

## <NO>Chapter 10

# <CT>Transitions to New Governance: NGO and Interest Group

## Activities in British Columbia

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### <H1>Introduction

<TX1>Interest groups have long played a key role in the academic understanding of BC politics, whether as organizations expressing or mediating social forces reflected in the province's distinctive party system; (Black 1968; Blake 1996; Robin 1973) or as private political actors engaged in a narrow range of activities ("lobbying") aimed at advancing economic self-interest in the content of public policy (Kristianson 1996). Increasingly, these perspectives have been supplemented by new ones that recognize both the great variety of roles played by interest groups, their growing institutionalization, the reciprocal relations of governmental and non-governmental organizations (NGOs), and the importance of new social movements in BC society.

<TX2>BC politics in the early 21<sup>st</sup> century has certainly been marked by both a proliferation and an institutionalization of interest groups, which suggests that a corresponding move toward pluralism and institutionalism at the level of theory is called for. But, however tempting it may be to declare a rupture with the past of "labour versus capital," either on the ground or in the classroom, BC politics remains distinct from most other provinces in its strong- ideological polarization and intense

two-party competition (competition that extends some way into civil society), and the interest groups and NGOs that are implicated in struggles for power as well as in patterned relationships of governance. There are definitely still “insiders” and “outsiders” linked to one of the two main parties contending for power among major economic interests, lobbyists, social movement organizations, think tanks, and the voluntary/non-profit sector, although the alternation of influence between New Democratic Party (NDP) supporters with a “labour/social/ environmental agenda” and “Liberal supporters” with a “business agenda” has been increasingly confined to a few select policy areas, has been muted by new governance arrangements, and is increasingly manifested merely by adjustments of tactics and personnel.

<TX2>One way to capture the scope and complexity of interest group activity, as well as its ambiguous relationship with the “old” politics of left and right, is to employ a typology that encompasses both the communication by interest groups of simple demands and specific preferences (“lobbying” for benefits privately consumed or “public consumerism” for public goods) and the participation by interest groups in the development of policy (“self-regulation” and “governance”). Eric Montpetit (2004), drawing upon the work of Stone, Risse, Scharpf and Majone, as well as the literature on corporatist networks and policy communities, has developed just such a framework, which is applicable to the analysis of interest group activities in British Columbia.

**Table 1 : “A Typology of Interest Group Activity” (Montpetit 311)**

<i>Forms of Communication</i>		
<i>Scope of Communication</i>	<b>Oriented toward Problem-solving</b>	<b>Strategic Action</b>

<b>Global</b>	Governance	Public Consumerism
<b>Specific</b>	Tending toward Self-Regulation	Lobbying

<H1>Lobbying

<TX1>Gerry Kristianson’s 1996 article on lobbying and private interests in BC politics began by observing that the small number of visible lobbyists in Victoria as compared with Washington State or other American jurisdictions was a misleading indicator of the level of pressure group activity: “the half-dozen or so people who are to be found around the legislative buildings on a daily basis while the house is in session are only the advance guard of a host of individuals and groups who attempt to influence provincial government decisions on behalf of an endless variety of private interests.” (201).

Kristianson’s point, echoed by more recent academic literature (Montpetit 2004, 307), was that the parliamentary state organizes a lot of interest group activity out of public forums such as US-style legislative committees or other apertures afforded by the separation of powers and into the offices of public servants and Cabinet ministers, “away from the glare of public attention and media scrutiny” (Kristianson\_1996\_ 202). To some extent, parliamentary government replaces lobbying with governance; to some extent, lobbying is merely cloaked by the realities of party discipline and Cabinet solidarity.

<TX2>Despite the growing consensus that a registration of lobbyists, similar to the ones required by the federal government and several other provinces, was desirable to have a more comprehensive list of groups attempting to influence decision-makers, there was also concern expressed that such a registry would still fail to resolve the issues of transparency, equality of access, and the implications of partisanship, due to the many

links, (both informal and formal); that would continue to exist between the private sector and public officials beyond the purview of legislation. Kristianson (1996), himself the dean of “government relations” specialists working in Victoria in the 1980s and 1990s, suggested that true transparency might require something more:

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<BQ1>Instead of asking lobbyists to register and even to disclose their specific contacts with public officials, it might be better to require public officials to disclose the sources of information upon which they base their decisions. Weekly or monthly disclosure of a log of contacts between decision makers and the public would shed a great deal more light on the flow of political influence than does the registration of lobbyists. Reducing the level of secrecy in the BC political system would be an effective way of ensuring greater transparency (214).

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<TX2>The *Lobbyists Registration Act* (LRA) of 2001 has confirmed both the realistic hopes of its proponents and the reasonable fears of skeptics. Created early in the Liberal government’s first term in office as part of its “New Era” platform commitment to open and accessible government, the LRA established a registry in the Office of the Information and Privacy Commissioner requiring “registration of anyone who is paid to lobby the government to influence government legislation, regulations, programs, policies, the awarding contracts or the awarding of benefits.” (Plant 2001). The Act covers both “consultant” and “in-house” lobbyists, and section 4 requires not only their

registration but the filing of names and business addresses of their clients/employers, as well as particulars to identify relevant legislative proposals, regulations, or contracts, as well as the name of any ministry and public office-holder lobbied or whom the lobbyist expects to lobby during the relevant period. The Information and Privacy Commissioner is designated as registrar, who maintains the registry and makes it available to the public and online. The LRA does not make the fees received by lobbyists available to the public, however; nor does it count as “lobbying” a wide range of actions by public office-holders, or citizens or businesses contacted or consulted by public office-holders, or constituents’ communications with their MLAs. It does make the contravention of the Act an offence punishable by a fine of not more than \$25,000, but has not yet given the registrar clear enforcement powers, such as the ability to levy administrative penalties or ban persons who fail to comply with the Act from lobbying.

