Northern Vision: Northern Development during the Diefenbaker Era

by

Philip Isard

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Author's Declaration

I hereby declare that I am the sole author of this thesis. This is a true copy of the thesis, including any required final revisions, as accepted by my examiners.

I understand that my thesis may be made electronically available to the public.

Abstract

At the inauguration of John G. Diefenbaker's 1958 election campaign, the Prime Minister announced his 'Northern Vision,' a bold strategy to extend Canadian nationhood to the Arctic and develop its natural resources for the benefit of all Canadians. In some ways, the 'Northern Vision' was a political platform, an economic platform as well as an ideological platform. Invigorated by Diefenbaker's electoral victory in 1958, the Department of Northern Affairs and National Development (DNANR) implementing the 'National Development Policy' in 1958 and announced the 'Road to Resources' program as a major effort to unlock the natural resource potential of the Canadian north. From 1958 to 1962, DNANR implemented additional northern development programs that planned to incorporate the northern territories along with Canada's provinces, redevelop several key northern townsites, and stimulate mining activity across Northern Canada. As a result of serious government oversight and unforeseen developments, Diefenbaker abandoned his 'Northern Vision' and direction of northern development in 1962. Within the broader context of northern development over the past half century, the 'Northern Vision' produced several positive outcome which advanced the regional development of the Arctic.

This thesis will examine the 'Northern Vision' by evaluating Diefenbaker's political platform, the development of the 'National Development Policy,' and the regional outcomes of key northern development projects initiated by the Diefenbaker administration. The 'Vision' was never anticipated to bring about immediate results for Canadians and many objectives were eventually completed by consecutive Liberal governments. Moreover, the socioeconomic and military conditions of the Canadian north, at the time, appears to be significant factor in the implementation of this policy. This thesis also evaluates how natural resource operations propelled developments in territorial administration, housing, transportation, and fostered a wider participation of private enterprise across northern Canada. The 'Northern Vision' represents an overlooked period in the federal government's administration of the Arctic and a critical event in the region's development over the past fifty years.

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Table of Contents

Author's Declaration	ii
Abstract	iii
Acknowledgments	iv
Introduction	1
Historiography	9
Chapter One: The 'Northern Vision' in the House of Commons and	
the formulation of the 'National Development Policy'	19
The Liberal Era: The North during the early to mid-1950s	22
The 'National Development Policy' in the Federal Setting: Policy Formulation and	
Philosophy	28
The 'National Development Policy' in the Federal Setting: The 1957 and 1958 Federal	
Elections	35
Chapter Two: The 'Northern Vision' in Canadian Periodicals and	
the National Consciousness	49
1957: Gaining Political Capital and the Emerging Issue of the North	50
1958: Part One, The Success of John G. Diefenbaker and his vision of	
the Canadian north	58
1958: Part Two, Northern Politics and Issues in the Federal Setting	69
Chapter Three: The 'Vision' as Reality in the Canadian north	77
The Dempster Highway, 1958-1979	80
The Pine Point Railway, 1958-1962	83
Municipal and Town Redevelopment Projects in the Canadian north: Federal Plans for	
Frobisher Bay and Dawson City	88
Frobisher Bay, Northwest Territories, 1957-1963	89
Dawson City, Yukon Territory, 1958-1966	96
Conclusion	102
Conclusion: Reevaluating Diefenbaker's 'Northern Vision'	106
Bibliography	113

Introduction

Prime Minister John G. Diefenbaker has long been regarded as an important figure in the development of the Canadian north. His 'Northern Vision,' a national policy of northern development, is considered a benchmark in the history of the federal government's administration of the northern territories and an innovative attempt to incorporate the North's regional economy into the nation. The 'Northern Vision' holds particular significance in Canadian history as a political slogan and party platform for Diefenbaker's campaign during the 1958 election; the same election where Canadians voted in the Conservative party with the then largest majority in the country's history.

Given the strong mandate handed to Diefenbaker's administration, 'the Chief' could have implemented whatever policies or programs he or his party desired. Canadian political scholars, in turn, have criticized the 'Northern Vision' for its limited achievements and failed implementation. By many accounts, the loss of interest in northern development, conflicts over Diefenbaker's leadership, and escalating federal expenditures produced little actual development or construction in the Canadian north. The 'Roads to Resources' program is often cited by historians as an initiative that was ridiculed by Lester B. Pearson, suffered from government maladministration and poor financial oversight, as well as numerous logistical challenges of expanding transportation networks in the provincial and territorial norths. This study contends that the 'Northern Vision' was a successful policy that advanced political, economic and transportation imperatives in the Canadian north. It was unable, however, to reap the long-term rewards that Diefenbaker initially envisaged.

The Canadian north is defined as the area above the 60th parallel and comprised of the Arctic and Sub-Arctic regions. In some cases, this term has been extended to the Provincial norths as well. Isolation, vast distances, and harsh climate are all key attributes of the North, as are its abundant oil, gas, and mineral resources. Since the Second World War, the North has undergone dramatic and significant change. Modernization, however, has met with resistance and half-hearted support from the federal government, despite its long-standing priority to encourage systematically regional economic development in the North. It has proven particularly difficult for the Canadian government to establish a stable economic base for continued development. Private enterprise has often required the assistance of the public sector to develop and exploit northern natural resources. In the past, the federal government has fostered development in the North by constructing roads, highways, and railways, installing energy and hydroelectric facilities, building housing and infrastructure, carrying out negotiations with indigenous settlements, and implementing policies that attempt to better incorporate the North's regional economy into the country as a whole.

The incomplete realization of Diefenbaker's 'Northern Vision,' however, reflected his problems with political administration and his difficulty resolving bureaucratic and economic issues. The 'Northern Vision' presented an unprecedented set of expectations for the North.

Although this development strategy and philosophy ignored critical human elements, it was essentially a national economic policy to stimulate the commercial exploitation of northern

¹ In this study, the Canadian north expressly refers to the Yukon Territory and Northwest Territories collectively. Specific mention will be made when referencing the Provincial norths, Arctic archipelago, Yukon Territory and Northwest Territory.

² From time to time, the government has shifted the emphasis of their northern policies from resource development to other areas of concern, ranging from military defence, threats to Canadian sovereignty, social welfare issues, and protection of the natural environment.

natural resources. Despite the resource development questions that the Diefenbaker government had to confront (including federal-provincial relations and environmental concerns), the immediate issue was the relationship between the state and the private sector. Private enterprise remained the primary beneficiaries of the 'Northern Vision,' not permanent residents of the North (including Indigenous peoples). Echoes of Diefenbaker's northern policies remain, with resource development a critical priority in the Harper government's recent Arctic Strategy.³

The 'Northern Vision' plays a confused role in our national consciousness. In its time, it was a populist and nationalist policy that excited Canadians voters but was relentlessly debated, questioned, and treated with uncertainty by the press and the public. The significance of Diefenbaker's 'Northern Vision' cannot be measured simply within the strict period of his tenure as Prime Minister, nor its failure a simple reflection of Diefenbaker's leadership and character. As mentioned, the 'Northern Vision' was a long-term economic policy. The capital expenditures, investments and construction operations associated with it were never anticipated to bring immediate results. The 'Vision' was intended to improve the general welfare of the North by laying an essential foundation for future economic developments. By the early 1960s, however, the loss of public confidence in Diefenbaker's political administration seriously undermined the Government's commitment to developing the Canadian north. Diefenbaker directed the attention of his government to more pressing concerns of foreign affairs, international military conflicts, and federal disputes. As a result,

³ Canada, Government of Canada, *Canada's Northern Strategy: Our North, Our Heritage, Our Future*, (Ottawa: Department of Indian Affairs, 2009) [http://www.northernstrategy.ca/cns/cns-eng.asp accessed 11 November 2009].

serious analysis of the 'Northern Vision' has been overshadowed by other developments that rocked the national political scene in the 1960s.

Past scholarship provides only a partial and cursory examination of Diefenbaker's 'Northern Vision.' The attention that this topic has received relates only to its principal programs, the high-level of expenditures, and its fate amidst the complications of the Diefenbaker administration. In Northern Canadian historiography, a rather pessimistic attitude has developed, citing the persistence of the national policy and economic development strategies as having a marginal if not negative impact for northern development. The political historiography has emphasized the problems and issues of the Diefenbaker administration and not the terms or factors involved with the progress and implementation of the 'Vision' itself. The 'Northern Vision' was a national policy of resource development with wide-ranging implications not only for the North, but also was an attempt to offset the influence of commercial American interest, encourage greater financial participation of Canadians in their own economy, and foster a relationship between public and private enterprise. As such, it warrants careful attention.

Historians and other commentators have considered the 'Northern Vision' a failed national policy of the Diefenbaker government and, in the case of the North, only one in a string of federal economic development policies that have failed over the last half century.

When evaluated within the broader context of northern development, however, the positive impacts of the 'Vision' are also apparent.⁴ In my assessment, many historians have dismissed Diefenbaker's 'Northern Visions' along with his administration that fell in 1963. But, in the

⁴ Frances Abele, "Canadian Contradictions: Forty Years of Northern Political Development," in *Interpreting Canada's North*, eds. Kenneth S. Coates and William R. Morrison, (Mississauga: Copp Clark Pitman, 1989): 310.

context of 1957 and 1958, Diefenbaker attempted to implement an economic policy centered on the North that would: draw Canada out of recession, distinguish his policies from his Liberal predecessors, and call upon the Conservative legacy of Sir John A. Macdonald's 'National Policy'. In some ways, the 'Northern Vision' was a political platform, an economic platform as well as an ideological platform. Even so, this 'Vision' fell to the realities of Canada's harsh political climate and also, failed to incorporate any concerns of the North's indigenous peoples. At its time, the 'Northern Vision captured the imagination of many Canadians: though incomplete, it did establish a foothold that eventually led to an expansion of northern transportation, and at minimum, demonstrated that federal expenditures and careful government planning could advance the general welfare and regional development of the North.

This study examines the development of the 'Northern Vision' - from philosophy, party platform, campaign promise to policy - and evaluates the challenges and complications that hindered northern development during the 1950s and 1960s. Particular attention is given to the government's apparatus for territorial administration, the Department of Northern Affairs and National Resources (DNANR), as well as the programs and policies of the 'Northern Vision' itself. This thesis is a political history which details and critiques the development of national economic policy, the regional implications of federal policy and northern development. I am particularly interested in how the federal government conceptualized the North and how it conveyed this national economic policy to Canadians. While I focus on the development of the 'Northern Vision,' the regional and economic implications of this national policy are also considered. The central figure of this history,

John G. Diefenbaker, intended the 'Northern Vision' to benefit all Canadians. As a national policy that emphasized the development of the Canadian north, it is crucial to understand the multiple dimensions, intended results, and potential economic benefits that its architects envisaged. In this thesis, I examine how the 'Northern Vision' acquired popular appeal in 1958 and uncover what shortcomings attributed to the derision and criticism which it received in the years following.

My central argument is that the objectives of the 'Northern Vision' were unattainable in a single term of government given the political and economic conditions of the Canadian north. Nevertheless, the broad objectives were achieved as a direct result of the work undertaken by the Diefenbaker administration, which had a significant and positive influence on the future development of the Canadian north.⁵ In addition, I challenge the assumption that the failure of the Diefenbaker government and the consequent loss of public support directly explain the underperformance of the 'Northern Vision.' Instead, the 'Northern Vision' should be understood as an innovative and expansive policy that sought to achieve a new level of development in the Canadian north – albeit one that was partially realized.

Prior to the 'Vision,' postwar administrations had largely ignored northern frontier development and limited construction operations were carried out by the American military to improve continental defence. As William R. Morrison noted, because Canadians have avoided active participation in the North, an area seen as vital to the defence of the continent,

⁵ Given the limitations of this thesis, it is difficult to evaluate the implementation of the 'Northern Vision' policy as a whole, instead it is practical to examine the implementation of various program that were part of its platform and philosophy. It is important to acknowledge that there exists multifaceted and complex dimensions to this national economic policy, many of which were not intended to have a direct effect on the Canadian north.

Americans have tended to fill the vacuum.⁶ Historian Kenneth Eyre contends that the United States has traditionally thought of the North as a direction of strategic approach, while Canada "has historically viewed the North as a place that, however remote and unknown, is still an inherent part of the nation." Canada accommodated the strategic perceptions of the United States and permitted access and military development under the guise of continental security. Following the defeat of the Diefenbaker government in 1963, subsequent administrations were able to improve the general welfare of the North thanks to the groundwork laid by Diefenbaker's 'Northern Vision.' Canadian historiography has misrepresented the implications that the 'Vision' had for northern development, and in large measure, has ignored a pivotal chapter in the development of the modern North.

Because the focus of this political history is the 'Northern Vision,' no claim is made to provide a comprehensive study of postwar developments in the North. A detailed departmental history of DNANR which examines its establishment, structure, and consecutive reorganization is needed, but this study merely seeks to provide background to demonstrate how NANR became an integral department within the Diefenbaker administration. An important theme of this study is the expansion of civil authority into the Canadian north. As political and economic interest in the region increased by the late 1950s, the Canadian government gave greater attention to the issues of permanent residents and the welfare of northern Indigenous peoples. Although the 'Northern Vision' ignored the rights of Indigenous residents, the proliferation of resource extraction projects and the development of

⁶ William R. Morrison, "Eagle Over the Arctic: Americans in the Canadian North, 1867-1985," *Canadian Review of American Studies* 18, (1987): 62-3, 69.

⁷ Kenneth Eyre, "Forty Years of Military Activity in the Canadian North, 1947-87," *Arctic* 40(4) (December 1987): 299.

transportation facilities had unintended consequences for remote Indigenous communities.⁸ This study also addresses how private enterprise cooperated with the federal government in developing the Canadian north and examines the state incentives and policies which encouraged businesses and industries to invest in natural resource development. Finally, this study explores how Diefenbaker hoped the 'Northern Vision' would benefit the financial welfare of all Canadians, thus extending the nation-building tradition of Sir John A. Macdonald.

⁸ Some research on indigenous responses to specific resource projects during this period are available, however, material suggests that the government did not take comprehensive measures to consult with adjacent aboriginal communities.

Historiography

Since the Second World War, Canadians have both celebrated and condemned the North because of its sparse civil population, disconnect from modern change, the failings of government authority, and its underdevelopment. For Americans, the Arctic has been the open and undefended flank of continental defence. It is a symbol of Canada's reliance on the U.S. to defend against foreign attack and, accordingly, has generated questions about the integrity of our national sovereignty. Concurrently, the North is considered a treasure chest of natural resources for government and private enterprise to exploit for the benefit of all Canadians. All told, however, Canadians have depended upon the federal government to incorporate this regional society into the nation.

The scholarship of the 'Northern Vision' is a series of passing mentions and partial studies that have not evaluated the development of this policy. Instead, scholars have deliberated on the failed implementation, shortcomings or character of Diefenbaker's leadership. At first, scholars considered the 'Northern Vision' a peripheral political success that contributed to Diefenbaker's overwhelming electoral victory in 1958. Later, political historians examined the policies of the Diefenbaker government but were indifferent towards the incomplete objectives of the 'Northern Vision.' More recently, scholarly interest in histories of native-newcomer relations, Aboriginal people and northern Canada has allowed for a growing scholarship that probes the impact of federal policies on the development of the Canadian north. As historians Kerry Abel and Ken S. Coates observed in their 2001 historiographical study *Northern Visions: New Perspectives on the North in Canadian History*, this scholarship has focused on periods of enthusiasm for the North "typically

centered on resource developments". Nonetheless, a dedicated and extensive study of the 'Northern Vision' has yet been produced, even though it represents a critical intersection between national politics and northern Canadian history.

Diefenbaker's electoral successes in 1957 and 1958, and his toppling of the Liberal "government party" in Ottawa, has been well-documented as a turning point in Canadian politics. After the 1958 federal election, political and historical scholars were fascinated with this dramatic shift. Canadian political analyst John Meisel described the 1957 election as the "end of one epoch in Canadian politics" and the 1958 election had "opened a new era in Canadian politics and should be examined in that context."10 Likewise, D. Owen Carrigan, in his survey of Canada's electoral party platforms, suggested that Diefenbaker's success during 1958 campaign was a result of "his rapport with the people, his appeal to Canadian nationalism, his vision of northern development and his spellbinding oratory" which "all served to complete the Diefenbaker revolution and swept him into power with the biggest margin in the nation's history." In Pendulum of Power: Canada's Federal Elections, J. Murray Beck, another political analyst and observer of Canada's electoral history, described the 1958 election as unusual. "It was indeed a political revolution," he questioned, "but was it to be revolutionary in its effect?"12 Beck credited Diefenbaker's electoral success for its "truly national mandate" and the prime minister's evocation of a "more positive response than his Liberal predecessors and, unlike them, he had won popular majorities in all

⁹ Kery Abel and Ken S. Coates, *Northern Visions: New Perspectives on the North in Canadian History*, (Peterborough: Broadview Press, 2001):19.

