary that should have been done in Blairmore. There were also problems concerning the purchasing and shipping of component parts. Time was also a factor here, especially when components were found to be faulty and had to be replaced.
  - 8. Sales The location of the plant was also inconvenient

from a sales point of view. At the beginning when the Company was primarily concerned with manufacturing drilling rigs for contract operations, location was not an important factor. However when Becker Drills became involved with leasing and selling equipment, it was often difficult to arrange for a prospective customer to take a day off to travel to Blairmore to look at a piece of equipment.

- 9. Space and Storage As far as space requirements were concerned it was discovered that more space would be needed than was at first visualized. Although the plant area had been doubled, there was still a lack of space. In 1969, the demand for drilling rigs was so great that the Company had to 'farm out' many orders to local outfits in Calgary; one such outfit built an entire rig for Becker Drills. Storage was a major problem. Scrap, which could easily be sold in Calgary was taking up valuable warehouse and yard space; at one point there was in excess of 100 tons of scrap, worth between \$2,500. and \$3,000. piled up uselessly. The inventory, because of the plant's location, was 50% larger than it would be in Calgary.
- 10. <u>Image</u> It was thought that from an image point of view, it would be an advantage to have the plant located in Calgary with other industries.

The general manager of Becker Drills Limited informed this writer of the fact that the Blairmore plant had been a profitable operation. (In response to a question concerning the matter of profits another member of the Becker management informed this writer that, 'We have done well.') He further noted that if the management of the

Company had been able to foresee the tremendous growth that had taken place it would not have located a plant in Blairmore. When it was pointed out that Phillips Cables had found it satisfactory to continue its operation at Sentinel, the general manager observed that the two industries, Becker Drills and Phillips Cables, are quite different and, therefore, so are their circumstances; 'ours is a particular set of circumstances'. With reference to the decision to move, he made it clear that the effect that this decision would have on the Town of Blairmore had been taken into account. He stated that 'Union Carbide places a great deal of pride in its corporate image' and the decision to move, after having received a three-year tax concession, does 'cast a bit of a shadow'. 'A great deal of soul searching was done before the decision was made'. However, he further explained, it must be understood that while the Company had had 'second thoughts about switching horses', it was hoped that Calgary would provide men who were both skilled and stable.

Thus for three years the federal incentive made it feasible for Becker Drills to operate a plant in the Town of Blairmore. After March 31, 1969, the end of the 'tax holiday', it became clear to the Becker management that it would be more profitable to move the plant to Calgary. At the start of its operation the Becker management viewed the plant as being a relatively small and stable operation capable of meeting the future demands of the Becker contract fleet. During the following years, however, the demand for Becker's

products and services increased substantially. For this reason the general manager reassessed the advisability of maintaining a plant in Blairmore. He came to the conclusion, after having taken a number of factors into consideration, that the plant should be moved from Blairmore to Calgary and recommended such a move in a brief to the Becker senior management.

## Analysis

As has been pointed out it was the federal government's expectation that industries, which were accommodated under the 1963 incentive program, would meet their normative obligations to the areas in which they located. In the case of Phillips Cables Limited this obligation was in large part fulfilled. However, in contradistinction, Becker Drills Limited decided that its Blairmore plant was a fundamentally inconvenient operation despite the profit factor. Even though the general manager acknowledged in remarks to this writer that Union Carbide 'places a great deal of pride in its corporate image' the company came to the conclusion that to relocate its Blairmore plant to Cálgary was more important than any normative obligation it might have to the Crowsnest Pass area. It can be interpreted that the Blairmore location was imposing a normative obligation on the company, namely that it must be concerned about the welfare of its employees. Pragmatically this has not been the nature of a company's relationship with its employees; the company's contractural arrangement with its employees includes no necessary obligation to be concerned with their welfare in moving the plant to Calgary, the Company was reasserting the pragmatic nature of the relationship between itself and its employees by taking advantage of the labour pool extant in the major centre.

The popular view that outlying areas or small urban centres are, for one reason or another, generally unsuitable for private investment provides an industrial concern, such as Becker Drills Limited, with a 'publicly acceptable' rationale for relocating an operation into a larger centre. The evidence suggests, however, that the prime reason for relocation is that the larger centres provide those amenities which allow for profits at less effort. case in point here was the decision to move the Becker Drills plant from the Crowsnest Pass to Calgary. Although the general manager insisted that the 'circumstances' of the Becker Drill plant were quite different from those of the Phillips Cables operation, it is important to note that in the latter case the management overcame, in a short period of time, many of the problems referred to by the general manager. A member of the Sentinel plant management expressed, to this writer, some very definite opinions concerning the Becker plant's imminent departure from Blairmore. He suggested that for the amount of money it was going to cost to relocate the plant, the Company could build a number of houses for its employees and, in addition, start a training program for unskilled employees; thus

the Becker management would resolve two of the more important problems that had confronted the plant since it had begun operation. the same time he observed that the plant's operation had suffered from a lack of qualified management personnel -- 'the foreman was probably running a lathe a few months ago'. It was also his opinion that the instigator behind the decision to relocate 'is an ambitious young foreman' who 'can't see himself as a foreman in the 'Pass forever'. The suggestion was made that the chief accountant may have been convinced of the validity of the foreman's analysis of the situation and, therefore, not sought further advice; 'All in all, a "tail wagging the dog" situation'. It is apparently not uncommon for a strategically placed employee to attempt to influence his company's decision concerning location by emphasizing the advantages of being located in a larger centre. The foreman of the Blairmore plant explained to this writer that he realized that the decision to relocate the plant would prove to be damaging to Blairmore; however, the plant 'does have problems too'. At the same time, he observed that it would be impossible for him to find a job in the Crowsnest Pass area, similar to the one he had been offered in Calgary.

It can be argued that while the 1963 incentive program did encourage a certain amount of economic activity in slow growth areas, its success depended very largely upon a number of factors which existed quite outside the scheme itself. Chief among these factors was the attitude of management. The two senior managers of the Sentinel operation were determined to utilize the resources and potential of the

Crowsnest Pass area. The Becker Drills management, on the other hand, did not illustrate any real interest in the area and adopted a distinctly negative perspective, particularly toward the end of the 'tax holiday'. Thus, it would appear that the individual manager plays an extremely important role with respect to industry's obligation to communities. He can, if he wishes to, make every attempt to resolve problems that may exist in an outlying area, and in doing so receive support from local authorities. So, what must be emphasized is that, while federal government incentive programs do encourage certain industries and businesses to locate in designated areas, the success of these operations, both with regard to economic viability and in terms of industry's obligation to communities, remains contingent on several factors, the most important of which are the attitude and competency of the managers involved.