<TX2>A perusal of the Lobbyists Registry permits a clearer picture of the size of the industry, the names of the most important lobbyists and their clients/organizations, and the policy issues and ministries that attract the most lobbying activity. At the time of writing, there were over 450 active lobbyists currently registered under the Act (210 senior officers of organizations, 135 consultant lobbyists, and 109 in-house lobbyists), engaged in over 3,300 “current lobbying activities.” Fully 243 of those activities were with MLAs, followed by 211 with the Office of the Premier. Other agencies that attract large numbers of lobbying activities include Finance (176), Environment (131), Attorney-General (116), and Energy, Mines and Development (109). Currently, the most active business lobbyists evidenced by the registry include consultant lobbyists Michael Bailey, John Moonen, Gary Ley, Bruce Young, Kimanda Jarzebiak, Andy Orr, Andrew

Wilkinson, and Christopher Smith, as well as senior officers Jock Finlayson and Ed Wong of the Business Council of British Columbia. Many more are in-house lobbyists working either as public affairs specialists or lawyers for particular firms and organizations, including organizations that engage in public interest advocacy on behalf of broader social causes. Of course, this information does not indicate which contacts are most influential, but does help to point us in the right direction (one suspects that, *ceteris paribus*, a meeting with the Premier's Office carries greater potential for influence than with most backbench or opposition MLAs, and that a close adviser to Gordon Campbell, such as Wilkinson or spokespersons for the larger business community, such as Wong and Finlayson, are more likely to gain an influential audience than other lobbyists).

<TX2>The Opposition NDP, although it supports the LRA as a continuation of its own policy commitment to transparency and accountability, nonetheless raised concerns at the LRA's inception that, while trade unions and public interest NGOs would have to register to gain access to government officials, those whom the government asked for advice (disproportionately from the business community in the case of the Liberals—via such bodies as the BC Progress Board, and the Premier's Technology Council) were exempted, thereby leaving important channels of influence uncovered and creating inequities between interest groups. These criticisms may have been overstated in the sense that the vast majority of business interests that make specific claims upon the state have had to register or hire registered lobbyists to speak on their behalf, and the vast majority of entries in the registry refer to specific business interests.

<TX2> Nevertheless, claims that there are inequities of influence among interest groups, and deficient enforcement and investigatory powers on the part of the registrar, have proven to be warranted. At least two incidents clearly illustrate these assertions. Ken Dobell was the deputy minister to the premier from his election in May 2001 until he resigned in June 2005, when he began a consultancy business through his company Dobell Advisory Services Inc. As part of that business he accepted, later in 2005, a contract as special adviser to the premier in various areas. In April 2006, he also accepted a contract as adviser to the City of Vancouver and the city manager on development of a cultural district and social housing. Each job paid Mr. Dobell about \$250 an hour. Since the LRA requires a consultant lobbyist to file a return within 10 days after entering into an undertaking to lobby on behalf of a client, and Dobell did not do so until October 28, he was clearly in contravention of the Act.

<TX2> Dobell explained that he had not considered himself to be a lobbyist but rather a “content consultant” engaged in the “substantive work of policy and process analysis” (Office of the Information and Privacy Commissioner 2007, 2), but chose to register anyways in the interest of transparency and to quell controversy surrounding the question of compliance with the LRA. He also indicated that his communications with provincial government officials were much more in the nature of public policy discussions or debate than lobbying, and maintained that there was an important distinction between his services to government, which he said were in the public interest, and consulting services to private interests. The following spring, Dobell pleaded guilty in a Vancouver provincial court to the charge of failing to register as a lobbyist under the LRA and was granted an absolute discharge. His successor as deputy minister, Jessica McDonald, wrote

the premier a memorandum clearing Dobell of conflict of interest.<sup>1</sup> David Loukidelis, the Information and Privacy Commissioner and Registrar of Lobbyists, reviewed the question of Dobell's registration and found that while he was indeed a lobbyist within the meaning of the Act, "there was no intention by the City or Mr. Dobell to hide the consulting contracts" and that there needed to be a greater commitment to "simple and unstigmatized disclosure" and candid acknowledgment that the current system is not geared or funded to undertake active—much less extensive—compliance and enforcement measures" (4).

<TX2>An even greater embarrassment to the government and the Lobbyists Registry came in October 2008 when Patrick Kinsella, former principal secretary to Social Credit premier Bill Bennett and long-time Liberal campaign adviser, refused to cooperate with the privacy commissioner's investigation into whether he improperly lobbied the government. The investigation was triggered after Sean Holman, the legislative reporter for the Vancouver newspaper *24 Hours*, obtained copies of records obtained under Washington State's freedom of information legislation, which included a May 2006 contract between the Washington State government and Kinsella's firm, The Progressive Group, in which the firm committed to "facilitate opportunities for Washington State to develop important relationships" with "key individuals within target business, political and Olympic circles"—including Cabinet ministers and senior bureaucrats. (In a 2004 interview, Kinsella had stated, "I don't consider myself a lobbyist. I hold myself up as a communications consultant. I don't do any lobbying. They don't need me to pick up a phone and talk to the government or any members of the provincial government. I make it very clear to my clients that I don't do that" ["From Backroom" 2004].)