¹⁰ John Meisel, *The Canadian General Election of 1957*, (Toronto: University of Toronto Press, 1962): vii.

¹¹ D. Owen Carrigan, Canadian Party Platforms: 1867-1968, (Toronto: Copp Clark Publishing, 1968): 235.

¹² J. Murray Beck, *Pendulum of Power: Canada's Federal Election*, (Toronto: Prentice-Hall of Canada, 1968): 323.

regions."¹³ Beck claimed that the 'Northern Vision' lacked real political substance, and stated that "sometimes it seemed to be associated solely with the development of the Canadian north; sometimes it was 'a vision of opportunity' by which Canada could realize the benefits that her great resource made possible."¹⁴ He also considered that the public's enthusiasm for the 'Northern Vision' was not a significant factor in the election results because Canadian voters "could not be induced to show any great interest in issues." Initial political analysis insisted that 1958 was a "luxury" election where the personality of Diefenbaker was the dominant factor.¹⁵

Journalist Peter C. Newman deplored the 'Northern Vision' as the political manifestation of Diefenbaker's flair and charisma. His book, *Renegade In Power: The Diefenbaker Years*, is a critical account of the prime minister's leadership, derived from Newman's notes while a federal political correspondent for *Maclean's* magazine. Newman claimed that Diefenbaker's national economic policy failed because it lacked any genuine political conviction from the onset. The 'Northern Vision' was a sensational campaign slogan that purported grand expectations for national development and economic benefits that resonated with Canadians during a nationwide economic recession. Newman claimed that, "despite the fact that the number of jobless Canadians had soared to new highs... Diefenbaker left the clear impression that he held the magic key that would solve the nation's chronic winter unemployment problem." 16

¹³ Ibid., 324.

¹⁴ Ibid., 316.

¹⁵ Ibid., 316-17.

¹⁶ Peter C. Newman, Renegade in Power: The Diefenbaker Years, (Toronto: McClelland and Stewart, 1963): 72.

Newman's assessment of the 'Northern Vision' posed a serious attack on the Diefenbaker government's nationalist policies, and showed his indignation against Diefenbaker's leadership. Newman's main assertion was that the 'Vision' was a political manifestation of Diefenbaker's difficulty in managing a majority government and contended that it failed. The outcomes of this northern economic policy never came close to the expectations expounded by Diefenbaker during the 1958 campaign, and the North was an inhospitable barren land where Newman believed little development could result. 17 Newman claimed that high federal expenditures invested in northern development had not produced a single mine or caused a significant increase in oil and gas production, nor benefited the economic welfare of northern residents, and the abandonment of the proposed \$75 million Arctic metropolis at Frobisher Bay was certainly a joke at the expense of Canadians. 18 Newman neglected to consider that the 'Vision' and the federal designs for the North would be impossible to implement in a single term of government. Diefenbaker hoped that successive governments would continue his strategy of northern economic development, aware that the benefits of his 'Northern Vision' would accrue over time.

R.A.J. Phillips' *Canada's North*, published in 1967, gave Canadians a unique look into the process and administration of the northern territories. Phillips was a former civil servant with DNANR who observed how the 'Northern Vision' affected the Canadian north. His main focus was to evaluate the government's role to advance the political, economic and social circumstances of the Canadian Arctic over the previous decade. His book provides an

¹⁷ Ibid., 219-223.

¹⁸ Ibid., 218-19.

excellent survey of postwar regional development, how federal policies were translated and implemented in the Canadian north, and the history of DNANR.

In Canadian history, nationalist scholars who have studied the Diefenbaker government have held cursory interest in the 'Northern Vision.' Although historian and Conservative nationalist Donald G. Creighton initially approved of Diefenbaker and considered his 'Northern Vision' as an embodiment of key principles of Canadian Toryism, he believed the unsuccessful implementation of the northern strategy revealed the prime minister's incapacity to lead a majority government. Creighton attempted to distinguish intellectual Conservative thought from Diefenbaker's brand of popular Toryism after the Conservatives' bold national economic policy failed. In his 1970 book *Canada's First Century*, he wrote:

In such conditions, what might have been a spectacular advance turned out to be a not unsuccessful holding operation. As a result of the 'roads to resources' programme, carried out in conjunction with the provinces, over 4,000 miles of new roads were laid down in the Canadian northland...Very large sums of money were put into the development of natural resources, and the promotion and rationalization of primary industries.¹⁹

Creighton argued that the failure of Diefenbaker's vision of national development resulted from his desperate attempt to avoid Canada's economic takeover and domination of defence policy by the United States.

Other political historians have been more forgiving of Diefenbaker's political offenses and view the 'Northern Vision' as a limited political achievement. In J.L. Granatstein's political survey of the Diefenbaker and Pearson era, *Canada*, 1957-1967, he acknowledged (in passing) the nation-building objectives of Diefenbaker's 'Vision' as "one

¹⁹ Donald Creighton, Canada's First Century, 1867-1967, (Toronto: Macmillan, 1970): 314.

of his government's great successes."20 Granatstein suggested that the 'Vision' was abandoned because of an "extraordinary concatenation of events in foreign policy, in the economy, in financial policy, and in defence questions" that preoccupied Diefenbaker as prime minister.²¹ Historians Robert Bothwell, Ian Drummond and John English provide a brief yet fair explanation of the 'Northern Vision' in their survey history of postwar Canadian politics, Canada Since 1945: Power, Politics and Provincialism. The authors interpreted Diefenbaker's northern development strategy as a dedicated policy of national 'vision' intended to progress "social welfare measure and to the equalization of opportunity and development throughout the dominion."²² The authors briefly describe the national and regional economic objectives of the 'Northern Vision,' such as the 'Roads to Resources' program, the Pine Point Railway, and redevelopment plans for Frobisher Bay and Inuvik. By 1963, however, the authors account for the failed implementation of the 'Northern Vision' due to a diminishing interest in northern development and a pressing emergency for Diefenbaker to resolve continental economic disputes, defence issues, and foreign military concerns.²³

More extensive investigation can be found in scholarly studies that have treated the 'Northern Vision' as a distinct political process separate from the immediate political concerns of the Diefenbaker government. Patrick J. Kyba's *Alvin: A Biography of the Honourable Alvin Hamilton, P.C.*, offers an outstanding and comprehensive examination of

²⁰ J.L. Granatstein, Canada, 1957-1962, (Toronto: McClelland and Stewart, 1986): 36-37,42.

²¹ Ibid., 42.

²² Robert Bothwell, Ian Drummond and John English, *Canada Since 1945: Power, Politics, and Provincialism, Revised Edition,* (Toronto: University of Toronto Press, 1989): 186.

²³ Ibid., 188.

the 'Northern Vision' that recognizes its complicated development and limited achievements. According to Kyba, the 'Northern Vision' was the public title for the 'National Development Policy,' an economic strategy developed collectively by Diefenbaker, Alvin Hamilton and Merril Menzies. Its original design dated back as early as 1953 when Hamilton, then leader of Saskatchewan's Progressive Conservative party, advocated a platform that emphasized the development of Canada's natural resources and the construction of highways that would access the North.²⁴ Kyba suggested that the Conservatives' political implosion in 1962 was associated with the Prime Minister's refusal to implement the second stage of the 'National Development Policy.' As a result, the potential of this development strategy to revitalize the Canadian north and establish a foundation for future economic growth was abandoned and unrealized. According to Kyba, Hamilton was a member of a group of political intellectuals within Diefenbaker's administration who were determined the set the country on a new course of political and economic development. "They were motivated by Canadian nationalism," Kyba wrote, "a commitment to social justice, and a conviction that government must create the conditions whereby private enterprise could develop the nation."25

Morris Zaslow's *The Northward Expansion of Canada, 1914-1967*, published in 1988, was the first scholarly study to assess federal designs for the North and for postwar regional economic development.²⁶ The 'Northern Vision' was not a focus of Zaslow's study,

²⁴ Patrick J. Kyba, *Alvin: A Biography of the Honourable Alvin Hamilton, P.C.*, (Regina: Canadian Plains Research Centre, 1989): 94.

²⁵ Ibid., 147.

²⁶ Morris Zaslow, *The Northward Expansion of Canada, 1914-67*, (Toronto: McClelland and Stewart, 1988): 332. Zaslow explained that the 'Northern Vision' was a "concept of developing the North as a national duty" which "embraced the provincial as well as territorial norths" and had the political merit of appeal to every regional, sectarian, or class interest. Zaslow's historical survey of Canadian north remains a benchmark in Northern Canadian historiography and an important precursor to this study.

which examined how resource development and the construction of road infrastructure were growing imperatives for the Canadian government by the 1950s. Even so, the 'Northern Vision' had various positive consequences for the territories, Zaslow argued, some of which were not as incongruent with the interest of northern residents as previous studies had assumed. For instance, the 'Roads to Resources' program established a series of access roads and infrastructure that alleviated the feeling of isolation that northerners felt and improved the position of resource industries.²⁷ To offset Canada's economic recession, the Diefenbaker government invested heavily to open up the energy and natural resource potential of the Canadian north. This also brought a high-degree of government activity and interdepartmental cooperation into the region, which until that period had yielded to the *de facto* strategic plans of the American military.

More recent writings in Canadian and northern Canadian historiography offer partial examinations that confirm the approaches of past scholarship on this topic. Several studies that discuss the impact of federal policy and economic development strategy for the North are not directly concerned with the regional implications of the 'Northern Vision' in particular. Frances Abele's 1987 article "Canadian Contradictions: Forty Years of Northern Political Development" emphasized that the federal government's episodic and irregular attention to northern development results from "contradictions in Canadian conceptions of the role of the state and the nature of democracy and to the persistence of the 'National Policy' economic development strategy." Abele's argues that intermittent development has

²⁷ Ibid., 253.

²⁸ Abele, "Canadian Contradictions," 310.

produced a fundamental complication where "the foundations of northern constitutional practice have not solidified, nor has the economy of the North fully taken shape."²⁹

The extensive scholarship by Ken S. Coates and William R. Morrison has significantly advanced the history of Northern Canada. In their 2005 survey history of the Yukon Territory, Land of the Midnight Sun, they noted that the construction of roads and highways, as well as the proliferation mining activity during the late 1950s and 1960s, were direct products of Diefenbaker's 'Northern Vision.' The federal government's investment in the mining sector and redevelopment plans for the Yukon's Dawson City were obvious signs of Diefenbaker's commitment to developing the Canadian north. 30 Furthermore, their 1994 article "The Federal Government and Urban Development in Northern Canada after World War II" examined the federal government's administration and designs for redeveloping Whitehorse and Dawson City. In this article, they demonstrated that northerners' local issues and grievances were subjugated by federal designs for northern municipal expansion, which were inconsistent with the thoughts and opinions of local residents.³¹ Both studies suggest that, following the Second World War, the Canadian government had a strong interest in intervening and managing the regional economic development of the North and committed to various initiatives that would establish a foothold for future socioeconomic development.

After half a century of scholarly debate, historians have yet to determine whether the 'Northern Vision' was critical to Diefenbaker's political success and/or failure. Past

²⁹ Ibid.

³⁰ Ken S. Coates and William R. Morrison, *Land of the Midnight Sun: A History of the Yukon*, (Montreal: McGill-Queen's University of Press): *282*.

³¹ Ken S. Coates and William R. Morrisson, "The Federal Government and Urban Development in Northern Canada After World War II: Whitehorse and Dawson City, Yukon Territory," *B.C. Studies* 104 (1994): 25-28, 45.

scholarship has confirmed that the 'Northern Vision' was both politically and personally important to Diefenbaker and, despite its bold ideas for national and northern development, his 'Vision' suffered from maladministration and various political and economic obstacles. It was a benchmark in the postwar development of the Canadian north, and expanded both the boundaries (and limitations) of federal and territorial administration at its time. Past scholarship has neglected examining the actual development and articulation of this policy, and has emphasized its shortcomings and failures to an extent that unfairly undermines the political legitimacy of Diefenbaker's 'Vision'.

Apparently we have administered these vast territories of the north in an almost continuing state of absence of mind. I think all honourable members now feel that the territories are vastly important to Canada and that it is time that more attention was focused upon their possibilities and what they will mean to this nation. We in the southern part of Canada have been so busy in recent years that we have given little close attention to the north country. In the thirties we were concerned with economic problems; then during the war years there was little that we could devote ourselves to but to the tasks of war. Since the war, the growth and development in every province and the problems of the cold war have absorbed practically the whole of our attention.³²

Rt. Hon. St. Laurent, Ottawa, 8 December 1953

In 1953, administration of the Canadian north became the responsibility of a newly-established federal department: the Department of Northern Affairs and National Resources (DNANR). The government combined the Northern Administration and Lands Branch with the Department of Mines and Resources into a single office to better seize the natural resource wealth embedded in Canada's vast Precambrian shield. DNANR received a sharp increase in federal financial support, specifically to extend transportation, facilitate northern resource development, and complement the economic growth occurring nationwide.

DNANR contended with its first major issue when the construction of the Distant Early Warning (DEW) Line required careful supervision of American contractors building an extensive radar network in the Far North from 1955-57.

³² Canada, House of Commons Debates (8 December 1953), p. 696-7 (Mr. St. Laurent).

Accordingly, continental defence priorities impeded the advance of northern resource development through the 1950s. 33 Several prominent Ottawa bureaucrats were concerned with Washington's designs for the North. According to historian Shelagh D. Grant, "Northern nationalists" were convinced that the future of Canada was the responsible development of the North and any subordination to the United States would result in a loss of economic and political autonomy. 34 As early as 1943, Malcolm MacDonald, the British High Commissioner of Canada, had recognized the potential risk of unmonitored American activity in the Arctic:

It is surely unfortunate that the Canadian authorities have little real say as to, for example, the exact placing of these airfields, and the exact route of these roads on Canadian soil. The Americans decide these according to what they consider American interests. Responsible American officers will tell you frankly in confidence that...they are designing those works also to be of particular value for (a) commercial aviation and transport after the war and (b) waging war against the Russians in the next world crisis.³⁵

While *de jure* sovereignty concerns over the Canada's northern territories were secured by early postwar agreement,³⁶ the Canadian government sought to recover *de facto* control and territorial jurisdiction over its internal dominion by the late 1950s. As historian William R. Morrison noted, "It was not that the American government had conscious designs on Canadian sovereignty; rather, they had a clear idea of what they wanted and needed in the

³³ Unintended social consequences resulted from this influx of American personnel into a largely Aboriginal-inhabited region. Concurrently, Ottawa's politicians grew increasingly concerned with the unmonitored activity of U.S. personnel. R.A.J. Phillips, *Canada's North*, (Toronto: MacMillian, 1967): 172; Eyre, "Forty Years of Military Activity in the Canadian North, 1947-87," 294.

³⁴ Shelagh D. Grant, "Northern Nationalists: Visions of "A New North," 1940-1950, in *For The Purposes of Dominion: Essays in Honour of Morris Zaslow*, ed. Kenneth S. Coates and William R. Morrision, (Toronto: Captus Press, 1989): 42-70.

³⁵ Quoted in Curtis B. Nordman, "The Army of Occupation: Malcolm MacDonald and U.S. Military Involvement in the Canadian Northwest," in *The Alaska Highway: Papers of the 40th Anniversary Symposium*, ed. Ken S. Coates (Vancouver, 1985): 88.

³⁶ See Nigel D. Bankes, "Forty Years of Canadian Sovereignty Assertion in the Arctic, 1947-87," *Arctic* 40(4) (December 1987): 292-99.

Canadian north, and saw no reason why what was in their interests should not be in the interests of the Canadians as well."³⁷ After all, American investments in military infrastructure improved transportation and communications in the Canadian north. After the establishment of DNANR in 1953 and the construction of the DEW Line, however, the Canadian government was managing two imperatives in the North: monitoring the northern flanks of continental security and exploiting natural resources that remained inaccessible to the Canadian government and private enterprise.

From 1957 to 58, Diefenbaker and a small group of close associates developed an innovative economic strategy that centered upon the development of the Canadian north.

Many Canadians who had concerns for the North - particularly, its increasing militarization during the Cold War - were captivated by Diefenbaker's 'Northern Vision,' an innovative approach that recast the region as a rich source of resources that would resuscitate the Canadian economy from recession. Diefenbaker won nationwide support during the 1958 election, and soon afterwards announced that the 'National Development Policy' would work to advance the exploitation of northern resources. This chapter examines the planning of the Progressive Conservative's 'National Development Policy,' the formal title for Diefenbaker's 'Northern Vision,' and Diefenbaker's adoption of it as a political platform for the 1958 federal election.