As has been pointed out the Sentinel plant management laid great stress on training the local labour supply, encouraging only a minimum number of transfers, and building a strong management staff through a rather unorthodox but successful internal promotion policy. Of significance is the fact that the management was able, through its training program and internal promotion policy, to develop over a period of less than five years a hard core of skilled employees and a competent management staff. While perhaps it is not surprising that attempts to attract management personnel proved to be unsuccessful, the implementation of the promotion policy made this difficulty, in the end, rather immaterial. Although the initial expense of having

its employees trained would probably not have been incurred by Phillips Cables had the plant been located in a larger centre, the plant today does have a strong and permanent labour force, if for no other reason than the fact that the employees are residents of the Thus, the plant management does not have to be concerned about a serious transient labour problem. In addition, it should also be noted that by adopting policies appropriate to the local situation, the problem of making suitable arrangements for housing company personnel was removed. This is not to say that the Crowsnest Pass communities did not have to expand their services. Although the plant was and is located in the Improvement District, the various towns and villages had to consider some expansion of certain services in order to accommodate the new industry. However the Sentinel plant management's willingness to adapt to conditions in the Crowsnest Pass precluded the communities from having to commit themselves to large expenditures for the expansion of services. interest is the fact that at least three employees of the plant, while not having 'papers' are as skilled in their work as those with licenses. In other words, it would be wrong to assume that outlying areas are completely void of 'skilled' people. It would appear that although 'designated' areas are areas of heavy unemployment and static growth, such areas are not necessarily lacking in human and other potential. By utilizing this potential the Sentinel plant management not only fulfilled its pragmatic 'obligation' to the Company, but also met the 'expectation' of the federal government by fulfilling a normative 'obligation' to the 'Pass area.

In comparison to Phillips Cables, Becker Drills placed itself in an inflexible position with regard to conditions in the 'Pass, and its normative obligation to that area. In August, 1970, there were only ten 'Pass residents on the Becker payroll of twenty-eight employees. A member of the management staff explained to this writer that, since the plant's payroll was so small, the Company had decided, at the beginning of the plant's operation, that it would not be feasible or necessary to initiate a training program. This decision, it can be suggested, forced the plant management to rely on skilled labour from outside the 'Pass area. In turn, this reliance, the evidence indicates, brought to the fore such problems as the difficulty of acquiring skilled and professional people, and the shortage of housing accommodation in the 'Pass area. With regard to the question of housing, the plant foreman informed this writer that the Blairmore council had known that Becker Drills was contemplating the notion of relocating its plant long before the decision was actually made, and that the shortage, unless rectified, would be one of the major reasons given for relocating the plant. Further to this, he explained that, since Union Carbide does not provide housing facilities for its employees, the responsibility for resolving the problem lay in the hands of the Blairmore council. However, he observed, the council illustrated no real concern for the problem until after the decision to relocate had been made, and even then there was only a 'little talk'.

Speaking to the question of housing, the current manager of the Sentinel plant explained to this writer that, although there was no difficulty in this area when the Sentinel and Blairmore plants first

became operational, at a later date a distinct housing shortage did develop in the 'Pass area. Although this shortage would be a distinct problem for any large industry starting up operation in the 'Pass, the manager observed that a smaller, growing industry might not face an overwhelming difficulty in this regard, since its gradual growth would perhaps be more in accord with the materialization of housing accommodation.

The establishment of the Sentinel plant opened up opportunities for new manufacturing concerns to start operation in the 'Pass area. One Crowsnest Pass resident took the initiative and launched a manufacturing enterprise for the production of cable reels. For some months prior to establishing his operation, this individual cut 'lags' for the Sentinel plant during his spare hours. It was during this period that he became informed of the possibility of manufacturing reels for the Sentinel plant. Impressed with the idea, he approached the plant management and shortly afterwards received a contract to manufacture thirty-six reels. Although the Sentinel management was unable to guarantee a future market, the new cable manufacturer did, by purchasing a building and equipment, commit himself to a rather large capital investment. Recognizing that there was a need to develop a broader market, he began to approach a number of other cable manufacturers and, as a result of this activity, developed his sales potential. As the demand for his product increased and his operation became larger, the reel manufacturer began to seek advice from individuals with business experience and expertise. Interestingly enough, the current manager of the Sentinel plant took the time to offer a great deal of advice and assistance. So, not only had the Sentinel plant provided the opening for a new manufacturing concern to begin operation, but as soon as one became operational the management took a personal interest in its future and provided that advice which would make it a profitable venture. Thus, insofar as its obligation to stimulate economic activity in the Crowsnest Pass was concerned, it can be suggested that the Sentinel plant fulfilled the expectations of the federal government.

In the case of the Sentinel plant management, it is important to note that the two senior managers felt a sense of personal obligation to the Crowsnest Pass area. This attitude was particularly reflected in the original manager's remarks concerning the Becker Drills' decision to relocate the Blairmore plant. He noted that the decision would do 'little to encourage the community to pick up its feet'. In addition, he observed that the relocation of the plant would not only exacerbate the unemployment problem in the 'Pass area, but would also place those individuals who provide essential service in a more difficult financial situation since certain of their services would no longer be required.

Of great interest was the personal attitude of the two managers toward other developments in the Crowsnest Pass area. The original manager explained to this writer that he felt that the rivalry between the 'Pass communities 'is bloody nonsense' and that 'it is high time that the provincial government took a firm grip on the situation'. Notably, the Company decided not to donate monies to specific town endeavours and to contribute only to those projects which could be considered of 'Pass-wide significance.