<TX2>In September 2008, Kinsella's lawyer Paul Cassidy published a letter he sent to Registrar Loukidelis that reviewed the LRA. Cassidy stated that "the Registrar of Lobbyists has no legislative or other power to accept complaints, or to conduct any investigation or reporting on the activities of individuals alleged to have contravened the Act" and that, accordingly, "any investigations by the Registrar concerning the alleged lobbying activities of our client have no legal basis." Loukidelis wrote to the attorney-general, pointing out that previous investigations taken under the LRA had only been possible with the cooperation of those being investigated—that is, that the BC system was essentially an honour system. The Kinsella case showed that the LRA needed amendments, similar to those found in the Alberta *Lobbyists Act*, the federal *Lobbying Act*, and Quebec's *Lobbying Transparency and Ethics Act*, that gave the responsible officer powers to investigate non-compliance, including the power to compel production of records and testimony. Loukidelis added that in the meantime, he would no longer investigate complaints against lobbyists because of the de facto veto that lobbyists under investigation have (Loukidelis 2008, 4–5). The Opposition NDP responded by stating that in the future it would therefore ask the RCMP to conduct such investigations, starting with the "Kinsella affair."

<TX2>Largely as a result of the complaints concerning Dobell and Kinsella, both of BC's major parties have signalled that the LRA will be expanded and improved in line with the leading legislation elsewhere in Canada. But besides providing an impetus to legislative reform, these cases also illustrate that the lines between "lobbying," "communications," and "governance" can be very fine. The growing institutionalization of interest group influence and legalization (in the sense of growing proceduralism and

use of legal norms) of the political and policy environment is continuing to alter the way the state interacts with society and the context in which policy decisions are made.

### <H1>“Lobbying” for Public Goods: NGOs and “Public Consumerism”

<TX1>Interest groups who ask the state to provide better public goods for the public in general are a puzzle to public choice theorists, because in theory the “free rider” problem should inhibit the demand for goods, such as a cleaner environment or greater state investment in health care, that cannot be enjoyed exclusively (Montpetit 2004, 312–313). Of course, standard pluralist accounts are consistent with a wide range of interest group activities, including those that speak to global issues and goods as well as specific ones. The growth in public consumerism and public interest advocacy could be evidence of a cultural value shift in favour of “quality of life” in recent decades (Inglehart 1977). Or, perhaps it is explicable in public choice theory in terms of enlightened self-interest, that is a rational response to chronic under-supply of essential public goods. Members and supporters of such groups typically lack the resources to lobby for themselves or participate more intensively in policy networks, and therefore have an incentive to band together for broader causes. They may also find it easier to practise public consumerism overtly, and make appeals to the public for funding, since it is not primarily for their own private benefit (Montpetit 2004, 312–313).

<TX2>In British Columbia, each of these perspectives has some explanatory value. Non-business groups have been growing in number and influence; alongside business groups, and like business groups, their presence is only partially captured by the Lobbyists Registry. But these same observations can be made in most large jurisdictions in Canada.

Scientific foundations and post-secondary educational institutions depend on provincial ministries for funding and often have special projects requiring government support or specialized knowledge that government needs. In 2003, 17 percent of the organizations in BC registered under the *Society Act* were in the area of sports and recreation and 19.2 percent were in the area of religion. 13 percent of all organizations were non-profit and voluntary; 56 percent had registered charity status. British Columbia also had the largest proportion of organizations serving persons with disabilities in Canada, at 11 percent (*Associations Canada* 2008: xxxiii–xxxiv). Health and disability NGOs—such as the BC Cancer Foundation, Rick Hansen Man in Motion Foundation, Canadian Cancer Society, and the Heart and Stroke Foundation—are often concerned with receiving research funding or improving public education; of the 96 associations in BC with budgets over \$5 million, about a third depend partially or entirely on government funding.

<TX2>Other organizations are more concerned with the delivery of programs on public health care, education, and specific problems such as poverty, drug addiction, youth crime, homelessness, children at risk, and First Nations social problems. Sometimes these issues can generate extraordinary coordinated protests, as when the Solidarity Coalition formed in the early 1980s in response to the Bennett Social Credit government's restraint package, and on a smaller scale, when protests took place against the Campbell Liberal government's austerity measures between 2001 and 2003. But it is in the area of land and resource use that the pattern of BC interest group activity is most distinctive.

<TX2>British Columbia politics has been distinguished by both a long history of right-left polarization between business and labour groups, reflected in the division between right and left-of-centre political parties, and a well-established environmental movement, also typically pitted against industry, but largely independent of the party system. Added to this picture are long-standing issues surrounding Aboriginal land claims, treaties, and First Nations economic and social development. Each of these axes has spawned a large number of organizations, all of which are concerned with the use of land and resources. “The land question” between business, labour, environmental, and Native groups has partly displaced the old labour-capital conflict over the disposition of resource wealth, and has blurred the boundary between public and private goods.