³⁷ Morrisson, "Eagle over the Arctic: Americans in the Canadian North, 1867-1985," 176.

The Liberal Era: The North during the early to mid-1950s

By the mid-1950s, public and private interest in the development of Canada's natural resources became a significant item of parliamentary debate. Canada reached its highest level of economic postwar growth between 1954 and 1956, a product of high capital investment in natural resources as well as large projects such as the St. Lawrence Seaway and the Trans-Canada Pipeline. Private investments increased from 13% in 1955 to 25% in 1956; a response to the Government's broad and general incentives to the private sector.³⁸ Walter Lockhart Gordon, a member of Toronto accounting firm Clarkson, Gordon & Company, and a close financial consultant to the Liberal Cabinet, was concerned with the degree of foreign capital invested in the Canadian economy and the growing takeover of Canadian industries by American businesses. In 1955, Gordon was appointed as the chair of the Royal Commission on Canada's Economic Prospects, intended as a comprehensive and impartial survey of the existing state of the Canadian economy, and a reasoned and cautious forecast of its probable future.³⁹ The Gordon Commission revealed that from 1945 to 1957 the amount of foreign capital investments grew from \$7 billion to \$17.4 billion. Concerns over foreign and particularly American ownership and control of Canadian industry prompted nationalist bureaucrats to reevaluate the political and economic direction of the country. Furthermore, this raised questions about the leadership of Prime Minister St. Laurent and Minister of Finance C.D. Howe and the complacency of Liberal administration after twenty-two years. According to Conservative nationalist historian Donald G. Crieghton, the political, economic

³⁸ Robert Malcolm Campbell, *Grand Illusion: The Politics of The Keynesian Experience in Canada, 1945-1975*, (Peterborough: Broadview Press, 1987): 108-110

³⁹ Donald G. Creighton, *The Forked Road*, (Toronto: McClelland and Stewart, 1976): 255-259.

and cultural independence of Canada had been suspended to accommodate the prerogatives of key Liberal members. In *The Forked Road*, Creighton argued that:

Howe's main aims were still the continuation of his own dictatorial economic powers and the invention of new and still more imposing schemes of economic development. St. Laurent was concentrating more and more exclusively on the problems of federal-provincial relations, which together with the issue of imperial relationship, had been his main preoccupation in his early years as Prime Minister.⁴⁰

In this climate of political mistrust for the Liberal administration, the Progressive Conservative Party, led by John G. Diefenbaker, began to gain favor with the general public.

An obstacle to Diefenbaker's 'National Development Policy' was the government's difficulty establishing a federal presence in the sub-Arctic and Arctic regions. The economic recession of the late 1950s coupled with an emerging global imperative for natural resources prompted a renewed interest in the Canadian government to find new ways of accessing the sub-Arctic. Despite Diefenbaker's criticism that the Liberals had done very little to further economic development in the North, St. Laurent established a federal office that managed the increasing mining activity occurring in the North when the DNANR was formed in 1953.⁴¹ The streamlined responsibilities of this single northern agency was logical to Canadian politicians, but complicated the jurisdictional boundaries of municipal, territorial and federal administration in the North. Moreover, this allowed the federal government to intervene in the political processes of the northern territories and to supervise regional economic

⁴⁰ Ibid., 260.

⁴¹ The Department of Northern Affairs and National Resources would later be expanded due to its integral role to the Diefenbaker government's new policy platform. Under Hamilton's administration, the department was restructured and better optimized to advance the objectives of the 'Northern Vision.'

development.⁴² In reality, this was not an efficient or negotiable form of territorial administration, but allowed the federal government to implement a systematic strategy for northern reform.

Diefenbaker understood the cultural importance that Canadians ascribed to the North and its vast natural resources. He was also intensely nationalistic and astute enough to realize that lobbying for resolute direction of the national economy and development of northern natural resources might provide him with the leverage to defeat the Liberal government in 1957. Before he was elected leader of the Opposition in 1957, Diefenbaker prepared an address for the House of Commons which displayed his famed nationalistic fervor and contempt for Liberal administration. He stated:

I myself year after year have been urging a Bill of Rights to preserve the fundamental freedoms of British Canadianism from the overruling of power of Government autocratic authority. On March 5th my colleague Mr. Dinsdale from Brandon Souris proposed a Resolution which came up for debate in the House of Commons and which was stated in these terms...The government should consider the advisability of taking advantage of every possible opportunity to promote the decentralization of industry...thereby, helping to reverse the trend towards concentration of population in large metropolitan areas with the accompanying social evils; encouraging a more equitable distribution of population and development right across Canada...Do not think that I am discouraged. No parliaments in the history of constitutional government was more vigorous in its discussions and in its debates than is this 22nd Parliament of the Dominion of Canada. The trouble is we have a government too long entrenched in power. A government with a complacent majority that cares nothing except remaining in office. What is needed is to restore the balance between

⁴² The Canadian government had a history of cooperating with private industry to develop transportation and infrastructure that would create an economic foundation and expand northern development. In 1958, DNANR planned to extend access roads previously constructed by the United States military after the Second World War. These roads would improve transportation between the provinces and territories, and extend into regions where commercial development was previously unable to access natural resource deposits. Within the District of Mackenzie, an improved highway between Grimshaw and Hay River facilitated access to Great Slave Lake and later extended traffic onward to Yellowknife, Mackenzie River, and Fort Providence. Moreover, the government planned to install hydroelectric facilities that would make cheap and reliable energy available to prospective industries and ease the dependency of northern businesses on oil. This new supply of affordable energy failed to create sufficient incentive for industries to develop northern natural resources. In a region that was largely inaccessible with distinct climate conditions, access to energy was only one of many reservations that inhibited private enterprise from relocating to the Arctic. On the other hand, the Canadian government was responsible for the welfare of the North's permanent residents. The installation of hydroelectric facilities and expansion of transportation networks would also have positive economic and social implications for northerners as well as abate feelings of neglect and isolation. See Zaslow, The Northward Expansion of Canada, 315-17.

parliamentary groups and the only way this can be done is to change the executive which means electing a majority of Progressive Conservative members of Parliament to sit in the 23rd Parliament which is to follow.⁴³

Diefenbaker had an obvious concern for the growing regionalism across Canada and concentration of power within the federal government. He was determined to find a means to mitigate the regional disparities in income and welfare, and believed that a transcending national policy could shake Parliament from what he saw as the the complacent drift of its Liberal administration.

In 1956, Diefenbaker's comments foreshadowed the oratory of his 'Northern Vision.'

His political interest for the Canadian north stemmed from his beliefs in social justice and national development. In his memoirs, Diefenbaker related:

To me, government not only had to be of and by the people, but most positively for the people. Unless government concerned itself with the problems of the individual working man and farmer, unless government was cognizant of the problems of the small businessman and not just the corporate giants, unless government acted in the interests of our senior citizens, our veterans, our blind and disabled, unless government sought a basic equality of citizenship, of opportunity, and of well-being for all our peoples, then government had lost sight of its true purpose. I argued that the Liberals had long since forgotten the fact that human betterment is the essence of government. 44

Partisanship aside, he placed the "New Frontier" at the core of his pan-Canadian national vision:

I regarded a Canadian Bill of Rights as fundamental to my philosophy of social justice and national development. My focus was on the individual betterment of Canadians. If historic freedoms were not protected, then my programs to ensure a climate of expansion and development from Atlantic to Pacific, then my concern that all Canadians should enjoy a reasonable share of the good life, then my vision of the "New Frontier", would be for naught."One Canada" stood for prejudice towards none and freedom at all.⁴⁵

⁴³ John G. Diefenbaker, "Draft Speech by J.G. Diefenbaker," Diefenbaker Canada Centre Archive. Series II, Vol. 67 - Parliament- House of Commons- Progressive Conservative Caucus - Sessions - 1942-1956, 53828-53839.

⁴⁴ John G. Diefenbaker, *One Canada: Memoirs of the Right Honourable John G. Diefenabker, The Years Years of Achievement 1956 to 1962* (Toronto: MacMillian, 1976): 30-1.

⁴⁵ Ibid., 33.

Diefenbaker's concept of social justice expanded after he was introduced to the economic theories of Dr. Merril Menzies and Alvin Hamilton. In November 1956, months prior to Conservative leadership convention, Diefenbaker's Prince Albert friend Dr. Glenn Green introduced him to his brother-in-law Merril Menzies, an economist completing his doctoral thesis on Canadian wheat policy. Menzies had innovative thoughts on the Conservative's national economic policy. In a letter to Diefenbaker, Menzies wrote: "I have been acutely conscious of the emphasis you have been putting on the need to formulate a national development policy...The fact that you as a politician have discerned the necessity of such a policy is greatly encouraging to me after many years of frustration." Diefenbaker encouraged Menzies to expand on his ideas and suggested he take inspiration from Macdonald's 'National Policy.' This resonated with Diefenbaker's own Tory principles and admiration for Canada's first prime minister. 47

To revive the Canadian economy from recession, Menzies believed that the Canadian market had to be transformed to stimulate economic and resource development, and to ensure reasonable standards of economic stability and employment. According to Patrick J. Kyba, Menzies' theories of a national economic policy emphasized that "if Canada were to maintain

⁴⁶ Merrill Menzies, "M.W. Menzies to J.G.Diefenbaker, January 22, 1957," Diefenbaker Canada Centre Archive. OF/271/333.8 M and Mc.

⁴⁷ Dennis Smith, *Rogue Tory: The Life and Legend of John G. Diefenbaker,* (Toronto: McFarlane, Walter and Ross, 1995): 224.

⁴⁸ Robert Malcolm Campbell, "The Diefenbaker Years Revisited: The Demise of the Keynesian Strategy in Canada," in *Journal of Canadian Studies*18 (1983): 106-131. Campbell, a political scientist at Trent University, examined the Diefenbaker government's attempt to implement an interventionist and market-oriented model of economic policy. From 1957 to 1963, Campbell argued that this approach demonstrated the futility of the Keynesian approach in Canada, which necessitated that the Conservative government develop new interventionist and ambitious economic strategies.

her national identity the federal government had to abandon the doctrine of laissez fair."⁴⁹ In 1957, Menzies wrote:

What is lacking is a national policy and the realization that without one we must invariably drift into economic continentalism in which we can have little economic independence or effective sovereignty. The regional north south pull of the American industrial colossus is such that only by the most determined and ceaseless efforts can we hope to maintain our integrated national economy. Only by great thought and effort can we prevent the unconscious betrayal of the national heritage bequeathed to use by Sir John A. Macdonald.⁵⁰

Menzies suggested that the government build a larger industrial economic sector which would permit more resources to be processed and manufactured in Canada. By encouraging projects that would open remote regions with natural resource wealth, the Canadian economy could expand its energy resources, better exploit non-renewable resources in a more efficient and profitable manner, and increase the domestic processing of oil, ore and mineral resources. Menzies had devised an innovative economic development strategy that, ultimately, served as the basis for Diefenbaker's 'Northern Vision.' Furthermore, Menzies deemed it important that Canadians financially participate in the development and expansion of their own economy, in the interests of social justice and equality.⁵¹ Diefenbaker eventually recruited Menzies as a policy aid in the Progressive Conservative party office, where he helped develop the party's political platform for the upcoming election campaign.⁵²

Several months before the 1957 federal election, the Liberal MP for the Yukon Territory, James Aubrey Simmons, addressed Parliament and argued for the construction of more Northern roads and highways. In January 1957, the Liberals legislated a road

⁴⁹ Kyba, *Alvin*, 102.

⁵⁰ Merrill Menzies, "Letters, Merrill Menzies to G. Green, December 1, 1956," LAC, Alvin Hamilton Fonds, MG 32/B40/Bibliographic Research, R4500/9/2/E.

⁵¹ Kyba, *Alvin*, 103.

⁵² Kyba, *Alvin*, 61.

construction policy for the Yukon, which required the territorial government to pay 15% of all maintenance costs for newly-constructed roads. As one of the few federal representatives for the Canadian Arctic, Simmons felt that the cost-sharing arrangement of this road development policy was unjustifiable because of the Yukon's large area and sparse population. The Liberal government acknowledged that the expansion of physical infrastructure and roads would have long-term economic benefit for the North (and Canada as a whole), but Simmons was more concerned with public interest and the welfare of northerners. Permanents residents were not the intended beneficiaries of road development projects, and because the government had often strategically or economically determined where new roads would be built, Simmons argued that the federal government should "provide all capital expenditures required to maintain and advance our economic position in the north." He emphasized that exploratory work and northern development depended on improved roads, railways, and transportation facilities. Moreover, Simmons was aware that past infighting and competition between the parties had stymied progress in opening the Canadian north.⁵³ With the general election approaching, Simmons hoped for a new federal government with the vision to realize the potential of northern development.

The 'National Development Policy' in the Federal Setting: Policy Formulation and Philosophy

On 12 February 1957, Conservative leader John G. Diefenbaker presented a speech that promoted the national - and global - importance of Canada's natural resources. Although

⁵³ Canada, House of Commons Debates (15 January 1957), p. 264-5 (Mr. Simmons).

his national economic policy was more concerned with provincial agriculture economies, it foreshadowed his 'Northern Vision.' Like Simmons, Diefenbaker appreciated the value of Canada's natural resources in the postwar global economy. He also warned Canadians of competing geopolitical interest to develop and control access of Canada's natural resource wealth:

Everywhere today the search is for the raw materials necessary for defence. One of the major reason's for Nasser's action in the Suez and also the degree to which he is undermining Britain and France in the Middle East is the supplies of oil which as Nasser has set forth in his book are necessary if the instruments of technology are to be mobilized effectively.⁵⁴

Months prior to the 1957 election, Diefenbaker assured members of Parliament that a Progressive Conservative government would legislate a national policy of development that would stimulate economic growth nationwide, especially in regions impeded by inaccessibility and underdevelopment. This national policy was an economic strategy that would remedy the "inexorably drift into economic continentalism" and the unmonitored growth of American commercial influence on Canadian industry. ⁵⁵ Canada's natural resources were globally significant and, at the same time, intrinsic to Canada's identity as a northern nation. Promoting the exploitation of natural resources could maintain Canada's economic sovereignty from the United States, reinforce national sovereignty, and more importantly, serve Diefenbaker's political ambitions and bid to become Prime Minister of Canada.

Diefenbaker's economic strategy was simple: using the fiscal benefits accrued from commercial development of northern natural resources, he could offset the massive federal

⁵⁴ Canada, House of Commons Debates (11 February 1957), p. 1153-5, 1158, (Mr. Diefenbaker).

⁵⁵ Ibid.

expenditures that his government was prepared to invest in the North. Concessions to aid northern social welfare issues would be provided thereafter. Diefenbaker stated that:

There is no question of constitutional division of responsibility between the dominion and the provinces in the North West Territories. In that area there are vast resources that should be developed, with the state making possible that development by providing the means and the climate for private industry to develop and expand.⁵⁶

This approach to northern development did differ substantively from the Liberals' economic development strategy. The Conservatives, however, planned to cooperate with private industry to stimulate economic activity in the North instead of relying on the American military.

Diefenbaker's vision for the Canadian north continued a tradition of resource development that began with Sir John A. Macdonald. Nearly every Conservative leader since Confederation had pledged their government to policies of utilizing natural resources, protectionism, and national development. In Diefenbaker's case, his mandate to pursue a new course of national development with a north and south dimension, perpetuated a Conservative vision held since their purchase of Rupert's Land and North-West Territory in 1868.⁵⁷ In the House of Commons, Diefenbaker stated:

I can see this northland of ours with developments envisaged by D'Arcy McGee in his magnificent speech at the time of confederation as he saw that great Canada. I can see cities in northern Canada north of the Arctic circle. There are vast power potentialities in that area. I can see cities developing as they are developing today in Norway, if only the government would catch the vision of possibilities. I am one of those who believe in the vision of Sir Wilfred Laurier and of Sir Robert Borden in 1912; I am one of those who believe that there should be undertaken in cooperation

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⁵⁶ Ibid.

⁵⁷ Merrill Menzies, "Memo for Mr. Diefenbaker, 6 April 1957," Diefenbaker Canada Centre Archive. Series IV, Vol. 391, 14965-71, 14788-807. Menzies felt that opening the North would revive Canadian nationalism similar to the opening of Western Canada prior to the 1930s. Privately, Menzies hinted that Diefenbaker would be remembered as a Canadian nation-builder like Sir John A. Macdonald and Sir Wilfrid Laurier.

between the federal government and the provinces, a national highway policy, to provide highways for vast developments in the north.⁵⁸

The North was a symbol of Canada's underdevelopment and a promise to fulfill a national destiny.