Considering the fact that the provincial government has supported, for many years, the notion of amalgamating the various 'Pass communities under one government, it is significant that the Sentinel plant management has probably done more to encourage the various communities to seriously consider this proposal than the government itself. This is an illustration of exactly how private enterprise can become influential in determining the character and direction of development in a particular area. Of course, it must be acknowledged that in the Sentinel plant case the management has not been unduly hampered by numerous political considerations. The management is, in a manner, taking the initiative while the government stands back, seemingly incapacitated by political constraints. As can be expected, this situation has not been without difficulties for the management. For example, the current manager convinced his head office to permit a substantial contribution to the swimming pool fund and now finds himself in the awkward position of not being able to report to his superiors the exact status of the pool proposal. As has been pointed out in a previous chapter, a great deal of the responsibility for the delay and confusion embracing the proposal can be attached to present provincial government policy which prevents, apparently, the government from directing, or assisting with, a project of a regional nature. Instead of attempting to facilitate matters in the Crowsnest Pass area and to co-ordinate the efforts of various interest groups, including the assistance offered by the companies located there, the provincial government remains distant. This attitude or position on the part of the provincial government certainly does not encourage further involvement or financial commitments from the companies which are interested in aiding a 'Pass-wide endeavour. It should be noted here that Phillips Cable is one among several industries which have contributed monies towards the construction of the swimming pool, and have, in the past, made contributions to other projects. At this point it is interesting to note, with reference to contributions from private companies, that the accountant for the Becker plant informed this writer that, during the years that the plant had operated in Blairmore, the Company had not 'sponsored anything as such'. However, the foreman explained that the Becker Drills operation had helped to 'pull the 'Pass area up from a depressed area to maybe a designated area'.

# Notes to Chapter IV

- 1) Hansard. Volume II, June, 1963. p. 1004.
- 2) <u>ibid</u>., p. 1004.

#### CHAPTER V

### CONCLUSION

## 1. Philosophy of 'Fairness'

The provincial government, wishing to comply with its own philosophy of what is 'fair', pursues a 'fair' policy for the distribution of provincial revenues and the provision of loans to municipalities. By basing its policy on the criteria of population size and equalized assessment, the government is able to maintain a 'fair' posture with regard to financial assistance to municipalities and concomitantly to protect itself from any public criticism that might prove to be politically discomforting. However, so long as government policy is based on the above criteria, competition among communities, such as the ones that are located in the Crowsnest Pass area, can be expected to continue.

The Municipal Financing Corporation, using a fifty dollar per capita guideline, makes loans to its shareholding municipalities in accord with recommendations handed down by the Local Authorities Board. Small communities in outlying areas, however, are sometimes not in a financially secure enough position to persuade the L.A.B. to make those recommendations that would permit the Municipal Financing Corporation to extend sufficiently large enough loans to finance expensive projects. Bellevue, for example, is deeply in debt and is thus unable to obtain loans of any sizable nature. Other communities, such as Blairmore and Coleman, which are not so badly

off financially, are in a better porrowing position. But, in order for these latter communities to be able to obtain a large loan, they must be able to amass a certain amount of security i.e. a community must have the 'likely' capacity of being able to repay a loan through its own ratepayers. For a community like Blairmore, a major expenditure associated with, for instance, the installation of a sewerage system is not an overwhelming financial burden. An increase in the mill rate, initiation of, or an increase in, a business tax, special assessments etc., would provide the necessary security for a large loan. Even so, the ratepayers are seldom prepared to endorse measures which will increase their tax burden. In addition, a community will often discover that by utilizing certain taxing powers given to it by provincial legislation it has placed itself in an unfavorable position in terms of attracting private investment.

When it perceives a possibility of rationalizing 'special assistance' for a particular project, the provincial government is prepared to do so if it views the project as a worthwhile undertaking. But it must be emphasized that the possibility of receiving 'special assistance' depends on the government being able to direct attention to the particular and special circumstances of a project. Those projects which might be viewed as being of a general nature in terms of the province receive very little apparent attention. The government, in other words, is careful to ensure that any special assistance given to a community does not commit the government to a precedent which might have wide application throughout the province. Since

individual communities, by and large, are only interested in their own advancement, it would appear that there would be little support for the notion that the provincial government should select particular communities for special assistance.

From year to year, therefore, the Crowsnest Pass communities rely mainly on municipal assistance from the provincial government and moderate loans from the Municipal Financing Corporation. It is for this reason that when an opportunity arises to acquire an amenity or service of 'Pass-wide significance, they will compete with one another. Because of the limited resources available to the Crowsnest Pass communities, these 'extras' are of particular importance and can actually be a determining factor in a community's growth and development. The state of affairs is such that although an additional service or amenity may attract private investment to a community, that community's resultant growth may cause hardship for its 'neighbors' and may even sound the deathknell for some of them. other words, development in one location of a particular area, instead of being beneficial to other locations in that area, may very well cause widespread economic degeneration. The loss of population to a community which is enjoying growth has grave implications for communities which receive loans and financial assistance on the basis of population and equalized assessment criteria. It can be interpreted that the competition among the Crowsnest Pass communities for the new composite high school was essentially based on such considerations. Research indicates that the location of a composite school may result not

only in the gradual drifting away of children from their home communities or areas, but also in the movement of entire families to the area in which the school is located. These phenomena can have a distinct impact on a community's growth and development. For those communities which possess, within their borders, a composite school, there is the possibility of greater economic development and population growth. For communities without such a facility, growth appears to be less likely.

Even if a community does not attract additional private investment as a result of having obtained an extra amenity, the amenity may very well cause concern for businessmen in neighboring communities. For example, in August, 1970, the Coleman hotel owner explained to this writer that the 'majority' of residents were opposed to the pool proposal because it was going to be located in Blairmore. He said, 'Blairmore won't let us have anything'. In addition, he pointed out that a swimming pool in Blairmore would attract business to that community and, as a result, businesses in Coleman would suffer. Presumably this councillor was very much concerned about the effect a swimming pool in Blairmore would have on his own hotel trade.

Thus it can be assumed that communities compete with one another for limited provincial aid and to secure what private investment they may have acquired. Since financial assistance has only been forthcoming from the provincial government on the basis of population size and equalized assessment criteria, except for that

aid which the government is able to rationalize under the auspices of a special project, the Crowsnest Pass communities have been dissuaded from being co-operative with one another.

### 2. Practice of Manipulation

Because of the voluntary character of the Crowsnest Pass Regional Recreation Board certain Crowsnest Pass communities were able to obstruct the progress of the pool proposal. Unlike the School Act, which is formulated in such a way as to prevent one community from overruling the wishes of other communities in a region, the Recreation Act provides each community with the right to decide, individually, its own financial commitment to a recreation project. The case study of the pool proposal provides a reasonably clear outline of the strategy developed by the councils of Bellevue and Coleman to dissuade the ratepayers in each community from supporting the pool proposal. It also provides an illustration of how certain individuals attempted to manipulate a local service, partially sponsored by the provincial government, i.e. the Recreation Board, and government departments and legislation.