<TX2>Protests by environmentalists and/or Aboriginal peoples were commonplace in British Columbia in the 1980s and 1990s, and included frequent civil disobedience and occasional violence. Nevertheless, the risk of Native roadblocks to protest land use decisions, another armed conflict such as the 1995 Gustafsen Lake standoff, or a resumption of the “war in the woods” in the province’s remaining old-growth forests, has significantly diminished in recent years. There are three main reasons for this change.

<TX2>First, environmental and First Nations protestors have been undercut by their own successes. The 1990s saw the doubling of provincial parks; a Forest Practices Code; the widespread use of public and multi-stakeholder consultations in both the Commission on Resources and the Environment (CORE) and in the subsequent development of land use plans throughout the province; a treaty process; the successful conclusion of the Nisga’a Final Agreement; and a favourable decision for First Nations by the Supreme Court of

Canada in the case of *Delgamuukw v. British* (1997). A specific agreement to protect old-growth forests in Clayoquot Sound came about as a result of the combined efforts of environmentalists and local First Nations to halt industrial logging. Years of effort spearheaded by ForestEthics, Greenpeace, the Sierra Club, and the Canada Wilderness Committee bore fruit in 2006 when the Liberal government signed the Great Bear Rainforest Agreements, which protected 2 million hectares of forest from logging and committed forest companies to more ecologically sensitive logging practices in the remainder of the forest.<sup>2</sup> The Campbell government in 2007 also cancelled plans to build three coal-fired power plants and in 2008 enacted a carbon tax that was widely supported by environmentalists and economists (though not by most motorists). The Campbell government's "New Relationship" with First Nations, built upon growing recognition that consultation and reconciliation with First Nations was essential to long-term economic development, led to, among other things, the conclusion of a second modern treaty with the Tsawwassen First Nation and the allocation of community forest tenures to Native bands.

<TX2>Second, the potential for effective protests has been blunted by cross-cutting cleavages. Labour and environmental organizations formed a natural alliance in the 1980s while the NDP was in Opposition, and a series of hard-won compromises between labour and environmental elements within the NDP provided both a political and policy basis for many of their most far-reaching policies, but sometimes (as in Clayoquot Sound and other sites of old-forest logging), these broke down. If anything, the distance between "old left" and "new left" grew during the 1990s, especially during the period of the Clark government from 1996 to 1999. One detects a revival of this split in the disagreements in

2008 and 2009 within the left over the Liberal government's carbon tax. In addition, businesses, in cooperation with the Liberal government, have become more adept at involving some First Nations people in business ventures in forestry, aquaculture, and even some matters as contentious as exploring the feasibility of offshore oil drilling. This "New Relationship" has provided some real economic opportunities for Native people but has also generated division within Native communities and between First Nations and environmentalists. A perfect example of the latter phenomenon occurred in Clayoquot Sound in the summer of 2008, when it was reported that Ma-Mook Natural Resources, owned by local First Nations, planned to log 100 hectares of the Hesquiat Point Creek watershed. A coalition of environmental groups threatened to interfere with logging operations and mount a public relations campaign against their former allies, both in the local media and in potential markets, but were less certain of success in view of the sympathy for the five local First Nations, who were impoverished by the collapse of the local fishery (*Vancouver Sun* 2008).

<TX2>Finally, both environmental groups and First Nations governments generally have more voice within policy communities and governance structures than was previously the case, and probably have less need to go to the media or to take direct action to have their concerns taken into account. While the treaty process has been excruciatingly slow, resource development in areas being claimed has usually been undertaken in a careful and consultative manner. The Native Economic Development Advisory Board, the First Citizens Fund and the First Nations Leadership Council are examples of structures of coordination and consultation that have grown in importance. For example, in 2001 the BC government doubled the net value of the First Citizens Fund from \$36 million to \$72

million. Interest earned from fund investments has been used to finance economic programs such as business loans and the establishment of business advisory centres, as well as to service and advisory groups such as the BC Association of Aboriginal Friendship Centres.

## <H1>Self-Regulation and the Professions

<TX1>In some cases, problem solving requiring very specific expertise may be difficult or expensive for the state to acquire, and therefore rests in the hands of specialized interest groups. This “tendency toward self-regulation” may appear in areas as diverse as regulatory capture in energy and telecommunications, the “corporate social responsibility” movement, results-based forestry, or public–private partnerships (P3s). But the paradigmatic example is of course the self-regulating professions. In BC, the government has granted about 20 professions the right to develop, implement, and enforce various rules. Statutes such as the *Medical Practitioners Act*, the *Legal Profession Act*, and the *Nurses (Registered) Act* set out the scope and content of the regulating functions delegated to each profession. These regulatory functions may not all be -as extensive as they are in the case of the medical profession, which often requires collaboration with various associations of specialists; but all are concerned with certification, ethical conduct, competence, and accountability to the public.

<TX2>Of the non-profit organizations incorporated under the *BC Society Act*, several of the largest are professional licensing bodies: namely, the College of Physicians and Surgeons, the Law Society of British Columbia, the College of Registered Nurses, the Institute of Chartered Accountants, the Association of Professional Engineers and

Geoscientists, the College of Pharmacists, the College of Teachers, and the College of Dental Surgeons. These organizations are largely funded by compulsory membership fees and enjoy considerable autonomy in determining who is qualified to practise a profession and under what circumstances practitioners may be disqualified. They conduct investigations relating to standards and ethics in their professions and decide what discipline is appropriate for those who fail to meet professional standards.