The first outline of Diefenbaker's 'National Development Policy' can be traced back to the Progressive Conservative party's leadership convention in December 1956. The convention elected Diefenbaker as the next leader and passed a series of resolutions written by Alvin G. Hamilton, the leader of the Saskatchewan's provincial party. These new party objectives, entitled the "Declaration of Principles by the Progressive Conservative National Convention," were based on three fundamental principles: resource development, social equality, and government intervention. For Hamilton, Canada's development of natural resources was a means to assure social equality for all Canadians. In Hamilton's words, the declaration read:

We must embark on a national development policy that will strengthen Canada by strengthening all areas and groups and regions (which) must have equal opportunities to share in the National prosperity...(it will) develop natural resources for the maximum benefit of all parts of Canada; encourage more processing of these resources in Canada; foster the widest financial and other participation by Canadians in the development of our resources; promote greater opportunity and employment for a steadily increasing population...In order that a National Development Policy and a strong political state may bring equitable and increased advantage to all there must be a program of human betterment. This program will be a comprehensive contributory system that covers the aged, the unemployed, the sick, and the injured. It must be such a system that preserves the individual, the home, the volunteer group, the Provincial and Municipal powers. There must be incentive to encourage the individual to be a proud, participating member in a self-reliant society. When contributions cannot be made and where need exists our principles will guarantee assistance of the state.⁵⁹

⁵⁸Canada, House of Commons Debates (11 February 1957), p. 1153-5, 1158, (Mr. Diefenbaker). As stated earlier, this strategy also required the federal government to finance the construction of new roads, highways, and railways that would establish a modern transportation system throughout the North.

⁵⁹ Alvin Hamilton, "Unpublished Declaration of Principles by the Progressive Conservative National Convention," LAC, Alvin Hamilton Papers, MG 32/B40/Bibliographic Research, R4500/9/2/E.

Even though the general objectives of the 'National Development Policy' were established, the formal strategy and specific programs were not outlined conclusively until after Diefenbaker's re-election in 1958, nearly a year later. Natural resource development and regional socioeconomic equality were two imperatives of the 'National Development Policy' that remained prominent features through the entire course of its development.

In early 1957, Diefenbaker called together politicians, advisors and consultants to decide on the Progressive Conservative's upcoming election platform and work on the ideas developed during the leadership convention. Along with Hamilton and Menzies, Diefenbaker invited Donald Eldon, head of the Progressive Conservative party's research staff, Don Johnston, an economic aid and lawyer, and Roy Faibish, the prime minister's chief political advisor. 60 They developed a fourteen-page document, entitled "The Progressive Conservative National Development Policy." This policy endorsed a strategy of regional resource development that would equally distribute wealth and earnings nationwide. This proposal was an expansive economic policy for both the provinces and northern territories. It reaffirmed the spirit of equality that Diefenbaker had advocated in his 'Canada First' policy and aligned him with Macdonald's legacy of nation-building. The programs and policies outlined in the 'National Development Policy' included: a national energy policy, a national resource inventory, a national farm development policy, increased markets for both farm and industrial products, greater domestic processing of Canadian resources, greater investment by Canadians in domestic industries, a policy to protect and promote small business, an

⁶⁰ Newman, Renegade In Power, 217; Kyba, *Alvin*, 139.

immigration policy to enlarge the domestic markets, and most importantly, a strategy to advance northern development.⁶¹

This was the first discernible inclusion of the Canadian north in the Progressive Conservative's upcoming political platform. The 'National Development Policy' stated that "the Federal government should become aware of the vast potential of our northland frontier, and should take steps to broaden this country from north to south, as the Conservative government of Sir John A. Macdonald broadened it from east to west." Although unclear about who specifically advocated the North as an economic imperative of the 'National Development Policy,' this proved to be the most crucial component of the political platform when Diefenbaker announced his 'Northern Vision' at the inauguration of the Conservative's 1958 election campaign.

For the Liberals, a contentious issue flowing from the 'National Development Policy' concerned the right of the provinces to ownership of their natural resources. The transfer of Rupert's Land and North-Western territory in 1870 had granted the federal government the exclusive right to manage all affairs relating to the use and development of the Yukon and Northwest Territories' natural resources. Under Liberal administrations from 1935 until 1957, however, it was generally understood that the issues surrounding natural resources and resource development were "regional problems or local problems and must be handled on a regional or local basis." The primary issue of dispute was the agreement included in the

⁶¹ Kyba, Alvin, 103-4.

⁶² John G. Diefenabker, "The Progressive Conservative National Development Policy, 21 May 1957," Diefenbaker Canada Centre Archive. Series XII, Vol. 59, 040875-040931.

⁶³ Canada, House of Commons Debates (12 February 1957), p. 1201, 1997-8.

Constitution Act of 1867. At the time of Canada's Confederation, the British North America Act granted the provinces the rights of ownership to their natural resources. It specified:

In each province, the legislature may exclusively make laws in relation to: exploration for non-renewable natural resources in the province; development, conservation and management of non-renewable natural resources and forestry resources in the province, including laws in relation to the rate of primary production therefrom; and development, conservation and management of sites and facilities in the province for the generation and production of electric energy.⁶⁴

On this basis, Liberal Minister of NANR, Jean Lesage criticized Diefenbaker's economic strategy:

It is certainly not clear how this parliament or this government can establish a policy, a master plan, in domain of resources without infringing on provincial rights...British North American Act places resources under the control of the provinces is not a matter of accident or coincidence...it is rather a reflection by the fathers of confederation of the basic fact of our national existence.⁶⁵

The next step was for Diefenbaker to negotiate separate contracts with each province, which would allow the federal government to exploit provincially owned natural resources and build development roads and highways that would promote mining activity in the sub-Arctic. The early obstacles to the implementation of the 'National Development Policy' was not public support but gaining the support of the provincial governments and fostering a sense of unity amongst each level of government - to share in his vision of national development.

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⁶⁴ The British North America Act of 1867 established that provinces would preserve dominion and rights of ownership over the natural resources within its boundaries. In 1957, this division of responsibility and entitlement to resource development was a prominent issue between political parties during the development of a proposed 'National Development Policy'. The British North America Act of 1867 established that provinces would preserve dominion and rights of ownership over the natural resources within its boundaries. In addition, sections 109 and 92 of the *British North America Act* provides the provinces with powers of direct taxation, management and sale of public lands, local work and undertakings, property and civil rights, and all matters of a merely local or private nature. For the full legislative article, *see* Canada, Government of Canada, "The Constitution Act, 1867," *Department of Justice: Constitution Acts, 1867 to 1982, [http://laws.justice.gc.ca/en/const/c1867 e.html#pre* accessed 4 June 2009].

⁶⁵ Canada, House of Commons Debates (12 February 1957), p. 1201, 1997-8.

The 'National Development Policy' in the Federal Setting: The 1957 and 1958 Federal Elections

Diefenbaker presented the 'National Development Policy' to the public during the 1957 election campaign, after nearly a year of devising his strategy. It was similar to the outline that Diefenbaker presented to House of Commons months earlier, and asserted the same nationalistic and philosophical tone that Diefenbaker, Hamilton, and Menzies had envisioned. During the campaign season, the Progressive Conservative party published a pamphlet entitled "A New National Policy" which outlined their party's policy platform, programs, national concerns, and excerpts of Diefenbaker's speeches. It was also the first published explanation of the 'National Development Policy' available to the public. The pamphlet emphasized five major economic initiatives:

Natural Resource Policy

- 1. Every encouragement must be given to the processing of domestic raw materials in Canada to a much greater degree than exists today;
- 2. Foreign investment must not be discouraged, but it must be directed to the maximum benefit of Canada.
- 3. Canadian subsidiaries of foreign concerns...should be required to provide a substantial interest in their equity stock to Canadians investors.
- 4....wherever possible foreign companies should employ Canadian in senior management and technical posts.

National Energy Board

To meet the industrial demands of Canada's future I believe that there is need now for the setting up of a Canadian Energy Board...to the end that the most effective use of the energy resources of Canada in the interests of the public welfare may be assured.

Roads to Resources

I believe that a National Highway policy should be launched to provide highways for peace and development wherein the Federal Government will make contributions to or share in cooperation with the provinces. The challenge of Communism now and in the years ahead demands that our vast northern resources be made accessible and available to industry, for vast resources undeveloped and hidden in the earth will not fashion or forge the shield of freedom or contribute to the survival of the Free World.

Tax Structure to be Revised

I believe that the entire tax structure in Canada needs to be overhauled with a view to providing encouragement to the promotion of primary and secondary industries in our country.

A Fair Share for Farmers

We will assure the farmer of his fair share of the national income by maintaining a flexible price-support programme to ensure an adequate parity for agricultural producers based on a fair price-cost relationship....Agriculture and its welfare is a basic cornerstone of (our) policy.⁶⁶

Diefenbaker believed that Canada's national development could be advanced through regional resource development, careful direction of the national resource economy, and promotion of economic equality throughout Canada. The general objectives and main components of the 'National Development Policy' were apparent. With this proposal for regional resource development, Diefenbaker laid out a clear strategy to carry out northern development. Nonetheless, he had not yet discerned the political opportunism in promoting northern development.

In 1958, the Liberal opposition pressed the Conservatives to proceed with the 'National Development Policy.' Jean Lesage told the House of Commons that the "policy was not defined in the speech from the throne.... I have not been able to find a definition of the National Development Policy or plan. The only logical conclusions to which we can come is that this government has no national development plan or policy in mind."⁶⁷ In response, the Conservatives accused the Liberals of twenty-two years of complacency regarding the North. Indeed, Diefenbaker wanted to preserve the 'National Development Policy' until the next campaign, when he touted it as a way to rescue Parliament from the lassitude of previous administrations. The 'National Development Policy' affirmed:

Parliament has been treated with shocking contempt, sorely wounded and robbed of its rights. It has lost its independence and its power has been usurped by a few

⁶⁶ Carrigan, Canadian Party Platforms, 226-232.

⁶⁷ Canada, House of Commons Debates (23 January 1958), p.3674.

ministers who treated the rest of the Cabinet as juniors and members of all Parties as though they were not entitled to be in the House at all...The concentration of overwhelming power in the hands of the Cabinet has disciplined its majority into abject servility.⁶⁸

To garner additional popular support, the Conservatives needed to restore the legislative integrity of the Canadian Parliament before the next election which, only days after the 1957 results were in, seemed to lay on the short-term horizon.⁶⁹

During the short parliamentary session between 1957-58, Diefenbaker appointed Douglas Harkness, the representative for Calgary North, Alberta as the interim Minister of DNANR. Harkness was responsible for two portfolios which were indispensable to Diefenbaker's economic plans: the Department of Agriculture and DNANR. Even though Hamilton had an intimate knowledge of the 'National Development Policy' and had convinced Diefenbaker to pursue development in the Canadian north, he was hesitant about becoming a Cabinet minister and declined early recommendations. ⁷⁰ Diefenbaker felt that Hamilton would be able to better implement and defend his national economic policies as a senior member of his Cabinet. ⁷¹ In August 1957, Hamilton was formerly appointed the Minster of NANR, and his first order of business was to restructure the department's staff and prepare for the forthcoming election.

⁶⁸ Progressive Conservative Party of Canada, "A New National Policy," (Ottawa: Northern Affairs Library, 1972): 2.

⁶⁹ Ibid., 2-3. The Progressive Conservative government planned to convene a Dominion-Provincial Conference to reaffirm the integrity of Senate and restore the two-party system. He unequivocally felt that his party would restore Parliament as the "custodian of freedom." On election plans, see J.B. McGeachy, "Tory Swing Was Nation-Wide," *The Financial Post*, 22 June 1957.

⁷⁰ Kyba, *Alvin*, 109. Hamilton preferred to remain free from the responsibilities of a portfolio and concentrate on the policies of the newly elected Conservative government. The 'National Development Policy' was months away from being announced as the guiding principle of Diefenbaker's upcoming campaign.

⁷¹ Ibid., 109-111.

Following the 1958 election, the Conservative government's first priority was to improve northern transportation and encourage the processing of domestic natural resources. The first major announcement of the 'Roads to Resources' program was made on 26 March 1958, when press releases shared some general details about the projects currently underway and listed DNANR's northern development objectives. "Work has begun on projects in the Yukon and Northwest Territories involving over 1,200 miles of roads and six major bridges at an estimated cost of over \$31 million," Hamilton announced. The 'Roads to Resources' program was part of the 'Northern Roads Programme,' a transnational and federally assisted road construction initiative with wide implications for the North's economy and its development. The 'Northern Roads Programmes' consisted of two large-scale development projects: the 'Roads to Resources' program and the 'Territorial Roads program.'73

Diefenbaker's brain trust considered the North's insufficient transportation system as the premier reason for its arrested economic development. Their underlying assumption was that if the federal government could build a main access route that drove through the North, this would encourage commercial industries to expand and build up peripheral areas.

Diefenbaker envisaged that in time this would create interconnected settlements and stimulate economic and commercial developments throughout the North. In the House of

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⁷² Alvin Hamilton, "Major Road Programme for the North, 26 March 1958," Diefenbaker Canada Centre Archive. Series VI, Vol. 382, Resource and Development - Northern Development in Canada - 1958, 298263-298266.

⁷³ Both programs worked concertedly to establish a modern transportation network for the Arctic. This integrated approach to developing northern transportation proved the best method to open the North to commercial prospects. Moreover, the projects later experienced major complications when risings expenditures and meagre resource production disappointed Diefenbaker's purported expectations of widespread and high grossing mining activity in the North.

Commons, however, Liberal leader Lester B. Pearson ridiculed the programs for constructing roads from 'igloo to igloo'.⁷⁴

Diefenbaker believed the exploitation of natural resources and the general development of the North depended on the success of the 'Roads to Resources' program.

This method of developing transportation infrastructure to access frontier regions occurred simultaneously elsewhere in the world, and was often an important precondition to substantiate a government's ownership over an indigenous territory. According to Ken Coates:

Governments in both the capitalist and communist worlds, as well as in satellite or colonial states, recognized the growing material expectations of their dominant societies. Demand held in check during the war years burst into the open at war's end. Private developers moved quickly to meet the seemingly insatiable desire for consumables, requiring in the process access to new and cheaper resources. Put simply, the world needed more resources and the once remote regions of the world seemed to offer an enormous storehouse of untapped wealth...Huge development projects - hydroelectric dams and transmission lines, oil and natural gas fields, base metal mines, large sawmills and pulp-and-paper operations - sprang up throughout the 1950s and 1960s throughout isolated regions in Australia, Scandinavia, Southeast Asia, Canada, Russia, and Brazil.⁷⁵

Coates designated this era of global resource development as a significant chapter in postwar native-newcomer relations. The consequences of this rapid course of postwar development continue to have an effect on government relations with indigenous people. As a result of this postwar imperative for natural resources, frontier regions such as the Canadian north were no longer defined by their isolation and distance from developed regions.

⁷⁴ Bothwell, Drumond and English, Canada Since 1945, 132.

⁷⁵ Ken S. Coates, *The Global History of Indigenous Peoples: Struggles and Survival*, (New York: Palgrave MacMilian, 2004): 212, 213, 215.

Internal government documents confirm that the 'Roads to Resources' program was the principal pillar of Diefenbaker's 'National Development Policy.' Hamilton asserted that transportation remained the most important service that the government could provide for the North - expectations were that roads would open the North to new geological surveys. mining activity and commercial prospects. The Diefenbaker government understood that because of vast distances between Northern settlements, road expenditures were going to be high. Federal assistance was necessary to build roads, highways and airfields, as well as partially in the case of railways. Hamilton admitted that the premier issue in recent years was the problem of timing: "Should the facilities be put into promising areas ahead of development, or should they follow? And if they go in ahead, how much ahead should they go, and how much should governments be prepared to spend on the job?"⁷⁷ Under its "new territorial development road program," the federal government expected to invest a minimum of \$100 million over the next six or seven years. Given the high expenditures attached to it, bureaucrats saw the cautious and reticent approach of DNANR to northern development as sensible. Hamilton, however, felt that bureaucratic timing was the foremost complication to the 'Roads to Resources' program. 78 This was incorrect.

⁷⁶ Canada, Department of Northern Affairs and National Resources, "Federal Roads Programs in Northwestern Canada; Paper Presented at the 12th Annual Meeting of the British Columbia National Resource Conference" (Ottawa: Northern Affairs Library, 1959).

⁷⁷ Alvin Hamilton, "A Statement by the Honourable Alvin Hamilton on the Philosophy and Principles of the National Development Program," Diefenbaker Canada Center Archive. Series VI, Vol. 380, Resource and Development - General -1957-1962, 297459-297472.