Conversations with individuals associated with the Local Authorities Board and the Department of Municipal Affairs provided evidence to support the proposition that, for the most part, government departments rely on local authorities to make their own decisions and, having made them, to proceed in accord with government legislation. Under normal circumstances, i.e. one local authority deciding to embark

on a particular project, this posture concerning local decisionmaking seldom invites problems. However, the analysis of the swimming pool proposal suggests that developments at the regional level, involving more than one local authority in a recreation project, cannot be dealt with effectively under present government legislation and administration. The solicitor and Director of Field Service were clearly uninformed about the situation which had developed in the Crowsnest Pass and the decisions that had been concluded by the community councils. The fact that the solicitor had failed, initially, to recognize the inconsistency between the first two joint agreements may very well have been a result of this lack of knowledge. Both the solicitor and Director of Field Service, however, assumed that the local authorities would 'do what is proper'. The solicitor explained that 'they can read the act as well as anybody else' and ' 'they should have their own solicitor guiding them, I am not prepared to tell them what to do'. With regard to the role of the Director of Field Service, the solicitor observed that 'I don't think it is the Director's duty to point out functions of town councils'. The Director admitted that perhaps he should have offered more advice however. don't propose to tell town councils how to operate. I don't have the knowledge and it is out of my province.'

Insofar as the activities of the Recreation Board were concerned, it must be observed that the limited resources of this organization prevented it from retaining the services of a solicitor. From

the beginning the Recreation Director depended on assistance from various government departments, including the Local Authorities Board and the Attorney Generals Department, for advice concerning the formulation of joint agreements etc. It would probably be correct to assume that the Director sought advice from these various departments because he realized that these very departments, in the final analysis, would decide whether or not the agreements were satisfactory in form and content. The departments, on the other hand, came to rely on information and advice from the consulting engineers concerning the progress of the pool proposal. Thus the engineer, originally employed by the Recreation Board, took on a dual capacity i.e. to offer assistance to the Recreation Board and to provide information to various government departments. The evidence reveals, however, that the engineers found it difficult to keep up with events in the Crowsnest Pass. The vagarious activities of the local authorities involved confounded the situation to such an extent that the engineer's role as advisor and intermediary became somewhat undermined. Unquestionably the engineer found it extremely difficult to assist the various local authorities to agree to a course of action which would not only integrate their separate interests, but would also meet the regulations as laid down in government legislation. And, since the engineer was not always, probably never, in a position of having all the facts at hand, the overall situation became further confused in the minds of certain civil servants. As a result, those associated with the Department of Municipal Affairs and the Local Authorities Board found it extremely difficult to organize and co-ordinate their efforts.

For example, at one point, a representative of the Local Authorities Board requested copies of the two joint agreements and suggested to the consulting engineer that if signed copies were not available, blank ones would do. However, shortly after the blank ones were provided, the solicitor indicated that he required the signed agreements. Meanwhile, in the Department of Municipal Affairs a new employee was attempting to trace the location of the two signed agreements through the Blairmore secretary-treasurer and apparently did not realize that his colleagues in the Local Authorities Board were making similar attempts through the consulting engineer. was this type of uncomordinated activity that encouraged the Recreation Director, on several occasions, to communicate directly with ministers and deputy ministers concerning problems that were proving to be too difficult to resolve through normal channels. So, in addition to the complex lines of communications, which have already been discussed, there was also communication between the director and the aforementioned individuals.

It can be interpreted that it was the voluntary character of the Regional Recreation Board that caused the swimming pool to become immersed in a maze of administrative and legal entanglements. The Board, because of the legislation pertaining to it, was normatively obliged to open up the whole process to the intrigues and manipulations of the various interest groups concerned. The difficulty then of bringing a regional recreation project to fruition involves not only the fact that the interests of various local authorities are not easily co-ordinated, but also that the Recreation Act permits each local

authority to manipulate government, services. Thus, the fundamental strategy of the competition between communities is expressed in the manipulation of government services. And as long as it appears that one community's development will cause hardship for its neighbors, it can be expected that the 'neighbors' will make every effort to manipulate government services to prevent that community from acquiring those 'extras' which might enhance its future development and growth. The result of this manipulation is an extreme waste of time and money which creates hardship for all concerned and may prevent even one location in a particular area from developing. In the long run, although the various communities presumably 'stay alive', general growth and development may remain 'static' or go into a process of slow degeneration.

## 3. Philosophy of Local Autonomy

The case study concerning the formation of the school division and the site selection issue illustrates the importance that local authorities attach to their autonomy and the provincial government's response to that attachment.

By and large, it would appear that the people of Alberta give support to the principle of local autonomy and view a strong provincial government as a threat to that autonomy. It also appears that many local authorities, reflecting the general attitude of the citizenry, accept that a government which emphasizes the importance of local autonomy and is reluctant to co-ordinate its services and to use its

legal authority, enhances the autonomous positions of local authorities. The principle of local autonomy, therefore, appears to depend to a great extent on the premise that local authorities, such as community councils, have the right, extended to them by provincial legislation, to co-ordinate and to utilize those services made available by the provincial government. The assumption inherent in this view of local authority is that: one, local authorities are aware of the provincial government services available to them; two, provincial government services can be co-ordinated; three, local authorities are in a position to co-ordinate and to utilize provincial government services.

Since the community councils and other local authorities of the Crowsnest Pass area value their autonomous positions, it stands to reason that the provincial government would take great pains to avoid appearing to be unnecessarily interfering in their affairs. The provincial government, therefore, meets its normative obligation to these and local authorities throughout the province by governing in such a way as to make it appear that it is prepared to accept the sacrosanctity of local autonomy. On the other hand, the government, in addition, has the normative obligation to administer the province in such a way as to provide for its social, cultural and economic viability vis a vis the rest of the Dominion. From time to time these dual obligations conflict and, as a result, the provincial government finds it efficacious to indirectly intervene in the affairs of local authorities through the control given to it by government.

legislation and by the power it has over the resources of the province. As a consequence, the provincial government can be seen, on occasion, to be in the rather contradictory position of having to argue, on the one hand, support for local autonomy and, on the other, to administer certain of the provinces affairs in such a way as to circumscribe that autonomy. In the case of the formation of the Crowsnest Pass School Division, it was clear to the government, as early as 1956, that there was a need to consolidate the school districts and to build a composite high school. For pragmatic reasons, it is suggested here, the Minister chose not to use the authority given to him by law and, instead, decided to wait until the school facilities in Coleman had degenerated to such a point that the local school board would 'choose' to join a school division. Although the provincial government achieved the goal it desired, its control over the situation depended largely on the gradual degeneration of a community's circumstances. It was not until the school facilities had reached a certain state of deterioration that the Department of Education was able to produce the 'incentive' that would encourage the Coleman school board to 'decide' to cooperate with the notion of forming a division in the Crowsnest Pass. It can be argued that this process of indirect control is not only totally unsound from a development viewpoint, but also leads to an excessive wastage of public resources; it does, however, permit the provincial government to have a certain degree of political flexibility.