<TX2>One might think that all of this delegated authority to regulate entry into a profession and discipline members invites conflict of interest, since regulatory bodies would generally like to control supply of service providers in the market (to maintain incomes), protect members, and avoid bad publicity. In fact, some studies indicate that professions *do* limit their own supply in order to prevent competition among members from reducing their average income (Freidson 1970; Larkin 1983). But there are a couple of factors that restrict this tendency to conflict of interest, and also help ensure high professional standards. First, the acknowledged basic purpose behind a regulatory body's decisions is to protect the public from incompetent or unethical practitioners. The need to avoid a conflict between this purpose and the best interests of individual members leads logically to the development of two different bodies. Hence members of BC's professions typically wear two hats: membership in self-regulating professional licensing bodies and membership in professional advocacy bodies. The BC Medical Association (BCMA), BC branch of the Canadian Bar Association (CBA), BC Nurses' Union (BCNU), and BC Teachers' Federation (BCTF) are examples of organizations that perform the trade union functions of BC's professions. Second, the legislation establishing self-regulating professional licensing bodies typically requires that certain procedures governing ethical



standards, ongoing education to ensure competency, and accountability be followed—, such as public transparency of disciplinary and other matters, as well as the provision of a legal basis for enforcing standards and challenging regulatory decisions. Again, the *Medical Practitioners Act* provides a good example.

<TX2>One area in which self-regulation and advocacy overlap slightly is public policy. Regulatory bodies may have views about how to advance the public interest, for example, about some aspect of improving health care or the administration of justice. These are generally different in character from global policies favoured by advocacy groups; that is, they are more technical and less politically controversial and certainly less overtly concerned with the economic interests of the profession; but they are also likely to be consistent with positions put forward by their advocacy counterparts. For example, positions taken by the College of Physicians and Surgeons promoting standards of public health will usually fall short of endorsing single-payer public monopoly, and Law Society views on access to justice are unlikely to contradict the views of trial lawyers on the right to sue.

<TX2>It is curious that *both* the Law Society of British Columbia and the Bar Association have registered lobbyists, but that *neither* the College of Physicians and Surgeons *nor* the BC Medical Association do. This fact could be a reflection of the differing characteristics of the two professions; legal practitioners are more independent and intrinsically more inclined to advocacy, and the medical profession is more tightly bound to the state by virtue of medicare and fee-for-service, and the avenues for input that exist within the Ministry of Health and associated health policy networks. This

pattern is fairly consistent with other jurisdictions in Canada. Then again, some members of the BC Bar and the BCMA have been highly critical of existing policies and have played leading roles in promoting increased legal aid and more private health care, respectively, proving that they are quite capable of acting within the B-C tradition of maverick ideological politics.

### <H1>Governance: BC's Changing Networks and Policy Communities

<TX1>When interest groups participate in a sustained manner in policy deliberations with state agencies, they engage in governance. Montpetit (2004) has argued that the parliamentary state, which encourages the concentration of power in the executive branch of government, displays a “logic of influence” in which any group that has the resources or the expertise to move beyond communicating demands (or “strategic action”) and engage in problem-solving will do so, largely because of the importance and continuity of civil servants in policy-making (315–316). As Rodney Haddow (1999) has argued, for Canadian interest groups “it is essential to develop ... the kind of discrete, non-conflictual, ongoing expertise-based relationships that they [senior civil servants] are accustomed to and prefer” (504). Nevertheless, it is only in recent decades that the growing number and diversity of interest groups within policy communities (that is, actors and potential actors sharing a common policy focus), the complexity and political sensitivity of issues, and the resources and expertise of many NGOs and societal actors have prompted government to include a wide range of groups (at least incrementally) in governance networks.

<TX2>As the foregoing discussion of lobbying suggests, it is not only the ability to pay large retainers to consultants or salaries for in-house public relations officers that gives businesses a privileged role in policy-making. Besides the top-level access that several CEOs have to the premier and Cabinet in formal advisory structures such as the BC Progress Board or the Energy Council, leading forest and mining companies have “insider” status that flows from being licensees or lessees on Crown land, major employers and sources of provincial revenue through royalty payments, and by virtue of possessing vital information about many key aspects of their industries. One should be careful not to exaggerate the uniformity of BC’s capitalist class, however. While they share a general preference for lower taxation and less regulation and for a more business-friendly BC Labour Code, they are not all equally hostile to the NDP and equally friendly to the BC Liberals. They do not share an identical attitude toward international markets and federal trade policies either. For example, lumber producers in the interior of British Columbia have historically faced very different conditions from coastal producers, and have also typically exported higher volumes of their products to the United States. Interior producers have had a larger share of quotas negotiated under managed trade agreements and therefore a greater enthusiasm than coastal firms for the Softwood Lumber Agreements of 1996 and 2006.<sup>3</sup>

<TX2>Canada’s federal structure, which gives provinces a strong financial interest in employment and resource revenue as well as a lion’s share of regulatory responsibility for regulating intraprovincial pollution, has probably weakened Canada’s overall environmental regime and resulted in less vigilant and more selective enforcement (Winfield 2002, 124-137; Boyd 2003). A further wrinkle, probably more pronounced in