⁷⁸ Alvin Hamilton, "New National Development Policy, Confidential, Memorandum to the Prime Minister, Background to a Northern Road Policy," Diefenbaker Canada Centre Archive. Series VI, Vol. 380, Resource and Development - General - 1957-1962, 297546-297550; Alvin Hamilton, "Appendix No. 7, Department of Transport, Activities - June 1957 to Date, 26 November 1958" Diefenbaker Canada Centre Archive. Series VI, Vol. 380, Resource and Development - General - 1957-1962, 297553-297555.

The exclusive right of the provinces to develop provincial resources, as described in the *British North America Act*, was a serious problem for the 'Roads to Resources' program. This bureaucratic issue could have potentially undermined entire basis of the 'National Development Program,' preventing the government from enacting a nationwide strategy of resource development. From 1958-59, formal negotiations were underway between each province and the federal government to allow DNANR to build access roads and highways into northern Canada. Moreover, it was important that these northern provincial roads were integrated with the existing provincial highway network to create a new national highway system that covered the entire country.⁷⁹ This immense construction project, however, had many unintended consequences for northern Aboriginal settlements in the North. It appeared that the Canadian government did not incorporate human values or give consideration for nearby indigenous peoples in their construction plans or overall philosophy.

The Diefenbaker government promised the provincial governments a share in the revenue accrued from northern resource development and encouraged a degree of integration between the provincial and territorial economies. ⁸⁰ Moreover, these negotiations were used in part to determine potential areas for resource development and how private enterprise might facilitate this process. ⁸¹ The federal government offered to assist the provinces with one-half of the construction costs; an estimated \$75 million in federal funds. The cost-sharing arrangement between the federal, provincial and territorial governments stipulated three

⁷⁹ Canada, House of Commons Debates (7 July 1958), p. 1980.

⁸⁰ Alvin Hamilton, "Memorandum, A. Hamilton to J.G. Diefenbaker, 27 April 1960," Diefenbaker Canada Centre. Series VII, Vol. 189.

⁸¹ Ibid. It is unclear whether the federal or provincial governments consulted with local residents or neighbouring aboriginal settlements when these development plans were devised or the extent in which profits and employment opportunities would be shared with these communities.

different categories of roads. First, in the case of major development roads or highways, the federal government would supervise and finance construction until the project's completion. Afterwards, upkeep and maintenance costs were divided 85 per cent for the federal government and 15 per cent for the territorial and provincial governments. Second, the construction and maintenance of access roads - routes that extended from major roads to potential resource areas - were the responsibility of private industry or businesses with the possibility of federal financial support if the specified area was of economic value. The government would immediately encourage any form of resource development that occurred outside of its purview. Lastly, the territorial governments were directly responsible for the construction and maintenance of local territorial roads, which were intended to serve the needs of permanent residents and therefore did not conform with the government's 'National Development Policy.' Roads to Resources' program only required the federal government to finance the physical construction of roads and highways; federal responsibility for maintenance costs was determined on a case by case basis. Roads and highways are specified area by case basis. Roads and highways are basis. Roads and highways are basis. Roads and highways are basis. Roads are basis. Roads and highways are basis. Roads and highways are basis. Roads are basis. Roads and highways are basis. Roads are basis.

A year after the Conservatives announced the 'Roads to Resources' program, nine of ten provinces had responded to the federal government's offer. In a DNANR memorandum, Hamilton announced that the Western provinces and Ontario agreed to support the federal

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⁸² Canada, Interdepartmental Committee on Federal-Territorial Financial Relations, "Yukon Territory, Roads, Bridges and Public Works" LAC, RG85, Vol. 1272, File 129-2, Pt. 5.

⁸³ Alvin Hamilton, "Memorandum, 16 April 1959," Diefenbaker Canada Center Archive. Series VI, Vol. 380, Resource and Development - General -1957-1962, 297495-297506.

government's plans and would build roads that would reach the North. These regions would benefit from mineral resource operations in the territorial and provincial norths. ⁸⁴

Another transportation feature of the 'National Development Policy,' was the 'National Highway Act.' The program was not associated with the 'Roads to Resources' program, but had proposed a second Trans-Canada Highway along a north-south axis, with additional feeder roads terminating at the southern border of the Yukon and Northwest territories. Hamilton declared that this second Trans-Canada Highway was of great national importance, although the project was later abandoned due to high cost projections, government infighting, and its similarity to the 'Roads to Resources' program.⁸⁵

In 1959, a tentative schedule for the next six to seven years - which was the subject of continuous review - pushed the projected expenditure upward from \$31 million to an estimated \$70 to \$100 million. \$6 The limited road and highway systems of the Yukon and Northwest Territories - including the Mackenzie Highway, the Alaska Highway and the Whitehorse-Dawson Road - would serve as the framework for a new system of feeder roads to access sites of undeveloped natural resources. This was peculiar, given that coordinated

⁸⁴ Ibid. The maritime provinces, however, had no areas of substantial natural resource value and had no access to the Canadian north. The federal government was willing to assist the Maritimes to develop their fishing and tourism industries instead.

⁸⁵ In 1962, a political dispute erupted between the provincial government of British Columbia and Prime Minister Diefenbaker over the completion of an adjacent northern branch of the Trans-Canada Highway. Premier Bennett was convinced that the federal government had become increasingly partisan to the politics of British Columbia. When the federal government failed to provide the funds necessary to complete this project in time, Bennett took credit for the construction of a northern extension of Trans-Canadian Highway. Diefenbaker felt that if credited with the completion of the highway, the project could serve as a political vindication to the public criticism and dissatisfaction leveled against his 'Northern Vision.' *See* David J. Mitchell, *W.A.C. Bennett and the Rise of British Columbia*, (Vancouver: Douglas & MacIntyre, 1983): 350-51.

⁸⁶ Alvin Hamilton, "Major Road Programme for the North, 26 March 1958," Diefenbaker Canada Centre Archive. Series VI, Vol. 382, Resource and Development - Northern Development in Canada - 1958, 298263-298266; Alvin Hamilton, "Memorandum, 16 April 1959," Diefenbaker Canada Center Archive. Series VI, Vol. 380, Resource and Development - General -1957-1962, 297495-297506.

surveying expeditions in the sub-Arctic had not found any economically significant deposit of minerals, oil and gas. The lead-zinc discovery at Pine Point and oil deposits at Eagle Plains had been known to the Canadian government for some time.⁸⁷

Nonetheless, Cyril T. Young, vice president of the Prospectors and Developers

Association and a former superintendent of the Canadian National Railway's Resources and

Development Department, reminded the government of the social and commercial

opportunities of the 'Roads to Resources program. In an article, he claimed:

The building of houses and apartments had never created permanent employment and development across Canada; long time development, really worthwhile, has always been our large resources development. We have been bringing in people from far away countries until employment now becomes the big question of the day, and the roads to resources (sic) all across Northern Canada to open up the North is the great need of Canada, between the sections that have pulp and paper mills and mining as well as power developments, northward to a reasonable distance instead of up at the Arctic Ocean...The opening of a railway to Pine Point brings in the advisability of more mining roads North from Grand Prairie and roads South from Keno Hill. Then when we come to that wonderful province of B.C., roads out from Hazelton and down South into the Kooteneys where the new power is being wisely mutually developed; then more roads north as branch roads into the Dawson Highway and off the Inside Channel. Roads to resources (sic) is certainly the way to build up Canada from coast to coast and where could a million dollars be better expended - a quarter or more of it this year.⁸⁸

Young's comments reveal that the 'Roads to Resources' program had attracted interest from both private enterprise and northerners - constituencies that would profit from a new road and highways system. Put simply, the federal government had to solicit the private sector for large investments in order to accomplish the long-term development of the North. In April 1960, Hamilton reported that his department had issued 98 million acres in exploration

⁸⁷ Zaslow, *The Northward Expansion of Canada*, 341; Paul Deprez, *The Pine Point Mine and the Development of the Area South of Great Slave Lake*, (Manitoba: University of Manitoba, 1973): iii - vi.

 ⁸⁸ Cyril T. Young, "The Importance of Mining Roads, by Cyril T. Young, Vice President, Prospector & Developers Association," Diefenbaker Canada Centre Archive, Series VI, Vol. 382, Resource and Development - Northern Development in Canada - 1959-1963, 299350-298353.

permits for the Yukon and Northwest Territories and a further 142 million acres for the Arctic Archipelago.⁸⁹

Railway developments were another overlooked dimension of the 'Northern Roads program.' These initiatives were not under the direct purview of the 'Territorial Roads Program' or 'Roads to Resources' program, but were considered vital to the expansion of northern transportation. With Canadian industry in mind, DNANR took careful appraisal when planning routes so that they would provide access to significantly large deposits of natural resources, as to keep transportation costs low. The construction of rail lines to access a significant resource deposit was reserved for areas where large-scale development projects, high production, and long-term exploitation were expected. The transportation of metallicmineral ores and concentrates via railway proved to be the cheapest method of shipping materials from the territories to processing plants located in southern Canada. For example, the construction of a railway to Pine Point, situated south of the Great Slave Lake in the Northwest Territories, was a high-profile project featured in Diefenbaker's 'Northern Vision' and incorporated into the 'National Development Policy'. Hamilton stated that this railway was expected to "bring down costs and improve development prospects in the entire Mackenzie District."90

In its earliest period of planning, the 'National Development Policy' was an innovative economic policy designed to resuscitate the Canadian economy from recession.

The focus of this policy was the Canadian north, the undeveloped hinterland where

⁸⁹ Alvin Hamilton, "Memorandum, A. Hamilton to J.G. Diefenbaker, 27 April 1960," Diefenbaker Canada Centre. Series VII, Vol. 189.

⁹⁰ Alvin Hamilton, "Actions For A National Development Programme," Diefenbaker Canada Centre Archive. Series VI, Vol. 380, Resource and Development- General -1957-1962, 297507-297517.

Diefenbaker envisaged access roads and private industries exploiting the untapped natural resource wealth for the benefit of all Canadians. Diefenbaker set a high-expectation for Canada's national development under a new Conservative government and pursued Sir John A. Macdonald's vision of northwest expansion. The 'National Development Policy' was not only an attempt to stimulate economic activity in the North, but Diefenbaker's expansive approach to remedy the legislative integrity of Canadian Parliament, establish a new unifying myth for Canadian nationalism, and revive the government from the complacent drift of twenty-two years of Liberal administrations.

It was not providence that the 'National Development Policy' was devised during a period of competing political and economic interest for the Canadian north. An emerging global imperative for natural resource had increased the profile of the Northern Canada, and prompted both commercial enterprise and the Canadian government to determine new ways of accessing areas of undeveloped resource potential. Moreover, the Gordon Commission had highlighted the valuable economic prospect that exploitation of the North's oil, gas and mineral resources had for the Canadian economy. An unfortunate development for Canadian businesses was the significant rise in foreign capital investments and growing concerns of American takeover and ownership of Canadian industry. With the help of Merrill Menzies and Alvin Hamilton, Diefenbaker hoped that northern development would stimulate economic activity nationwide, expand the domestic processing of oil, ore and mineral resources, and encourage the financial participation of Canadians in the expansion of their own economy. The 'National Development Policy' fired up the imaginations of Canadians, however, encountered major complication and contestation within the federal arena even

before the 'Northern Vision' was public announced during Diefenbaker's 1958 election campaign.

Diefenbaker's first political mistake was that he purported that the 'National Development Policy' would be fully-implemented and the 'Roads to Resources' program complete within five to seven years. 91 Even though the construction of northern roads and highways was a joint federal and provincial operation⁹² and Hamilton's supervision had expanded the authority of DNANR well into the Canadian north, the government had not yet fully evaluated the costs, conditions and factors of their immense northern development projects. Moreover, the government had not incorporated any considerations for native Canadians or the indigenous peoples of the Canadian north into the principles and philosophy of the 'National Development Policy.' The development of this national policy revealed the immediacy and capricious nature of northern development strategies in the federal setting. When the program expenditures of the 'Vision' escalated from \$31 million to \$100 million, it foreshadowed a major complication that Diefenbaker contended with in 1962. The need for planning, or in some cases the lack thereof, demonstrated that the decision-making process of the 'National Development Policy' was under continual review and a definitive outline of the policy was not achieved until construction actually began in the North. The future

⁹¹ John G. Diefenbaker, "Broadcast portion of a speech delivered by the Prime Minister, the Right Honourable John G. Diefenbaker, in the Civic Auditorium, Winnipeg, Manitoba, Wednesday, February 12, 1958, as broadcast by Radio Station C.K.Y. Winnipeg," Diefenbaker Canada Centre. Series VII, Vol. 165, National Development-1958-1960,101847-101860.

⁹² The first outline of the 'National Development Policy' included a proposal that encouraged Canada's national prosperity through regional resource development that would equally distribute wealth and earnings nationwide. A crucial component to this strategy was the 'Roads to Resources' program. To overcome the issue of exclusive provincial rights to natural resources, as guaranteed by the *British North America Act of 1867*, Diefenbaker agreed to negotiate contracts with each province. This would apportion shares of the revenue earned from northern resource development and, more importantly, allowed the federal government to build roads and highways that reached the perimeter of the Canadian Arctic. *See* John G. Diefenbaker, "The Progressive Conservative National Development Policy, 21 May 1957," Diefenbaker Canada Centre Archive. Series XII, Vol. 59, 040875-040931.

complications and failures of the 'Northern Vision' were a result of government oversight, maladministration and capricious planning evident at the earliest stages of its development.

Diefenbaker's commitment to nation-building and natural resource development sparked early speculation that his party would set the tone for northern development in Canadian politics, and tapped into the "Arctic revolution" that was beginning in the region. The 'National Development Policy' was an indispensable component to Diefenbaker's political plans. It was a guide for Canadians to seize the opportunities of the Canadian north and an advocation of economic protectionism. From 1957 to 1958, Diefenbaker toured the nation pitching his 'Northern Vision' and successfully renewed acclaim for Conservative nationalism. In the years following his spectacular 1958 electoral victory, Diefenbaker learned that the patience of the Canadian people was not infinite. From 1961 to 1963, the 'Northern Vision' encountered a number of setback and failures of implementation that were closely related to the limited number of natural resource deposits available to extraction and development. 'The Chief' ruined his popular image with Canadians by investing large expenditures in northern development projects that failed to materialize.

This chapter surveys the reportage and public's interpretation of Diefenbaker's political principles and party platform using primary-source material, such as periodicals, electoral and campaign speeches, memoirs, and personal notes. It chronicles its evolution from a party philosophy devised by Diefenbaker, Menzies and Hamilton, to its announcement as the keystone of the Conservative party platform during the 1958 federal election. The 'Vision' was highly publicized and reported in the Canadian press, although

⁹³ John D. Hamilton, *Arctic Revolution: Social Change in the Northwest Territories*, *1935-1994* (Toronto: Dundurn Press, 1994).

analysis reveals that the primary journalistic interest was not concerned with regional issues of the North. Publicity and national interest for this distant and isolated Canadian territory grew as a clear, definable policy of northern development emerged.

1957: Gaining Political Capital and the Emerging Issue of the North

In early 1957, the Liberal government was entering its twenty-second consecutive year in office. As the newly appointed leader of the Conservative party, Diefenbaker was determined to seek out a new sense of Canadian nationalism that would resonate with Canada and generate dissatisfaction with the Liberals. In the pre-election season of 1957, Diefenbaker left the leadership of the Opposition in Parliament to Howard Green and travelled across the country to consolidate his support. He was a charismatic orator, stirring enthusiasm amongst Canadians with promises of a more noble vision for the country's future. Nonetheless, Diefenbaker understood that the Progressive Conservative party needed innovative reform to appeal to Canadians and sweep into office. With the help of Allister Grosart, a Toronto advertising executive, Diefenbaker discarded most of the Party's traditional policies in the hopes of correctly interpreting the shifting political climate so that he could undermine the Liberal party's longstanding political supremacy.

At the beginning of Diefenbaker's campaign in 1957, his position on the development of the Canadian north was firm but disconnected from his Party's approach to revitalizing the Canadian economy or even his populist political principals. His 'One Canada' policy disapproved of Liberal taxation, renewed support for the hardships that U.S.

⁹⁴ Newman, Renegade in Power, 49-50.

duties wrought on Prairie farmers, and offset issues of regionalism within Canada's economy.

On 26 April 1957, Diefenbaker explained:

The platform and policy of the Conservative Party is based on its abiding faith in freedom in the sovereign independence of Canada, in the assurance of equality of opportunity for all Canadians and in the resolute determination of the people and that no government should attempt to be their master.⁹⁵

In this speech, Diefenbaker displayed a particular concern for loss of control over the Canadian economy. After twenty-two years of Liberal administration, he emphasized how the processing of domestic resources had benefited the U.S. economy and American private businesses rather than Canadian enterprise.