In the case of the new school board, the right to select a site for the new school was retained; however, the nature of the government policy which provided this privilege also left the school board open to the intrigues and manipulations of various interest groups and local authorities. Although the school board could be viewed as a local authority, the elevated regional responsibility and therefore status given to it by provincial government policy caused other local authorities to attempt to manipulate it in much the same way as they would attempt to manipulate a senior government agency, under similar circumstances.

While it can be argued that had there been co-ordination among the various interest groups and organizations involved with the site decision, the position of the school board would have been an easier one, the evidence suggests that other local authorities would have viewed this as an encroachment on their autonomy. is argued, it must be reiterated, that for the provincial government to attempt to resolve certain local problems is direct interference with, and places in jeopardy, the autonomy of local authorities. As a result, the school board found itself having to fulfill the provincial government's normative obligation vis à vis local autonomy i.e. it was in the position of having to accommodate the desires expressed by the local authorities. For example, while the school board was primarily concerned with the attributes of the first three sites it had selected for analysis, it found it necessary to consider all the sites submitted to it in order to appease the feelings of the various communities, even those which were submitted late.

However it is clear that the school board was prepared, if the site decision became impossible, to hand the responsibility over to the minister. But, as has been pointed out, the minister showed no willingness to offer his services voluntarily and certain representatives of the Department of Education insisted that the school board should make the decision.

The analysis of the site selection issue provides support for the contention that civil servants are in a position, from time to time, to inhibit or to encourage local endeavors. This is not to suggest that these individuals perform their jobs in a capricious manner, or that their judgments on particular matters lack foresight or thought. The evidence suggests, rather, that civil servants base their judgments on, and fulfill their responsibilities in terms of identifiable criteria of what is 'fair'. Civil servants, by and large, are aware of the fact that most communities throughout the province will make every effort to 'milk' as much as they can from the provincial government coffers. As a result, these individuals find it necessary to be discriminatory in the allocation of those resources for which they are responsible. Research indicates that the criteria which guide the civil servant is a product of both experience and government policy. The latter is probably the more important of the two. The experienced civil servant makes decisions within the overall policy created by the governing party. Since present policy promotes, perhaps inadvertently, continued

competition among communities, the civil servant must do his best to ensure that one local authority does not gain 'unfair' advantage over another local authority. For the civil servant to do otherwise would probably make it impossible for him to do his job and would probably, in the long run, create problems for the party in power. At the same time, however, the civil servant has, in his view, certain fiduciary responsibilities. For example, the Planning Commission representative felt that it was his responsibility to ensure that the site selection for the new composite high school would be in accord with recommendations that were to be forthcoming from a proposed subregional study. Certain Department of Education representatives, however, felt it their responsibility to pressure the school board to make a decision as quickly as possible. Insofar as civil servants are concerned, therefore, the fiduciary nature of their activities and decisions vary from department to department and even within departments, and is expressed in the lack of co-ordination that reinforces and encourages the competitive state of affairs produced by government policy. The lack of co-ordination of government services permitted and prompted a variety of interest groups and local authorities to attempt to manipulate the school board on the school site question. The difficulty then of bringing a regional project to fruition involves not only the fact that generally speaking government services, by their very nature, are not easily co-ordinated, but also that this situation permits local authorities

to manipulate government services.

Although, as indicated earlier, the provincial government propounds a philosophy which emphasizes the importance of 'permitting' communities under certain conditions to maintain autonomy, it may very well be asked whether present provincial government legislation and policy either allows for or encourages such autonomy. The provincial government's concept of local autonomy is based on the implicit assumption that communities are in a position of being able to 'help' themselves' i.e. in a position to utilize or to co-ordinate government services. As has been pointed out the evidence indicates that many communities, including those in the Crowsnest Pass area, lack the necessary resources to 'help themselves'. Even a casual analysis suggests that the so-called autonomous communities of the 'Pass area confront problems which they are unable to overcome; for example, it would be erroneous to assume that the Village of Bellevue is in a position to make full use of provincial government services and assistance. An appreciation of the services rendered by the Municipal Financing Corporation will not assist a community such as Bellevue, whose ability to borrow funds has almost been curtailed because of its financial position. For one reason or another, the other Crowsnest Pass communities are similarly unable or reluctant to act. it can be argued that although the provincial government administers the province in such a way as to make it appear that local authorities are in a position to utilize or to co-ordinate government services, provincial government practice neither allows for nor encourages such

Pass. It should be noted that the problems which face local authorities cannot necessarily be resolved through the co-ordination of provincial government services, for it is the inherent criteria i.e. population and equalized assessment, of the legislation pertaining to these services that often creates the problems in the first place. It is these criteria which cause local authorities to be reluctant to endorse a suggestion which would effectively preclude the possibility of their manipulating the services that are available to them. Local autonomy as it is viewed by local authorities, therefore, can be defined as the right of a local authority to manipulate provincial government services rather than, as is assumed to be the case, by the provincial government, to co-ordinate those services.

The evidence suggests that the provincial government is able to rationalize its lack of timely commitment to communities in the Crowsnest Pass by working on the average community's infatuation with local autonomy and suggesting that further activity would result in an encroachment on such autonomy. It must be remembered that government assistance, or the co-ordination of services at the provincial government level, suggest to many local authorities the prospect of government interference and concomitantly a diminution of local autonomy. The average community, facing financial difficulties etc., does not usually desire to encourage the type of provincial government involvement that might lead

to further complications and lack of autonomy. The government, on the other hand, appears to utilize the 'myth' that local autonomy exists to make its lack of activity 'publicly acceptable'. In other words, the government expresses sentiment for a decision-making arrangement which local authorities value and do not view as being without substance or impractical. From the point of view of local authorities the provincial government's policy regarding local autonomy does permit the manipulation of government services. For the provincial government the perpetuation of the myth does permit it to attempt to control and restrict the activities of local authorities and at the same time absolve itself of any responsibility for the difficulties that local authorities, such as the Crowsnest Pass community councils, have confronted and continue to confront.