British Columbia than elsewhere in Canada, has come from the government's penchant for promoting certain industries through state-sponsored clientelist networks. A case in point is the fish farming (aquaculture) industry, which has made political donations to the BC Liberal Party, while the Liberal government has lifted the NDP's moratorium on fish farms and helped the industry grow to nearly \$300 million in sales, boosting employment in several small coastal communities. Environmentalists and others remain concerned about the threat to wild salmon posed by sea lice and farmed salmon escapes, and about whether the government has too much invested in the industry to be a properly disinterested regulator. Seen in this light, the BC Supreme Court decision of February 9, 2009, which awarded the federal government exclusive jurisdiction over the management of salmon farming, is to be welcomed by environmentalists (Pynn 2009). Similar criticisms can be made of "value for money" evaluations undertaken by Partnerships BC of P3 infrastructure projects such as the Abbotsford Hospital and the Canada Line (RAV). (Arguably, any such evaluations should be undertaken by the Auditor-General's office or some independent third party.) Other examples include privatization of BC Rail, and the Trade, Investment, and Labour Mobility Agreement (TILMA) with Alberta: in each case, the government has sponsored or promoted certain business interests in the hope of stimulating economic activity, but has arguably compromised its role as a neutral regulator in the process.

<TX2> With respect to land, air, and water use, Melody Hessing and Michael Howlett wrote just over a decade ago that "[t]o a great extent at present, policy networks in the resource and environmental policy sector in Canada exist in considerable tension with the policy communities in which they are embedded" (Hessing and Howlett 1997: 154). This

tension was especially pronounced in British Columbia, where economic producer interests (including labour, in the case of the Clark NDP) continued to trump Native and environmental interests at the level of policy initiation and agenda-setting. It grew in the early years of the Campbell government, until strategic choices were made in its first term to embrace the treaty process and include -Aboriginal peoples more in economic development projects, and in its second term to protect the Great Bear Rainforest, create the carbon tax and fund related climate change projects, to cancel plans to build three coal-fired energy plants, and to be less aggressive about its desire to drill for offshore oil. The resultant policy networks are still far from being completely open and pluralistic (as chapters 15 [“Aboriginal Peoples in British Columbia: From Impoverished to Restored Societies?”], 18 [“Resources”], and 19 [“British Columbia and Climate Change: Sustainable Leadership?”] in this book illustrate), but the Campbell government was nonetheless sufficiently responsive and inclusive to prevent a united front from forming around land and resource questions, which would have been allied with the NDP and opposed to the government. The tension between networks and communities continues, but is being politically managed.

<TX2>BC’s agricultural sector has a variegated structure that is inimical to the formation of a tight-knit and cohesive policy community, or to easy engagement in governance.

There are over 200 different and distinct agricultural commodity groups, ranging from dairy, poultry, nursery, and floriculture centred in the Lower Mainland and Vancouver Island, potatoes and berries in the south, fruit growing in the Okanagan, cattle ranching in the Cariboo and Central Interior, and grain in the Peace River. Reports that taxation and assessment policies were discouraging farming in favour of real estate development

underscored growing concerns about provincial government support for farmers and entry into the sector in the first decade of the new century. The government's policy response; (the British Columbia Agricultural Plan); contains a number of strategies for reducing greenhouse gas emissions, involving First Nations, and shifting policy away from direct income supports to "research and advisory" assistance; it also contains a promise to review taxation and assessment policies as they affect agriculture. It nonetheless remains a startling fact that as of 2006, BC ranked last among Canadian provinces in provincial government expenditures to the agri-food sector as a percentage of agricultural GDP (Statistics Canada 2006). This fact is an indication that the province with the most restrictive land use legislation in the country (the Agricultural Land Reserve) could do more to make that land and its farmers more productive and viable. It is also likely an indication that as a group, farmers in BC are neither large enough nor cohesive enough to extract such an investment.

<TX2>The loosening of the tight policy networks of big business, government, and labour that have existed around BC forest, mining, and land use policy issues may be both less significant and more significant than it first appears. On the one hand, a moment's reflection on the consolidation of the west coast forest industry, the ending of appurtenancy, the development of BC's response to the softwood lumber file, the uneven application of results-based forestry standards, and the generally influential role of large forest and mining firms suggests that industrial corporate management by large integrated companies is as well-entrenched as ever, even if NGOs have increasingly had their interests recognized as placing legitimate constraints on policy. On the other hand, the movement beyond strategic communication to regularized participation in problem-

solving has also served to reduce the focus of many interest group activities on pressuring political parties, influencing elections, and changing legislation. Post-materialist politics has increasingly appeared to be post-party politics (Dyck 2004:373; Amyot 2007, 491).