The following day, the first of his intensive election campaign, Diefenbaker revealed to the press his vision for opening the Canadian north. In a speech delivered to more than 500 campaign workers in Grimsby, Ontario, Diefenbaker stated that the Conservative party would lead Canadians to realize the new opportunities of northern development. *Globe and Mail* reporter Clark Davey wrote:

His campaign, Mr. Diefenbaker told the Grimsby audience, would spell out a great new plan for Canadians, not of things of the present, but of the future with a united Canada dedicated to new purposes and achievements. The Conservatives, he said, would show the Canadians of today how to be pioneers of the future and how to realize great new concepts of development particularly on the Northern frontier.⁹⁶

Although northern development was not an integral component of the 1957 campaign, such speeches foreshadowed Diefenbaker's later emphasis on Northern development. His early comments demonstrated that Diefenbaker was aware of the value of the North as a frontier territory for national development.

⁹⁵ Clark Davey, "Preaches PC Victory on Tea and Cake Tour," Globe & Mail, 27 April 1957.

⁹⁶ Ibid.

During the 1957 campaign season, the Liberals developed a northern development platform to challenge the initial success of the Progressive Conservative party's 'National Development Policy.' The Liberal government announced a \$6 million budget increase for the Northwest Territories. Reportedly this was an attempt to make amends and acknowledge the economic situation of the North after being largely ignored by the Gordon Commission.⁹⁷ Their northern development strategy emphasized adapting Northern indigenous peoples to "civilized" life, improving the quality of educational and medical services. Unlike the Conservative's 'National Development Policy,' the Liberal strategy displayed a greater concern for the social welfare of northerners. For Canadians voters, however, the concessions were interpreted as a stopgap attempt to draw attention away from Diefenbaker.

The Liberal northern development strategy promised to expand the existing territorial budget and focussed on resolving education, medical, and welfare imperatives. For example, the Liberals promised a \$894,000 increase in educational expenditures that would expand their "One School" system, a project to build single-teacher schools in remote areas of the Canadian north. 98 Aboriginal children were "made unfit to live in the land camps which are their homes...but they are not adequately prepared to make a successful transition to wage

⁹⁷Clark Davey, "Demands Resource Policy, PC cites Gordon Findings," *Globe & Mail*, 12 February 1957; Canada, House of Commons Debates (22 February 1957), p. 2197 (Mr. Lesage).

⁹⁸ John P. Maclean, "Progress hits the trail in our 'sleeping' North," *Financial Post*, 23 February 1957; Coates and Morrison, *Land of the Midnight Sun*, 286. The government was particularly concerned about educating Aboriginal children and families. Journalist John P. Maclean claimed that the government's primary concern for these children was their transition from the nomadic way of life to a more civilized manner. "The Eskimos particularly are a bright, adaptable people, experts in the North insist that the Eskimo child is more mechanically inclined that the white," he wrote. "Show an Eskimo boy and a white boy how to take an alarm clock apart and the Eskimo boy will put it back together quicker than the white boy." Many residential schoolchildren, however, were forcibly removed from their communities and families. Inuit children faced an education system that was culturally insensitive and it challenged their ability to both be readily incorporated into modern northern society and be accepted back into their home communities.

work in town," one observer noted. 99 The Liberals also promised a \$368,000 increase for Northern health and welfare services, compared to the \$700,000 increase to national health and welfare services. This would expand wholesale medical treatments to indigenous communities, especially to remedy outbreaks of tuberculosis in isolated communities, guarantee free dental care, and cover medical costs for disabled indigenous children. In addition, the Liberals made a commitment to encourage the regional development of the North. Deputy Minister of NANR Gordon Robertson announced \$4.8 million investment for the construction of buildings, land purchases and equipment Indigenous peoples were cited as the primary beneficiaries of these increased expenditures. Unlike the Conservative's strategy, there was no formal outline of how the Liberals planned to expand transportation networks or railroads. Nevertheless, transportation had become the premier issue in the Canadian north. The lack of infrastructure and transportation services arrested further developments and the expansion of civil services.

The Liberal government's emphasis on social expenditures was a calculated response to its recent embarrassment over the Trans-Canadian Pipeline. The pipeline debate of 1956 began as a procedural issue but became a symbol of Liberal arrogance and complacency. In May, Minister of Finance C.D. Howe introduced a government bill to loan Trans-Canada Pipe Lines Limited, a company controlled by American financial interests, \$80 million in federal funds to construct a pipeline from Quebec to Alberta. When it was revealed in late

⁹⁹ C.W. Hobart, "Report on Canadian Arctic Eskimos: some consequences of residential schooling," *Journal of American Indian Education* 7(2) (1968): 7-17 [http://jaie.asu.edu/v7/V7S2can.html accessed 4 December 2009].

¹⁰⁰ John P. Maclean, "Progress hits the trail in our 'sleeping' North," *Financial Post*, 23 February 1957.

¹⁰¹ Ibid.

April that the funds could not be raised in time and construction would not begin by the appointed deadline, the Opposition chastised the Liberals for forcing the bill through the House of Commons. The Conservatives criticized Howe for violating the rights of Parliament and asserted that the \$80 million loan was not in the interest of Canadians taxpayers. As a direct result, the Liberal party fell 10 per cent in public support. Afterwards, regional economic development was a sensitive political issue for the Liberals. During the 1957 campaign, Howe attempted to avert bad press by claiming that "no country in the world [had] developed so rapidly in the last 10 years."

During the 1957 campaign, another decisive issue between Prime Minister St.

Laurent and Diefenbaker was the direction of national development and the extent of

American investment in the Canadian economy. Prior to the 1957 federal election, the

Gordon Commission released its extensive recommendations on political and economic matters, including the economic relations between the United States and Canada. During his campaign, Diefenbaker asserted:

We hear nothing about the Gordon report as to what the Government intends to do. Is the report to be embalmed? There has been a thunderous silence on the part of the Government with respect to the action that it intends to take in this regard...Canada should have a national policy which would prevent foreign capital from furthering the process of economic integration with the United States and ultimately undermining Canada's national identity. 106

¹⁰² Newman, Renegade in Power, 43.

¹⁰³ "C.D. Howe: Development in Canada Leads World," *Globe & Mail*, 22 May 1957.

¹⁰⁴ "Diefenbaker Urges Tax-Cutting Session," *Globe & Mail*, 8 June 1957; "Parliament and Provinces," *Globe & Mail*, 3 May 1957.

¹⁰⁵ Creighton. The Forked Road, 258-59.

¹⁰⁶ Clark Davey, "Demands Resource Policy, PC Cites Gordon Findings," Globe & Mail, 12 February 1957.

Diefenbaker's interpretation of the Gordon Commission findings played to his inherent political value for national development. The recommendations encouraged the 'National Development Policy' that Diefenbaker, Menzies, and Hamilton were preparing as a key principle of the Progressive Conservative Party's upcoming platform.

Months before the June election, Diefenbaker announced his intentions to divert 15 per cent of Canada's trade from the United States to the United Kingdom. ¹⁰⁷ Diefenbaker was particularly sensitive to the financial worries of western Canadians who were undermined by preferential tariffs on U.S. agriculture approved by the Liberal administration. ¹⁰⁸ Diefenbaker had strongly advocated for farm parity within his party and in the House of Commons. His platform criticized the Liberals for the concentration of taxation in the Federal government and promised a revised tax structure. ¹⁰⁹ According to newspaper reports, Diefenbaker believed that the Liberals' preoccupation with industrial projects was the main reason for Canadians' dissatisfaction with the current government and ongoing federal-provincial disputes. ¹¹⁰ Diefenbaker's campaign speeches reflected these opinions and were intended for ambivalent Quebec, Prairie and Maritime residents.

As a longtime resident of Prince Albert, Saskatchewan, Diefenbaker believed that he represented Canadians who lived outside of the central provinces, especially farmers who he considered to represent the backbone of the Canadian economy. Diefenbaker affirmed that the objective of his 'Canada First' policy was to end the imminent threat that foreign interest

¹⁰⁷ Bothwell, Drummond and English, Canada Since 1945, 189-190.

¹⁰⁸ William Kinmond, "Hands off Canadians, Diefenbaker tells U.S. As Vote Drive Opened," *Globe & Mail*, 8 April 1957.

¹⁰⁹ Clark Davey, "Diefenbaker Suggest More Help to Farmers," *Globe & Mail*, 18 May 1957; Clark Davey, "Liberals Are Worried, PC Party Tells Western Audience," *Globe & Mail*, 20 May 1957.

¹¹⁰ Langevin Cote, "Diefenbaker Defends Rights of Provinces," *Globe & Mail*, 5 June 1957.

posed to Canada's economic sovereignty and to deliver control over the economy back into the hands of domestic industry. ¹¹¹ In addition, Diefenbaker hoped that his economic policies would help reinvigorate Conservative Canadian nationalism. ¹¹²

Diefenbaker, Menzies and Hamilton devoted the 'National Development Policy' to continuing Sir John A. Macdonald's vision of northwest expansion. Historian Donald G. Creighton had recently completed and published a two-part biography of Sir John A. Macdonald which rooted the first prime minister's Toryism in a distinct vision for Canada's nationhood and national development. This vision seemed to apply as much to the late 19th century as it did to the 1950s and gained renewed confidence with the achievement of Diefenbaker's 'National Development Policy.'113 "Sir John A. Macdonald's national policy provided the framework for an integrated transcontinental economy," Creighton wrote, and it seemed that his enduring tradition that was meant to be undertaken by future Conservative governments.¹¹⁴

The Liberals were forced to respond to the growing nationalism which Diefenbaker's oratory provoked in the late 1950s. In the months prior to the 10 June 1957 election, 'national unity' and 'regional development' became the main issues in the Conservatives' election campaign. St. Laurent was unable to differentiate the Liberal development strategy from the bold promises Diefenbaker set forth in his 'Canada First' policy. In an article

¹¹¹ Clark Davey, "Diefenbaker Urges Tax-Cutting Session," *Globe & Mail*, 8 June 1957.

¹¹² Merrill Menzies, "Memo for Mr. Diefenbaker, 6 April 1957," Diefenbaker Canada Centre Archive. Series IV, Vol. 391, 14965-71, 14788-807.

¹¹³ According to Diefenbaker biographer Denis Smith, the publication of Creighton's two-volume Macdonald biography and the revived popularity of the Progressive Conservative Party during the 1950s was no mere coincidence. *See* Smith, *Rouge Tory*, 223.

¹¹⁴ Donald Creighton, "Unpublished Address to Prime Minister John G. Diefenbaker, Spring 1958," LAC, Donald Grant Creighton Fonds, Vol. 8, Correspondence and Memoranda, File 1.

entitled "All National Unity, but Never a Tory" published in *Globe & Mail*, the Prime Minister commented on the problems of national unity, but failed to convey the commitment and distinction of Diefenbaker's rhetoric. St. Laurent claimed:

National unity...in effect, has been and always will be the fundamental problem of national Government in Canada. There will be diversity, but there must be an underlying unity or else truly national development and progress become impossible. National unity is a fragile growth easily blighted by wrong policies, not to be legislated but only encouraged by right Government action.¹¹⁵

Several days later, Diefenbaker responded in the House of Commons:

We do not want a day to day course wherein there are great developments in Canada depending on the world situation, but a plan; not a planned economy but a national policy; not a policy of nationalism but one whereby Canada in the days ahead will remain an independent Canada and will not inexorably drift into economic continentalism; one whereby Canada will maintain her economic independence and our effective national sovereignty. 116

St. Laurent lacked Diefenbaker's ability to cast and address local issues as national problems. ¹¹⁷ Unable to counter or address the topic of national development and regional inequalities, the Liberals allowed Diefenbaker's 'Canada First' policy to set the tone and pace of the 1957 election. ¹¹⁸

On 11 June 1957, the Conservatives defeated the Liberals after twenty-two years in office and five consecutive terms in government. Although Diefenbaker only won a minority government, his support was nationwide. Immediately following the election results,

¹¹⁵ Robert Duffy, "All National Unity, but Never a Tory," Globe & Mail, 5 February 1957.

¹¹⁶ Canada, House of Commons Debates (11 February 1957), p.1153-5, 1158 (Mr. Diefenbaker).

¹¹⁷ "The National Interest," *Winnipeg Free Press*, 8 June 1957; Langevin Cote, "Resources Are For All: St. Laurent," *Globe & Mail*, 9 June 1957.

¹¹⁸ "Parliament and Provinces," Globe & Mail, 3 May 1957.

Diefenbaker promised that another election would be called in a year so that he could attempt for a majority government.¹¹⁹

1958: Part One, The Success of John G. Diefenbaker and his vision of the Canadian north

On 12 February 1958, Diefenbaker began his election campaign with a speech delivered to a crowded Winnipeg Auditorium filled with five thousand supporters, eight hundred others huddled in the nearby Concert Hall, and hundreds turned away. He began by renewing his pledge that a majority Conservative government would make a dramatic change in governance:

We called the election because it was called for. Called for, by the need of a stable government to face the larger problems now facing Canada on a long-term basis. Called for, because the people of Canada as a whole realize that the possibility of a strong and effective government cannot be achieved without there being a majority. No government, and I underline this, no government can grapple with major problems requiring long term planning while in a minority. 120

The Prime Minister proceeded to give the audience a preview of his Party's objective in government. "We ask from you a mandate: a new and a stronger mandate, to pursue the planning and to carry out fruition our new national development programme for Canada." He dismissed the Liberal party's ability to promote national development. "For years we raised that in the House of Commons, and those in authority ridiculed it," he asserted. "Day before yesterday, Mr. Pearson came out in favour of a national development policy...Why

¹¹⁹The Canadian press immediately questioned whether St. Laurent would remain leader of the Liberal party, however, after two terms as prime minister, he stepped down as leader. His resignation crippled the contest between the two parties. Lester B. Pearson had limited opportunity to rally the Liberal party behind him in time for the next election. Victor Mackie, "New Vote Expected Within Months," *Winnipeg Free Press*, 11 June 1957.

¹²⁰ John G. Diefenbaker, "Broadcast portion of a speech delivered by the Prime Minister, the Right Honourable John G. Diefenbaker, in the Civic Auditorium, Winnipeg, Manitoba, Wednesday, February 12, 1958, as broadcast by Radio Station C.K.Y. Winnipeg," Diefenbaker Canada Centre. Series VII, Vol. 165, National Development-1958-1960,101847-101860.

¹²¹ Ibid.

didn't they do it when in power?"¹²² Diefenbaker then announced his 'Northern Vision,' which was formally referred to as the 'National Development Policy':

This national development policy will create a new sense of national purpose and national destiny. One Canada. One Canada, wherein Canadians will have preserved to them the control of their own economic and political destiny. Sir John A. Macdonald gave his life to this party. He opened the West. He saw Canada from East to West. *I see a new Canada - a Canada of the North*. ¹²³

The central focus of the 'National Development Policy' was northern Canada. In his 'Northern Vision' speech, as it became known, Diefenbaker introduced several plans to improve the Canadian economy, including natural resource development, transportation and communication. First, Diefenbaker stated:

We will assist the provinces with their co-operation in the conservation of the renewable natural resources. We will aid in projects which are self-liquidating. We will aid in projects which, while not self-liquidating, will lead to the development of the natural resources for the opening of Canada's northland. We will open that northland for development by improving transportation and communication and by the development of power, by building access roads.¹²⁴

Diefenbaker felt that economic development of the Canadian north would benefit all Canadians. ¹²⁵ He proudly announced that the Government would maintain Canadian sovereignty in the Arctic, and he insisted that the policy would encourage Canadian resource development rather than foreign exploitation. Second, Diefenbaker announced the 'Roads to Resources' program, an immense construction project for the northern territories:

I think of a vast programme on Frobisher Bay on Baffin Island in the Canadian Arctic, hiding resources that Canadians have little realization of. We intend to start a vast roads programme for the Yukon and Northwest Territories which will open for exploration vast new oil and mineral areas, 30,000,000 acres, I believe is in the areas.

123 Ibid.

¹²² Ibid.

¹²⁴ Ibid.

¹²⁵ Ibid. The 'National Development Policy' was intended to create job opportunities for people of all regions. Diefenbaker encouraged Canadians to take on greater participation in the Canadian economy. "This is the vision. Canadians, realize your opportunities!" he went on. "We will ensure that Canada's national resources are used to benefit Canadians and that Canadians have an opportunity to participate in Canada's development."