Although the provincial government finds it necessary to avoid appearing to be interfering in the affairs of local authorities, it cannot afford to appear to be disinterested in the problems that occur at the local level. At the same time, for political reasons, the government must avoid taking the responsibility for the existence of such problems. As a consequence, the provincial government has opted for the policy of 'helping communities to help themselves'. While this policy has, because of the criteria pertaining to or inherent in government legislation, proved to be of little aid to the local authorities of the Crowsnest Pass area and elsewhere, it has acted to mitigate certain criticism of the senior government.

Since the government must indicate some interest in, and concern for communities facing difficulties, it has introduced various assistance programs based on advisory facilities and the philosophy of 'self-help'. Communities, many of which have experienced difficulties with regard to government legislation and policy, support, by and large, the government's philosophy in this area and the criteria used to distribute public resources. The reason for this support is their apparent ambivalence over the risk of losing independence of action on receipt of provincial assistance and their fear that a change in the 'rules' that regulate relations between local and provincial authorities might benefit other local authorities much more than themselves.

Although many communities, including those located in the Crowsnest Pass area, may not be in a position to reap much benefit from 'self-help' programs, even though those in charge will attempt to impress them otherwise, the programs do not interfere with their local autonomy. It might also be suggested that these programs primarily function to offer credibility for a 'myth' concerning local autonomy which the provincial government perpetuates to its own political advantage. The evidence would suggest that 'self-help' programs are, generally speaking and under certain conditions, ineffective and that the reasons for the government's persistence in continuing them in their present form are largely political and philosophical in nature.

Provincial government policy with regard to 'self-help' programs gives added impetus to, and further justification for, the competition that presently exists among the Crowsnest Pass communities, i.e. the policy of 'self-help' does not alleviate the conditions that bring about competition. The suggestion here is that the provincial government implies that through its 'self-help' programs communities can, if they are willing and enthusiastic, place themselves in a more favourable position with regard to development. Such development, it is assumed, would assist to alleviate unemployment and also improve the tax base of a community. It can also be suggested that extensive development may cause an appreciable growth in population which would concomitantly permit the provincial government to allocate a larger share of public resources to a community. However, since many of the problems that confront small urban and rural communities are engendered by government policy, it is perhaps not surprising that 'self-help' programs have not been an effective instrument for generating economic improvement in the Crowsnest Pass area. In the case of certain cities in Alberta, such as Calgary, Edmonton, Red Deer, Lethbridge, and Medicine Hat, growth and development have been pronounced because of inherent, advantageous economic conditions. Since provincial grants are distributed according to a per capita formula, steadily increasing populations enable these larger centres to more readily plan and construct those public services and amenities which in turn stimulate the symbiotic relation of private investment to public investment. Under these conditions 'self-help' programs have been a clear advantage.

## 4. Symbiotic Relation of Private Investment to Public Investment

Local authorities, interested in economic growth, often find it expedient to devise stimulants to provoke the interest of private investors. As well as taking appropriate measures to accommodate industry, such as providing cheap land and buildings, there is evidence to suggest that many communities have organizations which attempt to promote interest in their areas. One such organization functions in the Crowsnest Pass area; however, during the last few years, because of insufficient resources in the area relative to qualified personnel and capital, it has become quite ineffective, and attempts to rejuvenate it have met with little success. Despite this, the various communities do endeavour to offer, when an industrial concern displays an interest, certain inducements. example, the Village of Bellevue provided one particular industry with land and a building at a very low price. Similarly, Blairmore made every effort to accommodate the Becker Drill's operation. In addition to stimulants of this kind the communities have found it sensible not to utilize, to any great extent, that municipal legislation which permits them to introduce business taxes and special assessments. Although this posture concerning taxes and assessments may be a sensible one from the point of view of attracting private investment, communities can lose, through such arrangements, much of the value of having an industrial concern located within their borders. In fact, a community may find itself in a more difficult financial position after having enticed an industry to locate. Industrial development brings with it the need to expand certain public

services and the accumulative financial burden which thus ensues, in many cases, falls on the shoulders of the local taxpayer via the mill rate. But the taxpayer in the small community views, because the mill rate is usually already quite high, mill rate increases with a great deal of disfavour. Significantly, it is usually the taxpayer's unwillingness to accept tax increases that hinders a community from providing these services which will attract industry in the first place. However, even if a community does manage to attract an industry, problems can develop. The community may be unable to raise the mill rate sufficiently to cover the cost of additional services, as ratepayers may disallow the expenditure. The community is thus left in an ambivalent position: on the one hand, if it attempts to tax the industry up to a point where it is sharing the cost of the expansion of services, the industry will threaten to relocate; if, on the other hand, the community is unable to provide services, because the taxpayers are not prepared to support an increase in the mill rate, the industry will again threaten to relocate. With regard to the Becker Drills housing problem, the Blairmore town council made every attempt to work with the Becker management to remedy the housing shortage, but without success. While the federal government's normative rules were limited to 'tax holidays', the pragmatic implication of the incentive program, in the Becker case, was the inability of the local authority to meet the social and residential needs of the work force. Since the Town of Blairmore had, within its own limited financial capacity, provided additional facilities and

amenities, the decision to relocate the plant was viewed with justified concern. Not only did the decision mean that there would be no substantial return to the taxpayer for having accommodated this industry, but also that related 'service' industries would be adversely affected and that the unemployment problem would be further exacerbated. Thus it would appear that certain industrial developments, though certainly additions to Alberta's general industrial growth may aggravate rather than alleviate certain economic problems confronting small communities. Failure to appreciate a wide variety of considerations, separate from those pertinent to a company's economic viability, may, instead of facilitating the development of a particular area toward increased affluence and prosperity, do quite the reverse.