<TX2>This “logic of influence” is not pronounced for all sectors, however. Changes to the province’s industrial relations regime continue to swing in accordance with the historical pattern of political party “ins” and “outs.” While the Labour Code amendments of the Bennett Socred government in 1984 and the Harcourt NDP in 1993 came after widespread consultation by civil servants with the labour relations community, both resulted in a predictable shift in the direction of client groups’ demands, particularly in the areas of union certification and secondary picketing. The re-election of Social Credit under Bill Vander Zalm in 1987 and the NDP under Glen Clark in 1996 led to further demands from client groups and further changes to the Code. This pattern has continued in the first decade of the new century. The Liberals’ 2002 labour legislation curtailed teachers’ right to strike by declaring education an essential service; mandated secret ballot votes prior to union certification; repealed broader-based bargaining in the construction industry; and changed the stated purpose of the Code in section 2 to include increasing “competitiveness” and stressing “employee rights” as distinct from those of trade unions.<sup>4</sup> Subsequent public statements by the Coalition of BC Businesses (an organization founded in 1992 to “represent the voice of small and medium-sized businesses in the development of British Columbia’s labour and employment policies”), the Business Council of British Columbia, and the Independent Contractors and Businesses Association of BC have urged more robust interpretation and application of

the Code by the BC Labour Relations Board and further amendments that would make union decertification easier and “enhance employee rights.”<sup>5</sup>

<TX2>British Columbia’s volunteer and non-profit (or “third”) sector also has a large role in the delivery of certain services. About 40 percent of these organizations had paid staff (114,000 employees in 2003 not including hospitals, universities, and colleges), and on average they depend upon the provincial government for about half of their revenue (Statistics Canada 2003). This figure rises to about 85 percent for large agencies with budgets over \$500,000, which typically have government contracts with the ministries of Children and Family Development, Aboriginal Relations, Community Development, Health Services, Housing, Labour, or the Attorney General, to provide services such as advocacy, alcohol/drug treatment, corrections, crisis counselling, housing, various health issues and special programs for First Nations, youth, and women (Burnley, Matthews, and McKenzie 2005: 69–87).

<TX2>There has been a clear trend toward more voluntary NGOs and an overall strengthening of the capacity of the sector at the national level, as evidenced by the establishment of the national Voluntary Sector Roundtable in 1995 and the 1999 Government of Canada/Voluntary Sector Joint Initiative. However, the status of voluntary NGOs within provincial governance has been ambiguous and at times strained in the post-2000 era. In 2002, British Columbia became the first province to end the entitlement to welfare by introducing benefit time limits, requiring immediate work for employable individuals, and instituting a delayed full-check sanction for families without dependent children. B.C. also moved toward privatization by contracting with private,



for-profit companies to provide job-search assistance and to transition welfare recipients to work. A national report by the Canadian Council on Social Development in 2004 summarized its findings by saying that several “cracks” had appeared in the voluntary sector, due to the shift away from core funding to short-term targeted projects funding (Scott 2003). Although an improved economy meant that the funding climate also improved between 2004 and 2008, leaders in the BC non-profit sector still express concern about the shift to a business management model and the contracting model. As Karen Curtis (2007) put it in her comparative study of social policy reform in Canadian and American jurisdictions,

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<BQ1>Neoliberal welfare restructuring assigns a key role to the nonprofit sector as an agent of the state in the production and delivery of “public goods.” The contract relationship which is being developed between the state and nonprofit organizations, however, is serving to transform the nonprofit sector, moving it away from its core mission, commercializing the sector’s operations, and compromising its autonomy. (±15)

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<TX1>In the 1960s and 1970s, British Columbia had the highest “union density” (that is, the proportion of the paid labour force belonging to a union) of any jurisdiction in North America, at about 40 percent. Furthermore, a great deal of the union workforce was concentrated in private industrial (“blue-collar”) resource industries. These facts were

often the first ones pointed to in explanations for the distinctiveness of the BC party system as “class-based” and the tenor of BC politics as shaped by resource conflict (Black 1968; Robin 1973). It is therefore very significant that by the end of 2006, BC’s union density stood at 30.2 percent—only fifth among the provinces, and just above the national average of 29.7 percent (Statistics Canada 2007). Equally telling is the composition of today’s workforce: unionization rates have fallen markedly in the private sector since the 1970s, to 18.2 percent in 2003, whereas public sector unionization has risen to over 72 percent (Akyeampong 2004). Five principal factors account for declining private sector union density in BC and in Canada: (1) the shift in employment toward service industries; (2) the growing number of small businesses (that is, those with five or less employees); (3) the increase in “non-standard” and irregular employment, (that is, part-time, temporary, and contract positions); (4) broader economic factors, such as deregulation and free trade agreements; and (5) the large number of immigrants from newly-industrialized countries in Asia with weak trade union traditions (Finlayson 2006).

<TX2>Partially countering this trend is the steady rate of unionism in the public sector, where union participation is concentrated among nurses, educators, health care, childcare, and non-construction trades workers. BC is also a Canadian centre of “social movement unionism,” which contemplates moving away from the private model of business unionism in partnership with social economy or civil society organizations such as non-profits and co-operatives. The evolution of the Canadian Auto Workers (CAW) as a multi-sectoral union with operations in health care and general services as well as outreach to the environmental movement, and the merger of the International Woodworkers of Canada (IWA) with Canadian Steel Workers (CSW), may provide some

added momentum to a restructuring and consolidation of the union sector. Nevertheless, it is clear that even a resurgent union movement would be very different in character from what it has been in the past, with different implications for the politics and political culture of the province. Like business and government, labour will have to share the political spotlight with a wider variety of interest groups and NGOs.