We will also launch, what I said a moment ago, the \$75,000,000 joint federal-provincial programme to build access roads. 126

This commitment to building northern roads also included the previously announced Pine Point Railway. For years the project had been tabled by the St.Laurent government to accommodate projects with a more calculated benefit to Canadians. Diefenbaker, however, understood that the construction of commercial rail lines in Northern Canada would assist the exploitation of northern resources. Third, Diefenbaker saw the opening of the region as a continuation of the nation-building process initiated by Sir John A. Macdonald. His speech transformed the North from a remote, underdeveloped region to the key to Canada's national destiny:

Completion of the Confederation by developing a self-governing North. It will mean capital investment by Canadians and by foreign investors of many millions of dollars. It will assure to Canadians that renewable resource will be renewed. It is for those things that I ask a mandate, not giving you tonight the whole picture at all, by any means but giving you something of the vision as I see it. The reason that I appeal to the Canadian people, a mandate for a clear majority. You set a pace for Manitoba last time. Give us a few more. We need a clear majority to carry out this long-range plan, this great design, this blueprint for the Canada which her resources make possible. I want to see Canadians given a transcending sense of national purpose, such as Macdonald gave in his day. 128

In a region where marginal transportation and communication developments had occurred previously, Diefenbaker set high expectations for the next five to seven years.

The fundamental message of Diefenbaker's 'Northern Vision' speech was the symbolic and national importance of the North. Running throughout it was the concept that

¹²⁶ Ibid.

¹²⁷ Paul Deprez, *The Pine Point Mine and the Development of the Area South of Great Slave Lake*, (Manitoba: University of Manitoba, 1973). Unlike the 'Roads to Resources' program, which planned to construct access roads ahead of industrial developments, the proposed Pine Point Railway was built specifically to encourage mining activity at the Pine Point mine, which had been in operation since (date). A railway operations was an affordable and efficient means of transporting high tonnage of lead-zinc ore.

¹²⁸ John G. Diefenbaker, "Broadcast portion of a speech delivered by the Prime Minister, the Right Honourable John G. Diefenbaker, in the Civic Auditorium, Winnipeg, Manitoba, Wednesday, February 12, 1958, as broadcast by Radio Station C.K.Y. Winnipeg," Diefenbaker Canada Centre. Series VII, Vol. 165, National Development-1958-1960,101847-101860.

the North *is* Canada and its resources exist to benefit all Canadians. As Sherill E. Grace explained in her 2002 study *Canada and the Idea of the North*, "even though it may be to scoff or to pick holes in Diefenbaker's rhetoric and logic from the practical perspectives of policy and implementation, as a statement in the discursive formation of the North this speech is a classic." According to Frances Abele, the postwar federal approach bore the stamp of Canada's Tory beginnings; the 'Northern Vision' represented the "extension of full-scale administration to the territorial North" and, like western Canada fifty years earlier, the North would provide staple export commodities for the entire nation. A careful review of the primary evidence bears out their observations.

Throughout the campaign, Diefenbaker's electoral pledge was reiterated in many of Canada's major periodicals. In a full page advertisement, the Prime Minister clarified the main principle of the 'National Development Policy':

In the short space of eight months, the Government, in which it is my privilege to serve as Prime Minister, has laid the foundations for a new National Development Policy to equalize opportunity and raise the standard of living of Canadians in all our provinces. In doing so, we believe we have honoured our promises in keeping with your mandate of last June...We have taken measures to find new markets for our wheat and other farm products and to recover export markets which had been drastically reduced while our resources were being exported in raw or semi-processed form.¹³¹

The exploitation of northern natural resources would invigorate the national economy, generate new job opportunities for Canadian businesses, expand the North's regional

¹²⁹ Sherill E. Grace, Canada and the Idea of North, (Montreal: McGill-Queen's University Press, 2002): 69.

¹³⁰ Abele, "Canadian Contradictions," 313-314.

¹³¹ John G. Diefenbaker, "My Fellow Canadians," Globe & Mail, 18 March 1958.

economy, and pull Canada out of the recession. A 1958 Gallup Poll indicated that Canadians believed the Conservatives were set to build a truly national party.¹³²

To convince Canadians to vote in a majority Conservative government that would fulfill its bold 'National Development Policy,' Diefenbaker sought to demonstrate strong and determined leadership that balanced national and regional interests. The *Globe & Mail* editor stated:

Here is Canada's opportunity to vote for something positive and dynamic something bigger and bolder than individual security - yet something which will make every individual more secure. For the real basis of individual security, social security, whatever one wishes to call it, is a nation's wealth. The Conservative program aims, through expansion, to increase and diversify Canada's wealth so that we can at least count on keeping such security as we have carved out for ourselves; and be able to count on the prospects of further improving it. To vote for the Conservative Government is thus to vote, at one time, both for a secure future and for an adventurous one, both for enjoyed stability and for enjoyable progress, to vote in short for the things most Canadians want most. 133

By 17 March 1958, the polls predicted a clear victory for the Conservative government.¹³⁴ Canadian voters believed that Diefenbaker's government was getting things done.¹³⁵ According to J.M. Beck, Diefenbaker placed great faith in the accuracy of the poll and felt confident that his government would prevail.¹³⁶

The Conservative's 1958 election victory was the most resounding in Canadian history. The party won 208 of 265 seats and a clear majority in every province except for Newfoundland, including clean sweeps in four provinces. The party took Prince Edward

¹³²Beck observed a significant increase in Gallup Poll results in observed between June 1957, the Progressive Conservatives 38.9% and the Liberals 40.9%, and January 1958, the Progressive Conservatives 50% and the Liberals 35%; J.B. McGeachy, "Nationalism Sparked Tory Win," *Financial Post*, 12 April 1958. McGeachy reported that the Diefenbaker's win of the 1958 federal election may have meant the "end of regionalism" in Western politics. *See* Beck, *Pendulum of Power*, 305, 315.

^{133 &}quot;Only One Issue," Globe & Mail, 25 March 1958.

¹³⁴ William Kinmond, "Edge in Gallup Poll Cheers Diefenbaker," Globe & Mail, 18 March 1958.

¹³⁵ Beck, Pendulum of Power, 314.

¹³⁶ Ibid., 317-18.

Island with an unprecedented 62.2% of the popular vote; achieved all of Nova Scotia's seats for the first time since Confederation; won 7 of New Brunswick's 10 seats; and raised its support in Nova Scotia from 37.8% to 45.2%. In Ontario, the Conservatives took 67 of 85 seats, and 56.4% of the popular vote. This political success continued throughout the Prairies. In both Manitoba and Alberta, the Conservatives reclaimed all the available seats from the Liberals and CCF. In Diefenbaker's home province of Saskatchewan, the Conservatives won 16 of 17 seats and 59.9% of the popular vote. The Conservatives also did well in British Columbia, attaining 18 of 22 seats. The two seats shared by the Yukon and Northwest Territories were split between the Liberal and Conservative parties. The most overwhelming and surprising regional success of the 1958 election was the Conservatives Party's support in Quebec. In contrast to the outcome of the previous election, the Conservatives won 50 of the 75 seats available and 49.6% of the popular vote. 137 With popular support nationwide, Diefenbaker had a strong mandate to implement his 'Northern Vision' immediately.

The 'National Development Policy' fit with the government's focus on improving the national economy. In 1958, Canadians were particularly attentive to economic affairs. In the months after the election, Diefenbaker claimed, "(a) reasonable degree of stability in prices must go hand in hand with the relatively full utilization of available resources if we, in Canada, are to exploit to the full the tremendous opportunities for further development which lie ahead." This was a plea for the support of Canadian industry during the economic recession, and for their support of the 'National Development Policy.' After all, Diefenbaker believed that as the world population increased, Canada's abundant natural resources would

¹³⁷ Ibid., 326-27.

¹³⁸ Ralph Blackmore, "PM Holds Little Dear for Economy," *Globe & Mail*, 6 July 1958.

be in high demand in a "resource-failing" world economy. The first published outline of the 'National Development Policy' affirmed this notion. Diefenbaker wrote,

The challenge of Communism now and in the years ahead demands that our vast northern resources be made accessible and available to industry, for vast resources undeveloped and hidden in the earth will not fashion or forge the shield of freedom or contribute to the survival of the Free World.¹³⁹

Canada would be looked upon to supply and maintain the large-scale manufacturing and production of western nations. As the global demand for natural resources increased, it was crucial that the Government foster a close relationship with Canadian industry to assure future development and exploitation in the North.

Diefenbaker's 'Vision' sought partnership and mutual benefit for Canadian private businesses and the government, but did not promise immediate returns on the investments. The 'National Development Policy' was, in essence, a contract between the public, the private sector, and the government. Positive results from this long-term economic policy would take time and large expenditures. In 1958, the government did not establish any new geological surveys for the North and resolved to develop the existing discoveries of lead-zinc deposit at Pine Point near Great Slave Lake and oil fields at the Eagle Plains northeast of Dawson City. After all, roads and highways still needed to be constructed to access these undeveloped areas of resource wealth and the government predicted that new deposits would be found nearby.

The issue of northern transportation sparked debate in November 1957, when the Commissioner of the Canadian north, R.G Robertson, reported that a railway to Pine Point would cost about \$65 million and feeder roads an additional \$20 million. Diefenbaker

¹³⁹ Carrigan, Canadian Party Platforms, 226-232.

realized that the high expenditures of the 'Roads to Resources' program was a visible issue for Canadians and could jeopardize his long-term national development objectives. ¹⁴⁰

Northerners felt that without strong federal support for northern development, the natural resource extraction projects and road construction Diefenbaker promised would never materialize. Provincial governments were more inclined to develop infrastructure and roads that were an asset to provincial economies and less concerned with the North's regional development. ¹⁴¹

In February 1958, Alvin Hamilton, the Minister of NANR, made his first visit to the Canadian north. The Minister took the opportunity to discuss with Northerners the government's 'Vision' and to learn about permafrost, gravel, transportation and mining activities. A year later, Hamilton returned to the Yukon and reported on how the public's response to the 'Northern Vision' had changed in a year's time. In correspondence with Diefenbaker, Hamilton stated:

The first impression one gets is the tremendous bustle of activity and the changed attitude of the people. Last February in the Yukon there was a strong cynicism about our Northern Development Program. By word and act people gave me the impression that they had heard all this before. With the visible signs of activity by oil and gas companies, mining companies, private business moving into these communities, there is a new interest and enthusiasm that is very encouraging to me personally. In Dawson, where I was met last year with a long list of thing that (Northerners) wanted, this year the Board of Trade put on a reception and dinner and had nothing but thanks and words of appreciation for what had been done... They spoke of the increased tourist traffic, the road building program, and above all the impetus given by private enterprise working out of their communities. The same feeling was present at Whitehorse. 143

¹⁴⁰ Canada, House of Commons Debates (14 November 1957), p. 1126 (Mr. Lambert); Canada, House of Commons Debates (19 November 1957), p. 1283 (Mr. Harkness).

¹⁴¹ Canada, House of Commons Debates (23 January 1958), p.3674 (Mr. Hamilton).

¹⁴² "Hamilton Meets Yukon Voters," *Globe & Mail*, 27 February 1958.

¹⁴³ Alvin Hamilton, "My Northern Trip, Minister of Northern Affairs and National Resources, 23 September 1959," Diefenbaker Canada Centre Archive. Series VI, Vol. 382, Resource and Development - Northern Development In Canada - 1959-1963, 298444-298446.

Hamilton reported positive results for northern development across the board. Progress had been made in expanding a range of housing and transportation facilities throughout the territories and, from the Minister's personal account, the government's ability to attract private businesses and industry to the North was particularly beneficial to the regional economy.

In September, Diefenbaker became the first Prime Minister to visit the Canadian Arctic. He and his wife, Olive, travelled through the Yukon Territory, met with local Northerners, and enjoyed a taste of Arctic recreation. In Whitehorse, he swapped stories with local men, visited the cabin of Sam McGee, and stopped by the office of the town newspaper, where a sign read "Hello John from the Whitehorse Star, published every Thursday if the staff is sober." Diefenbaker also toured the sites for the new national health and welfare hospital and the 15,000 horsepower hydroelectric facility along the Whitehorse rapids. His last stop was 60 miles outside of Whitehorse where, on early Saturday morning, Diefenbaker spent the afternoon fishing and caught nearly 25 trout.

The trip was one of little fanfare or ceremony. Few speeches were made, there was no mention of the 'National Development Policy,' and many northerners were treated to an informal encounter with the Prime Minister. 147 The casual and recreational tone of this trip demonstrated little political posturing on Diefenbaker's behalf, but it was a symbolic

¹⁴⁴ Clark Davey, "PM on Visit to Yukon Meets Old Characters," *Globe and Mail*, 24 September 1958.

¹⁴⁵ Ibid.

¹⁴⁶ Isabel Kehoe, "Yukon, Canada's Treasure Chest, Rt. Hon. John G. Diefenbaker - First Canadian Prime Minister to Visit the Yukon, Prime Minister Catches Trout in Cold Yukon Lake," Diefenbaker Canada Centre Archive. Series VII, Vol. 83, Diefenbaker, Rt. Hon. John G. - National Development - 1940-1958, 49776-49781.

¹⁴⁷ "Diefenbaker Will Be First PM in Yukon," Globe and Mail, 15 September 1958.

demonstration to Northerners that the Conservative government was aware of their existence. 148

The postwar coverage of the Canadian north reinforced the stereotypical imagery of this territory as a barren, uninhabitable, and isolated winter desert including the peoples who would live in such a harsh environment. Reports of violence amongst Aboriginal people frequently ran in the Canadian press. A 21 February 1958 article reported the violent deaths of two Eskimos and a child in the "barren" Keewatin districts of the Northwest Territories. This violence prompted the government to relocate an entire band of Eskimos 200 miles from their traditional grounds, under the supervision of R.A.J. Phillips, chief of the DNANR's Northern Affairs Branch. He Through education programs, jobs, and contact with government agents, officials hoped to advance indigenous civilization and bring this violent frontier into line.

In a swift political move, the Conservatives criticized past Liberal administrations for their faltering support of Arctic research. The government cited past negligence as a chief reason for its difficulty in getting development projects off the ground. "Canada, thanks to the previous Liberal Government, has too long maintained an attitude of indifference to Russian exploration of the Arctic ocean and development of permanent settlement along its shores," *Globe & Mail* editor Oakley Dalgleish stated. "When the DNANR was formed in 1953, Prime Minister St. Laurent's chief concern was the maintenance of Canada's

¹⁴⁸ J.V. McAree, "Eskimos' Problems," *Globe & Mail*, 5 March 1957; "Eskimos in Transition," *Globe & Mail*, 18 August 1958.

¹⁴⁹ "Violence Brings Move for Band of Eskimos," *Globe & Mail*, 21 February 1958.

sovereignty in the North."¹⁵⁰ Canada had only taken interest in the Arctic when its sovereignty was in jeopardy. Diefenbaker found that the dearth of research and insufficient number of Canadian defence facilities undermined the government's ability to monitor its northern territories. Expanding transportation facilities and roads into the North would pave the way for increased settlement and occupation as far as the Arctic Ocean littoral. In short, the 'Northern Vision' sought to achieve what past Liberal policies failed to realize.

Given the significance of northern issues in the 1958 election campaign, it was certain that preference and concessions would to be given to Yukon Territory and the Northwest Territories when the Conservatives won a majority government. George Hees, the Minister for Transportation, announced in January that his department would begin development on nuclear powered icebreakers to allow year-round shipping operations in the North. "We have come to realize ice breaking is very important," Hees explained; "the more water and ports you can keep open the more people you can keep employed." The Arctic icebreaker project was a clear example of how Diefenbaker's Cabinet welcomed innovative ideas and how various ministries were involved in northern development.

In April 1958, DNANR published a fifty-four page booklet entitled "This is the Arctic," which was intended to deepen the public's understanding of the government's vision. The booklet reiterated its commitment to develop northern communities and invigorate the national economy. The booklet surveyed various topics concerning the Arctic: geography, climate, people, resources, law, and future prospects. "There are great

¹⁵⁰ "The Quality of Opposition," *Globe & Mail*, 29 January 1958. According to Dalgleish, the Prime Minister claimed that the St. Laurent government failed to expand research and civil occupation in the Arctic, and had to rely on the United States for military protection. Invariably, this compromised Canada's sovereignty in territories under its own internal administration.

¹⁵¹ Arthur Brydon, "Canada Aims to Develop A-Icebreaker," Globe & Mail, 23 January 1958.

opportunities awaiting ordinary, everyday people who are willing to make their homes above the tree line," the booklet explained, "Modern techniques and inventions have made life in the North comfortable, the North will increasingly important not merely from a military viewpoint, but in the national economy." Canadians remained reluctant, given the immense expenditures required to achieve Diefenbaker's vision for the Canadian north, and provincial governments were concerned that their natural resources would be overlooked. Even though Diefenbaker enacted a bold economic strategy at time of public acclaim nationwide, rising expenditures and insufficient preparation threatened the full-implementation of his vision. The Diefenbaker government had not yet fully realized the level of preparedness, research and time needed to implement the 'National Development Policy' in the North.