The point being presented here is that the potential value of a particular development for the taxpayer in the small community may very well be dissipated through an excessive disregard or unawareness of the fact that a local authority must be in a secure enough position financially to provide a suitable environment for the proposed development. Insofar as Becker Drills was concerned, however, it cannot be assumed that this company was really interested in dealing with the housing shortage. Interestingly enough, this shortage had not existed to any great extent when the Becker plant first started operation and was, in part, contributed to by the plant's own expansion and the return to full operation of Coleman Colleries.

It can be interpreted that, in fact, the company management was more interested in maintaining a 'corporate image' by developing a sound 'industrial rationale' which would make its decision to relocate the plant 'publicly acceptable'.

While it may be imperative for small communities to provide certain services and amenities in order to attract private investment, such provisions are costly. As has been pointed out, a community which endeavours to strengthen its financial base, by utilizing certain provincial government legislation, may find that it has placed itself in an unfavourable position in terms of future development and expansion. Of perhaps equal importance is the assumption held by the provincial government that communities, by and large, have the resources and qualified personnel available whereby they are able to contemplate the use of, or make representation for, available additional financing. There is, too, the assumption that communities, or the representatives of communities, are cognizant of the various services provided by provincial government departments and agencies. As for the latter point, it should be noted that there is evidence to suggest that even if a community has a clear understanding of the government services available, it is not always in a financial position to pursue or to utilize such services; financial pressures and lack of resources of one kind or another have undoubtedly precluded many communities from enjoying the services proffered by the Municipal Financing Corporation and other provincial government agencies.

The provincial government, despite the above, believes that it must function 'to help communities help themselves' and 'not to take over and try to run things'. Now, from the foregoing it would appear that the provincial government is pursuing a policy which will have the effect of making it possible for communities to deal with those impediments which inhibit growth and development, while at the same time allowing the communities to retain their autonomy. Generally speaking, most government departments and agencies accept the philosophy that communities should be permitted to retain their autonomy and thus conduct their affairs in accord with the wishes of the citizenry. This acceptance holds the implicit assumption that communities are in a position of being able 'to help themselves' i.e. in the position to co-ordinate or to utilize government services. This study indicates that the Crowsnest Pass communities lack the necessary resources 'to help themselves'. The communities have initiated what amount to local incentive schemes and organized a businessman's association in an effort to ensure that their potentialities have an opportunity to be exploited. Although in certain cases these steps have produced favourable results, by and large community action of this kind has failed. The reason for such failure is usually a lack of certain resources rather than an absence of interest and enthusiasm on the part of the communities involved.

As pointed out earlier, the provincial government propounds a policy which emphasizes the importance of allowing communities, under

normal conditions, to remain autonomous. This policy is based on the assumption that communities are in the position, if they so choose, to utilize government services to promote general growth and development. However an analysis of the Crowsnest Pass situation suggests that communities confront problems which they are unable to surmount. In addition, it would appear that present provincial government legislation regarding loan arrangements etc. does little to alleviate the situation. As a consequence, it is seldom that the Crowsnest Pass communities see fit, once they are forced by necessity to embark upon a project such as a sewerage system, to ensure that the new facility will accommodate future growth and expansion. Concerned about keeping the mill rate down and other assessments at a minimum, these communities are not usually prepared to view the expansion or development of services with a great deal of foresight.

On the surface, it would appear that community improvements of one kind or another will enhance the possibility of attracting private investment. However, concurrently such improvement is not necessarily a precondition for economic growth. No matter what a small community offers in the way of services and amenities, it is not going to have the same kind of overall environment that can be found in a larger centre. For this reason, private enterprise may find it difficult, as has been illustrated in the Sentinel plant case, to lure qualified people away from the larger centres. Conversations with the new manager of the Sentinel plant provided insight

into the problem of attracting qualified management personnel to the outlying areas of the province. The evidence suggests that 'community improvements', while enhancing the chances of attracting private investment and increasing economic activity, will not necessarily make it easier to attract management personnel. For this reason, therefore, it can be argued that even after considerable public investment, the small, outlying community will have to be accepted on its own merits; the individual will have to make the decision about the relative advantages and disadvantages of living in a smaller community as compared with living in a larger centre. It can be expected that a professional man will opt for the larger centre if, in his view, the smaller community lacks services and amenities of an acceptable standard. What is of interest is the fact that certain individuals, having been persuaded to live in an outlying community for a certain period of time and while finding it difficult to adapt and rather disquieting at first, end up thoroughly adjusted and not wishing to return to a larger centre. The case in point here is the current manager of the Sentinel plant. This individual observed that in his case, and he presumes that others have had a similar experience, he became a Crowsnest Pass 'citizen' and did not attempt to force his own values and outlook on the area. He also observed that the nature of the problems that may exist in an outlying area may be such that the average qualified person might not be able to deal with them effectively. Essentially, he was suggesting that the

'human factor' must be taken into consideration if certain problems in outlying areas are to be resolved, and the approach of an individual who has acquired most of his experience in the city environment may prove to be, under other circumstances, too remote and distant. It should be noted again that the two senior managers were able to develop a competent managerial staff by using the human potential that existed in the Crowsnest Pass area; in fact, they were so successful that only one 'outsider' remains with the plant and the original manager has returned to the city where he feels that the situation is better for his quickly maturing family.

Many communities located in the outlying areas of Alberta, including those in the Crowsnest Pass, have invested public monies in services of one kind or another, and can, as a result, be viewed as reasonable places in which to live. However the communities in the 'Pass area have not attracted significant private investment. At the same time it must be observed that certain other communities and areas, which have not expended sums of money to improve their potential for private investment, have grown and developed because of other considerations such as currently required natural resources. In the latter cases it would appear that private enterprise manages to overcome such problems as qualified management and skilled labour shortages. And even in the case of the Sentinel plant, which does not depend on natural resources, the same problems, after some initial difficulty, were effectively dealt with. The point to be made here

is that private enterprise can, if there is a need to, surmount certain problems which are commonly associated with outlying areas and are often identified as the reasons for the lack of private investment in such areas.

