

In Alberta's quest for a fair deal, the province shouldn't look to Quebec for solutions

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When Quebec Premier François Legault [proposed](#) earlier this month changing the Constitution to recognize Quebec as a nation with French as its only official language, Alberta Premier Jason Kenney [supported](#) the move. At the same time, he announced his intention to copy Quebec when it comes to defending Alberta's own interests. This wasn't much of a surprise. Mr. Kenney has frequently invoked Quebec as a model for how he plans to push for more provincial autonomy as part of his quest to get his province a "fair deal" in Confederation.

But despite the superficial appeal, the two provinces have much different grievances with Confederation, and an attempt to use Quebec's tools to fix Alberta's problems will likely do little to resolve the underlying issues, while in some cases possibly even making things worse.

Western alienation and talk of Alberta separatism spiked in October, 2019, after a federal election that saw the Liberals retain power despite losing the overall popular vote to the Conservatives. The catalyst for renewed anger in the province was, to a large extent, the Liberal plan to impose a national price on carbon, which has been interpreted within Alberta as yet another attack on the energy sector by a hostile federal government. In response, Mr. Kenney struck [a "Fair Deal" panel](#), whose members would tour the province to listen to grievances and make recommendations.

The panel [reported back](#) with 25 suggestions, including replacing the RCMP with an Alberta police force and withdrawing from the Canada Pension Plan to create an Alberta-only version. In addition, the panel advised Mr. Kenney to push ahead with a planned provincial referendum on removing equalization from the Constitution. As [Mr. Kenney put it](#) when he welcomed the task force's recommendations: "I've always said it's about time we started to take a page out of Quebec's playbook, in the way that they have managed to get so much focus on their agenda within the federation."

At first blush, "doing a Quebec" seems like an obvious solution to Alberta's woes. After all, there are principled reasons to oppose asymmetric federalism, and one way of putting that into practice is to demand for the other provinces the same stuff Quebec gets.

But there are serious flaws in this approach, because Quebec and Alberta have fundamentally different issues within Canada. As a result, many of the policies suggested by the Fair Deal panel are liable to be ineffective, if not counterproductive – harming both Alberta and Canada, while doing nothing to alleviate the underlying problems. Ultimately, they may be intractable to the extent that Alberta's and Quebec's grievances work at cross-purposes: Alberta's problems with Canada are exacerbated by attempts to mitigate Quebec's unhappiness, while any attempt at making Alberta happy will be met with resistance from Quebec and, most likely, Ottawa.

Quebec's unhappiness within Canada stems from nationalism, which sees the predominantly French-speaking Québécois as forming a distinct nation. For Quebec nationalists, Canada's federal state is a straitjacket that constrains Quebec's capacity for self-determination at the practical level, while denigrating its status as a nation at the symbolic level. For more than half a century, the federalist response to Quebec nationalism has been accommodation and devolution, allowing the province to create various "majority minority" institutions within the broader federal structure and using cash transfers to replace federal programs and initiatives.

In contrast, the grievances many Albertans have with Canada stem not from nationalism but from alienation. By any accepted definition, Albertans do not form a nation within Canada. Rather, Alberta's complaint is that Canada is a racket.

In this view, Confederation is essentially a scheme run by, and for the benefit of, central Canadian elites in the Toronto-Ottawa-Montreal triangle. Canada is an empire run out of this triangle, which sees the Western provinces, Alberta in particular, exploited for their resources, with the profits flowing back to the centre. The central Canadian (or "Laurentian") elites then use these profits to keep the Atlantic provinces as client states, buy off Quebec separatists and feather their own beds.

The perception of economic exploitation is compounded by two other factors – one political, the other cultural. On the political side, there are a number of structural imbalances in Canada's federal institutions that disadvantage Alberta. For example, while a number of provinces are underrepresented in the House of Commons relative to population (including B.C. and Ontario), Alberta is the most underrepresented, with the highest average number of residents per riding. This problem is even more egregious in the Senate and, to some extent, the Supreme Court.

Then there is the cultural factor, which is that many Albertans feel central Canadian elites (including a string of Liberal prime ministers) routinely denigrate them and treat them like redneck rubes who aren't "real" Canadians. So from the perspective of Albertans, Canada is a racket that exploits Albertans economically, disenfranchises them politically and denigrates them culturally. The result is significant levels of alienation.

That means that while many Albertans and Quebeckers agree the federal government is the problem, they agree on little else. This sharp dispute over the nature of the fundamental problem with Canada explains why the options for a fair deal for Alberta won't address its underlying issues.

It is worth remembering that a lot of the elements of Mr. Kenney's Fair Deal agenda have their roots in the Alberta Agenda (a.k.a. the "firewall") [letter](#) that a number of prominent Alberta conservatives, including Stephen Harper, wrote in early 2001. The open letter asked then-Alberta premier Ralph Klein to protect Alberta from what it frankly described as a hostile federal government in Ottawa. The proposals included establishing a provincial police force to replace the RCMP, withdrawing from the CPP and the Canada Health Act, and establishing a

separate revenue agency for collecting provincial income tax. As the letter writers noted, most of these were things already done by Quebec.