## **Conclusion**

<TX2>Several themes can be identified from the foregoing survey of interest group activity in BC. First, the old view that BC politics is shaped fundamentally by a materialist struggle between groups over the benefits of resource wealth, with the two-party system simply reflecting the dominant interests of capital and labour, needs to be replaced with a more complicated picture. The extreme importance of high resource commodity prices in the middle years of this century's first decade to both economic and political fortunes in the province is a reminder that the view still holds to a certain degree. However, with Asian demand for energy and minerals compensating for the myriad problems besetting the beleaguered forest industry, an important change is afoot. Tourism, the high-tech sector, the service economy, and immigration have also changed the complexion of material interests in the province. First Nations and environmental NGOs have transformed the land question and have necessitated transition to new governance arrangements.

<TX2>Second, while it is easy to find continued evidence of NGOs that place post-materialism<sup>22</sup> (that is, increased accent on the environment, sexual and ethnic equality, decline of deference, desire for participation, and quality-of-life issues) on the political

agenda, post-materialist issues have not displaced more material ones (traditional or otherwise) in any straightforward fashion. Instead, while it is true that post-material values cut across traditional class cleavages, blunting them rather than reinforcing traditional ideological distinctions, the reverse has also proven to be true: post-materialism has been blunted by its incorporation into the political process, across and beyond party lines. There is reason to think that the theory of post-materialism is more helpful in explaining the *context* of policy-making (that is, one of and increased “cognitive mobility” of educated citizens, i.e. the ability to cope with fluid and multiple identities; Inglehart, 1977: 295, and the need to include and consult environmental, Native, and women’s groups in a variety of policy areas) than it is in explaining the salience of particular issues. For example, the importance of environmental policy in the Harcourt agenda of the early 1990s was consistent with the theory of “baby boom” post-materialism, but its downgrading in the Clark government and even more in the first Campbell government (2001–2005) did not occasion a serious backlash among the wider electorate. Indeed, there may have been widespread agreement that more troubled economic times called for more relaxed environmental regulation, and rather than being a source of ideological polarization, the emphasis on employment and wealth creation was actually a matter of common ground among active politicians. As BC sinks into recession near the end of the 21st century’s first decade, it will be interesting to see if this pattern repeats itself.

<TX2>Third, a related phenomenon is the steady growth in the importance of legalism and proceduralism in relations between citizens, interest groups, and government. While citizens and the media have been frustrated by deliberate delays in response to Freedom

of Information requests and lack of enforcement of the *Lobbyists Registration Act*, these difficulties have inevitably shone a spotlight on and generated pressures for further legislation and/or improved enforcement and transparency. And both major political parties are responding to these pressures. Generally, BC's citizens and interest groups are more likely to demand a voice in, and assert their rights against, institutional authorities—as an aspect of the rising participant ethic and a declining deference to authority. Legalism and proceduralism warrant separate attention as independent variables because post-materialism alone does not easily explain either the magnitude or the rapidity of value change in this area. Moreover, legalism and proceduralism are unlikely to be muted much by changing economic conditions, as environmental priorities and the demand for other public goods often are; they are anchored outside of the government in the court system and reinforced culturally by a strong rights ethic.

<TX2>Fourth, the formalization of lines of communication between interest groups and government has reduced the importance of political parties as the principal conduits of interest articulation, interest aggregation, and policy formulation. There are certain, discrete exceptions to this: the Labour Code and fish farming are examples where interest groups clearly identify with a party ideology and platform and vice-versa. Polarization is still strong, within increasingly confined areas. But hopefully the days are gone when interest groups with party connections will be rebuffed by a government “with the advice that they ought to be talking instead to their ‘friends’ on the other side of the legislature” (Kristianson 1996, 206–207).

<TX2>What underlies all of these developments is the centrality of the provincial state, which has facilitated the institutionalization of lobbying, public interest advocacy, self-regulation, and the growth of policy communities and governance networks. Strategic decisions by interest groups to influence the state are matched by strategic decisions by the state to accommodate and/or regulate those interests. The state is increasingly constrained by its consequent obligations, both formal and informal, to interest groups; but then, so too are the interest groups.

#### <HE>Notes

<NOTE> 1. According to Jessica McDonald, “I remain satisfied that Mr. Dobell fulfilled his obligations with respect to managing potential conflict of interest, and that the discussion he and I had and the procedure we agreed to effectively safeguarded the Province’s interest.” (2007).

<NOTE> 2. Detailed regulations implementing the Agreement were released in March 2009.

<NOTE> 3. A good illustration of this conflict was an exchange between Tom Stephens, the CEO of McMillan Bloedel, and Jake Kerr, Canada’s industry representative in the pages of the *Vancouver Sun*, in late 1999, in which Kerr called the Council of Forest Industries a “sham” and Stephens accused Kerr of “arrogance” and “losing his grip on reality.” This conflict is more muted in the SLA of 2006, but is still present, and the United States trade officials and the Coalition for Fair Lumber Imports have been skillful in exploiting these divisions in negotiations.

<NOTE> 4. Section 53 of the Labour Code also provides for consultation between management and the union “to respond and adapt to changes in the economy, to foster the development of work related skills and to promote workplace productivity.”

<NOTE> 5. The combination of a more straitened economy and another Liberal re-election would make some policy moves in this direction seem likely. Prominently displayed newspaper advertisements during the year prior to the May 2009 election by the Coalition of BC Businesses (“Don’t Risk Your Paycheque and Job on the NDP”), and television advertisements by the BC Teachers’ Federation (“177 schools closed”) are further proof that, around some “materialist” issues at least, polarization and party clientelism are still alive and well in BC.

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