The provincial government maintains the position that economic development and growth must come as a result of local initiative. At the same time, the provincial government also maintains, as a provincial responsibility, the right to attract private investment to the province. The location of this private investment must take place within the confines of one or other local authority. Communities show various degrees of enthusiasm for having industry locate within their jurisdiction and also a variety of levels of public services and amenities to meet industry's needs. A provincial policy of 'helping communities to help themselves' through 'self-help' programs has, at first glance, much to commend it in the eyes of small communities struggling to encourage industrial growth under difficult conditions. However, an appraisal of conditions in the Crowsnest Pass would suggest that such a policy will do little for the communities in that area unless the provincial government is clearly involved and committed to assistance that exceeds finance only. Just what such a commitment would entail would require an analysis of each locality and is beyond the scope of this thesis. However from the evidence provided by this study alone it would appear that timely provincial government support for the consolidation of school facilities might have facilitated

'Pass sorely needed in order to accommodate new industry such as Becker Drills. Similarily, procrastination over the swimming pool was unnecessary and provincial government guidance to resolve this problem could not only have had an influence on the attitude of future private investors, but also have accommodated the charitable efforts of the industries already located there.

It would appear that, although the federal government does have certain expectations of the private enterprise sector with regard to incentive programs, the obligation of the private enterprise sector to designated areas may go largely unfulfilled because of conditions at the provincial and local government levels. These conditions are perhaps best expressed by the Becker Drills' decision to relocate its plant and the difficulties that the present manager of the Sentinel plant has experienced with regard to his company's financial contribution to the construction of a regional swimming pool.

The irony of the situation is, however, that despite the efforts of local authorities and despite the efforts of the provincial government to co-ordinate services, there remains no guarantee that private investment will occur. The conditions which regulate the location of private enterprise prevail without regard for the efforts of public authorities.

In conclusion, by and large F.G. Bailey's theory of 'rules' has provided a useful framework for analyzing the discreet political events that have been described in the preceding chapters. Insofar as the actual competition among the communities was concerned the competitors, both individually and collectively, attempted to justify their positions publicly. To the extent that their activities, and their publicly stated reasons for such activities, did not totally disrupt the 'cultural idiom' of the Crowsnest Pass area, it may be said that the competitors kept within the 'rules' that regulate political competition in that area. The techniques used to accomplish particular goals varied from the manipulation of provincial government services and legislation to the use of such moral arguments as a commitment to pensioners.

While the communities of the Crowsnest Pass area have autonomy over particular matters, they are 'encapsulated' by the policies of the two senior governments. Since the British North America Act gives the provincial government jurisdiction over municipal authorities, it may be suggested that this government has considerably more control over local affairs than the federal government. The role of the federal government in local matters is always questionable. The policy applied by the provincial government to local authorities has been to respect local autonomy. Generally speaking, the provincial government, for political and philosophical reasons, has chosen not to intervene too readily in the affairs of local authorities and to administer the province according to 'rules' which prescribe what is 'fair'. It has been argued that the government's present 'fair' criteria for distrib-

uting the province's revenues form, in large part, the reason for the competition that exists among the Crowsnest Pass communities. dition, the province's unwillingness to intervene in the affairs of local authorities has resulted in a lack of timely commitment when it has come to the co-ordination of provincial and federal schemes with local developments. The 'Income Tax Concession and Depreciation Scheme' of 1963 was a federal measure to assist local, depressed areas to attract private investment. One of the reasons given by Becker Drills for relocating its plant was the shortage of skilled labour in the Crowsnest Pass. That this difficulty actually led to the Becker Drill's decision, it becomes apparent that had the provincial government obliged the Coleman school board to co-operate with forming a division in 1956 the administrative machinery would have been present for the provincial government to seek participation with the federal technical scheme in order to raise the technical standards of the people of the Crowsnest Pass. As events turned out, the program was considered at a point when the federal scheme was coming to an end. Coleman position, which was maintained until well after 1963 and taken with the view to protect the Town's economic interests, can be seen to have had 'unintended consequences' with regard to overall economic development in the long term. Provincial government intervention, however, might have improved the possibility that the federal incentive program could have been more fully enjoyed by the 'Pass area. It can be interpreted that the lack of co-ordination between provincial and federal authorities negates the value of certain federal and provincial programs. Certainly, this lack did nothing to improve the positions of

the individual communities with regard to economic growth. Such growth depended not only on the formation of a division and the building of a high school, but also on the co-ordination of these activities with the assistance being given, and work being done, in other areas of concern by various federal and provincial government departments and agencies.

As has been observed, civil servants do attempt to meet certain fiduciary responsibilities by offering advice to local authorities. However, the conflict of individual responsibilities among civil servants often has an 'encapsulating' effect for local authorities and results in 'unintended consequences' for them. In addition the conflict permits local authorities to manipulate government services to their own advantage. While the civil servants are aware that such manipulation is taking place, government policy places them in an impotent position. It is important to note that, while the communities competed for the high school for reasons that were largely economic in nature, the Planning Commission's work was directed toward the goal of providing a plan that would, if followed, permit the communities to be in a better position to attract private investment. The insistence, on the part of certain Department of Education representatives, that a site should be chosen as quickly as possible resulted in the school board's decision to choose a site without waiting for the Planning Commission's recommendation. The decision to locate the school at the East Coleman site undermined, to a significant extent, the Commission's efforts to offer a plan which would facilitate economic development in the 'Pass area. So, although certain individuals managed to accomplish their immediate goals, their activities had 'unintended consequences'

for the future economic development, of the 'Pass communities.

The manipulation and intrigue which became associated with the regional swimming pool was an excellent example of what occurs as a consequence of the 'encapsulating' policies of the provincial government. Each community viewed the swimming pool as it related to its own potential to attract private investment, and to secure the private investment that they had already acquired, and consequently they each competed vigorously for it. It is probably sufficient to say that the consequences of the Coleman ratepayer's vote were 'intended' by three Coleman councillors.

The relationship of private enterprise to government and, concomitantly, the relationship of private investment to the area in which it occurs, required an elaboration of Bailey's theoretical framework. The development of the two case studies illustrated that, since there is no legal requirement or 'set of rules' which dictate that private enterprise should fulfill or accommodate the expectations of government, the nature of the relationship between a company and a local authority depends almost entirely upon a company's willingness to accept that it has an obligation to the area in which it locates. In the case of the Becker plant management, this obligation went largely unfulfilled, and perhaps primarily for the reason that the local authority was unable to make those commitments which would accommodate the operation. The Sentinel plant management, on the other hand, decided to adapt to conditions extant in the Crowsnest Pass and, as a result, met its obligation to the area.

Except for the need to propose the elaboration mentioned above, F.G. Bailey's theoretical framework, in the view of this writer, provided a more than satisfactory means of analyzing and describing the political events cited in this thesis.

## Notes to Chapter V

1) Insight. Alberta Social Credit League; November, 1970. pp. 5-7.

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