The firewall agenda went nowhere, thanks to the combination of Mr. Klein's indifference and Mr. Harper's election as prime minister a few years later. But many of its proposals are finding new life today.

Here's the problem. Quebec has its own institutions – including a pension plan, revenue agency and police force – not because it is being exploited by Ottawa, but because it is laying the foundations for independence or something close to it. In some cases, such as with Revenu Québec or its network of foreign offices, Quebeckers are paying for services they could get more cheaply or for free as part of the federal apparatus. There's little reason for Quebec to duplicate many of these federal agencies except insofar as it hopes to one day be a separate country; the desire for independence (or at least substantial provincial autonomy) comes at the price of a certain amount of inefficiency.

But things look very different in Alberta. Remember, that province's grievance with Canada is not that it's a straitjacket but a racket. But the elements of the Fair Deal agenda that are getting the most attention target aspects of Canadian federalism that are manifestly *not* a racket. The CPP isn't a racket – it's a mechanism for pooled risk and collective indemnification, and it's about as straightforward an insurance scheme as you'll find. The Canada Revenue Agency administering Alberta's individual taxes on behalf of the province isn't a racket; it's a highly efficient way of gaining benefits from federalism. And although there's nothing inherently objectionable about a provincial police force (Ontario has one too), the RCMP have a long cultural history in the West, while Quebeckers have good reason to resist being policed by an organization that began as a British army cavalry division.

Finally, while equalization is not the great Canadian unifier its proponents would like to think it is, and while there are continuing tussles over the rates and formula, equalization is not obviously a racket. Quebec does happen to be by far the single largest beneficiary of the program in absolute dollars, but on a per capita basis, the payments to Quebec are the lowest of the provinces receiving equalization.

As appealing as Quebec-style moves toward increased autonomy might seem, they are solutions to a different problem than the ones perceived by Albertans and are not going to do much to address the economic and demographic imbalances in Confederation that are the source of their genuine grievances. And doing that is going to be a very tough row to hoe.

To begin with, Alberta is richer than the rest of the country. A lot richer. In 2006, Alberta's GDP per capita was the [highest of any subnational unit in North America](#), 61-per-cent higher than the Canadian average and more than double that of the Maritime provinces. Oil prices aren't what they were then, [but in 2019 Canada's national average GDP per capita was \\$61,466. Alberta's was almost \\$81,000, while Quebec's was slightly more than \\$54,000.](#) What this means is that as a matter of straight math, any system of internal equalization or transfers, no matter how fair

and equitable, is going to leave Alberta as a net loser. Even just taxing everyone in order to provide public goods that are shared equally across the country is going to look like a disadvantage, from Alberta's perspective.

Demographically, Alberta suffers from a very common Canadian affliction, which is the illusion of geography. If you look at a map of Canada, Alberta is huge. But there aren't that many people there – Alberta makes up a bit more than 11 per cent of Canada's population, compared with 23 per cent in Quebec. In any country, "rich but underpopulated" would offer the potential for political exploitation, and it does Canada no credit that its federal structures do frequently put the West at a disadvantage. In an ideal world, addressing Albertans' legitimate grievances would involve reforming those aspects of our federal institutions that excessively alienate or disenfranchise them. This would include things such as improved representation by population in the House of Commons and the Senate; a more balanced distribution and allocation of important federal offices such as Supreme Court justices; and access to certain federal jobs for unilingual anglophones.

Yet to the extent that this is an accurate sketch of the source of the various imbalances, it would seem their resolution will only come through a substantial demographic shift toward the West that would change the balance of political power in the country. That is happening, slowly, but the problem is that as Quebec loses demographic weight, any pressure to reduce its representation in federal institutions could in turn lead to renewed demands for Quebec independence. This would almost certainly be countered by Ottawa agreeing to put a hard floor under that province's representation, which would mean Alberta's relative disenfranchisement would only get worse, not better.

The superficially appealing notion of an Alberta-Quebec front against Ottawa dissolves once you appreciate the zero-sum nature of their dynamic. Keeping Quebec in Confederation almost certainly means an aggrieved Alberta; making Alberta happy will involve making Quebec less so. This is only accentuated by the current discontent over the carbon tax: Alberta is upset because Ottawa is adopting a climate change policy that will disproportionately affect its economy. Coincidentally, Quebec gets 98 per cent of its electricity from carbon-neutral sources, so the same zero-sum logic prevails.

That helps explain the approach being followed by Mr. Kenney. The goal is to maximize Alberta's autonomy not because it makes a great deal of economic sense, and not because it will address the underlying problems, but simply because it will give the province more autonomy for its own sake. It's a bit like the old joke about the drunk looking for his lost keys under the lamppost – not because that's where he dropped them, but because that's where the light is.

Which isn't really as funny as it might seem. Mr. Kenney says he's a federalist and has no interest in pursuing "nationhood" for Alberta. But when a province looks to solve its alienation problems by pursuing inherently nationalist means, the results might prove hard to control.