1958: Part Two, Northern Politics and Issues in the Federal Setting

Canadian administration of the North has, at times, been callously referred to as that of an 'absentee landlord' intermittently intervening in territorial affairs under the auspices of national policies or in reaction to perceived threats to domestic sovereignty. In August 1958, a security debacle occurred between Canada and the United States in which DNANR minister Alvin Hamilton admitted the matter as one of "national chagrin". The Canadian Press reported the incident as a "security freeze out"; the Canadian government had been

¹⁵² "The Built-In Weakness," *Globe & Mail*, 24 April 1958.

¹⁵³The 'National Development Policy' had also promised federal assistance to construct energy development projects, such as hydroelectric facilities along the Saskatchewan River and British Columbia's Columbia River. Smith, *Rogue Tory*, 227, 270; Alvin Hamilton, "A Statement by the Honourable Alvin Hamilton on the Philosophy and Principles of the National Development Program," Diefenbaker Canada Center Archive. Series VI, Vol. 380, Resource and Development - General -1957-1962, 297459-297472.

¹⁵⁴ Walter Gray, "U.S. Polar Curtain Shames Minister," *Globe & Mail*, 15 August 1958.

denied access to joint-American and Canadian defence facilities in the North (particularly the DEW Line stations) and Canadian officials were required to seek written permission from the United States prior to any visits. "I am ashamed of the fact that through circumstance beyond the power of almost anyone here we have had to share responsibilities, in fact, give all responsibility for the defence of our northern areas to a friendly power," Hamilton responded. 155 He worried that Canada had been relegated to a mere spectator in its own affairs.

This incident embarrassed the government. Diefenbaker's 'Northern Vision' platform was largely an attempt to make the North accessible to private development and depended on the guarantee that both the government and commercial enterprise had full and unrestricted access to the region. The United States' perceived encroachment on Canada's sovereignty suggested diverging views between two neighbouring countries: the Canadian understanding of the North was as a region intrinsic to our cultural and national identity, while the United States saw it as the exposed flank of North American defence. 156 Globe & Mail reporter Clark Davey wrote:

Most countries in the world accept this sector principle as applied to Arctic boundaries, but the US does not. Sovereignty, in the opinion of Washington, is established only by effective occupation and control. Most of the islands north of the Canadian mainland are uninhabited, and the US does not accept the theory of absentee landlord. 157

One solution to this problem was a call for the increased occupation of the Arctic Archipelago, a long-standing objective of both Diefenbaker and DNANR. The government

¹⁵⁶ Ken S. Coates, P. Whitney Lackenbauer, William Morrison and Greg Poelzer, Arctic Front: Defending

¹⁵⁵ Ibid.

Canada in the Far North, (Toronto: Thomas Allen Publishers, 2008): 63-65.

¹⁵⁷ Clark Davey, "U.S. Denies Canadian Barred From Arctic; 'I Goofed': Hamilton," Globe & Mail, 16 August 1958.

expected that enthusiasm for the 'National Development Policy' and employment opportunities would attract labourers to the North and would increase the region's permanent civilian population over time. In regional resource economies, however, the workforce tended to be largely transient or seasonal, except for Indigenous employees who often settled in the nearby vicinity of industrial resource operations. ¹⁵⁸ In these plans, Diefenbaker enjoyed the support of the Liberals across the floor of the House of Commons. On 15 August 1958, Pearson reminded Diefenbaker that "Canada's policy must be directed toward the extension of Canadian civilian occupancy and control of all Arctic activities." ¹⁵⁹

The landscape of the Canadian north also began to change with the onset of resource development projects. Propelled by the 'National Development Policy' and the interest of private enterprise, there was a significant increase in surveying permits and deeds issued by the government. An interdepartmental committee responsible for investigating proposed construction plans noted an estimated \$50 million in airline, military and civilian projects that were underway in this "land of opportunities" as early as January 1958. Federal experts concluded that Frobisher Bay, a former trading post and wartime air base, would grow into a modern community of at least 1,500 civilians within two years and 4,500 in five. Fig. 162

¹⁵⁸ Young, Elspeth, *Third World in the First: Development and Indigenous Peoples*, (New York: Routledge, 1995): 156, 161.

¹⁵⁹ Walter Gray, "U.S. Polar Curtain Shames Minister," *Globe & Mail*, 15 August 1958.

¹⁶⁰ Clark Davey, "Spurred By Promise, 33 Firms Seeking Oil in Northwest Area," Globe & Mail, 25 April 1958.

¹⁶¹ "New Business Opportunity in Arctic Boomtown," Financial Post, January 18 1958.

¹⁶² Ibid.

The government was immediately concerned with constructing basic facilities and housing to accommodate incoming labourers and industry heads. A report on the redevelopment of Frobisher Bay, published in *The Financial Post*, explained that the town needed an adequate water supply and lacked the basic infrastructure needed for prospective mining businesses. ¹⁶³ In a press release issued by DNANR, Hamilton claimed that in the Eastern Arctic "a \$60 million expenditure here of public and private money will trigger off between \$200 to \$300 of private investment, just as a \$3 million road in the Yukon area will accelerate a \$25 to \$50 million exploration program by private companies." ¹⁶⁴ The Government was more concerned with the concerns of private businesses than the North's permanent residents, but the latter could still benefit from the amenities and employment that industrial operations and an influx of transient labourers brought to the North.

In February 1958, Hamilton announced plans to construct a road that would connect the Alaska Highway with the Arctic coast. The proposed road was expected to stretch from Keno Hill, Yukon, through the mountains to Tuktoyaktuk, Northwest Territories, near the mouth of the Mackenzie River. The construction of roads was expected to encourage the extraction and processing of the natural resources landlocked throughout the Canadian north and foster wider participation of private enterprise the process. In addition, Hamilton announced another road construction plan to reach the Arctic coast. The proposal was to build a road between Fort Rae and Coppermine, Northwest Territories, a distance of nearly

¹⁶³ Ibid. According to this report, at the time, water had been drawn from a nearby lake and trucked in for local residents. Essential services, like sewage removal lines and energy facilities, were being constructed to attract and retain prospective businesses in Frobisher Bay. Planners placed the needs of commercial enterprise ahead of local residents in hopes of establishing a solid economic foundation for long-term regional development.

¹⁶⁴ "Grid of Access Roads to Open Vast Riches Explained by Hamilton," Globe & Mail, 7 March 1958.

500 miles that travelled alongside mineral deposits near Great Slave Lake. ¹⁶⁵ Both projects were part of the ambitious 'Roads to Resources' program. According to Diefenbaker, the Conservatives would finance a \$100 million road development program for both the Yukon and Northwest Territories, in addition to the proposed \$75 million joint federal-provincial program which planned to build additional feeder roads in the northern regions of the provinces. ¹⁶⁶ Hamilton assured Canadians and Northerners that "these roads will not only make available for exploration potential resource rates of the provinces but will also tie in with our grid system to the territories." ¹⁶⁷

Private enterprise had responded favourably to the 'Northern Vision' and 'Roads to Resources' program. In April 1958, Hamilton revealed that in the past seven months DNANR issued "more than 602 oil exploration permits...to about 200 different firms, including subsidiaries of the major companies." This upsurge of construction, development projects and investment in the North opened the Government to new and modern ideas of advancing socioeconomic conditions. One such proposal that captured the imaginations of both politicians and the public was the potential for building a "small scale Manhattan" at Frobisher Bay. 169 In an interview with *Maclean's* magazine, Commissioner of the North R.G. Robertson suggested that within five years a \$50 million development campaign could build "an interconnected grid of high-rising apartment and business towers to shelter 5,000 people... A model city of multi-story apartment blocks linked by covered, heated passages

^{165 &}quot;New Outlet to Arctic Coast to Link Alaska Highway," Globe & Mail, 8 February 1958

¹⁶⁶ "Northland Roads are Promised," Globe & Mail, 13 February 1958.

¹⁶⁷"Grid of Access Roads to Open Vast Riches Explained by Hamilton," Globe & Mail, 7 March 1958.

¹⁶⁸ Clark Davey, "Spurred By Promise, 33 Firms Seeking Oil in Northwest Area," Globe & Mail, 25 April 1958.

¹⁶⁹ R.G. Robertson, "Arctic Preview: Far North's Miniature Manhattan," *Maclean's Magazine*, 1 March 1958: 1.

[as] planners say conventional houses would expose too many surfaces to storms."¹⁷⁰ At the time, this proposal was considered a modern approach to revitalizing the Eastern Arctic, developed by specialists with an understanding of how to develop the Arctic hinterland.

Recognizing that the 'National Development Policy' was enacted under the auspices of Diefenbaker's electoral win and Canada's economic recession, the government was convinced that declining public interest for northern development would show. In a 1958 edition of the *Beaver*, Robertson drafted an open address on the general development of the North. More notably, the Commissioner surveyed the misconceptions and rampant speculation that he felt was associated with northern development:

The future development of these undoubted resources depends on many factors. Of these, the short term decline in demand for base metals and the temporary surplus of oil are probably the least important. There is an inevitable human tendency to see the future through glasses that are tinted by the lights and shadows of the present. Anyone trying to assess our northern future has to take care to ignore such ephemeral tints and colors. That future lies over a long time. It is the continuing trend and tendencies that will influence and determine it: not the short term waverings of the economic indicators...[The] main factor in the high costs of economic development in the north (sic) not the climate. If it were, we would be stuck, for we can do little about it. Fortunately, something else (sic) is a problem that can be solved. The north is everywhere distant from sources of supply and from markets. Even where facilities for transportation already exist, distance is important for every mile costs money. But where the facilities do not exist or are deficient and this is the case through most of the north remoteness is a much great problem, for then the facilities have first to be provided, and this in itself is enormously expensive. In the long run, the pressure of growing demand will undoubtedly result in higher prices for virtually all minerals...At some point the price will in most cases exceed the high cost of northern supplies even on the basis of present techniques. Despite the present high costs of transportation, mining has been for years an expanding industry in the north. For promoting its further growth the overriding necessity is that transportation facilities be expanded and improved. By reducing costs, better facilities will make more developments in the north economic, thereby creating the traffic which will reduce transportation costs still further. The central fact is that if means of transportation must wait upon economic development they will be slow in coming and so will economic development. 171

¹⁷⁰ R.G. Robertson, "Arctic Preview: Far North's Miniature Manhattan," *Maclean's Magazine*, 1 March 1958: 1; P. Whitney Lackenbauer and Matthew Fairish, "High modernism in the Arctic: Planning Frobisher Bay and Inuvik," *Journal of Historical Geography* 35 (2009): 517-8.

¹⁷¹ R.G. Robertson, "Promise of the Canadian North," *Beaver*, Autumn 1958: 4-11.

The additional benefit of this program was that it would increase the shipping of raw materials and goods between the provinces and territories, and make transportation easier for local residents of the North.

The overlooked partner in this contract between government and private enterprise was the Canadian people. Canadians were shareholders to Canada's national resources, the workforce needed for its extraction and processing, and the consumer of manufactured goods. In a speech Diefenbaker presented in Toronto on 20 August 1958, he stated:

It is the clear duty of the government management at every level to put those assets to work so that they will earn for all Canadians the dividends necessary to raise the standard of living of every Canadian to a level commensurate with his or her proprietary interest in the vast resources. It is the responsibility of government to provide the climate and opportunity for the development of the potential wealth of this ninety per cent of Canada which still belongs to the Canadian people. It is the expression of a belief in the role of public or government enterprise as a necessary catalyst for the fullest functioning of our system of private enterprise. It envisages a policy of practical partnership of public and private enterprise in which the government will find the necessary funds to overcome the initial problems of expanded communications and other essential public services. These are very real problems of resource development int his country due to the great central fact of our national development, namely that Canada's major resources are almost entirely land-locked within the great mass of the northern half of this continent.¹⁷²

A year later, Hamilton referenced Diefenbaker's speech when he addressed members of Vancouver's business community. He explained that the philosophy of the 'National Development Policy' were three incontrovertible principles. First, natural resources were the rightful property of the country as a whole, therefore obliging the government to ensure that profit was earned for "all Canadians". Second, the role of the Government in natural resource development was not passive but dynamic. Third,

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¹⁷² John G. Diefenbaker, "Unnamed Address," quoted in Alvin Hamilton, "National Resources and National Development, An Address by the Honourable Alvin Hamilton, Minister of Northern Affairs and National Resources at the Banquet of the Vancouver Rotary Club, Hotel Vancouver, Vancouver, 1 September 1959," Speeches by Alvin Hamilton, (Ottawa: Northern Affairs Library, 1959).

private enterprise had an essential role in the actual development of natural resources.¹⁷³ The function of Government was to facilitate basic discovery and construction in the Canadian north. In 1959, the Government was implementing this philosophy through various projects and programs. The future of the Canadian north fell upon the shoulders of private companies and industry to carry out with the actual development, but the government need to prepare the policy foundation and incentives that would attract businesses to the North.

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¹⁷³ Alvin Hamilton, "National Resources and National Development, An Address by the Honourable Alvin Hamilton, Minister of Northern Affairs and National Resources at the Banquet of the Vancouver Rotary Club, Hotel Vancouver, Vancouver, 1 September 1959," Speeches by Alvin Hamilton, (Ottawa: Northern Affairs Library, 1959).

By1960, the 'National Development Policy' encountered serious complications.

Declining popular support for the Diefenbaker administration, the prime minister's own resolve to continue with his economic strategy, and the overwhelming logistical challenge of developing transportation and resource operations in the North – which had proved too difficult and expensive - jeopardized the completion of all programs associated with the 'Vision.' The same year, the Royal Commission on Government Organization (The Glassco Commission) made several recommendations on the issue of territorial administration. Its findings emphasized that DNANR had a restrictive effect on territorial administration and suggested that greater authority and responsibilities be devolved. The implementation of the 'National Development Policy,' however, depended on the federal government's ability to intervene and direct northern economic development.

A more pressing issue was the loss of support observed within the Conservative government. The Conservative party won the 1962 election but slid to a minority government, winning 116/265 seats nationally and 37.3 per cent of the popular vote. This compared poorly to the 1958 results, when the party won 208 seats and 53.6 per cent of the popular vote. Without the same level of popular support and political capital, Diefenbaker feared that continuing with a rapid course of regional economic development would cripple his reputation with the Canadian people. Previously, Diefenbaker believed that the 'Northern

¹⁷⁴ Canada, The Royal Commission on Government Organization, "Special Areas of Administration: Report 22, Northern Affairs," *The Royal Commission on Government Organization*, (Ottawa: The Queen's Printer, 1963): 164.

¹⁷⁵ Beck, Pendulum of Power, 348-349.

Vision' would be the source of his future acclaim and legacy. By 1962, he feared that it would lead to his political undoing.

Former public servant R.A.J. Phillips recalled that, as a result of the 1962 election, there was a 15 per cent reduction in DNANR staff. This hindered the department's capacity to administer the North as it had prior to the election. Accordingly, the bold promises and immense scale of development that Diefenbaker had envisaged now appeared unattainable. Without adequate staff and resources, the second-stage of the 'National Development Policy' could not be implemented effectively. Diefenbaker's northern development objectives were curtailed, and DNANR's administration was under review.

When Lester B. Pearson's Liberals toppled the Conservatives in the 1963 election, the implementation of Diefenbaker's 'Northern Vision' was a low priority for the incoming government. The Liberals' northern development policies were more oriented towards social welfare concerns than advancing the North's economic integration with the rest of Canada. Moreover, the practices and objectives that Hamilton had installed after reorganizing DNANR in 1958 were supplanted by the antidevelopment policies and approach of the department's Indian Affairs Branch - a division more closely aligned with the Liberal's policy platform. When Arthur Laing became minister, he recognized that the North was "a problem area" for the Canadian government. Under his leadership, the ministry was restructured to better deal with socioeconomic issues and aboriginal affairs. 177

This chapter examines the economic, political and logistical issues that impeded the implementation of the 'National Development Policy.' Many of the resource development

¹⁷⁶ Phillips, Canada's North, 176.

¹⁷⁷ Blair Fraser, "Our Double Image of the North," *Maclean's Magazine*, 17 October 1964: 17, 79.

operations and road construction projects of the 'Vision' were initiated by the Diefenbaker government, but results were never fully achieved by the five to seven year target dates. This chapter surveys the wide range of complications that inhibited the realization of Diefenbaker's 'Northern Vision' and outlines the ensuing course of northern development during the 1960s and 1970s.

Even though the essential characteristic of the 'National Development Policy' was the promotion of natural resource development in the Canadian north, Diefenbaker realized that the widespread underdevelopment of northern settlements was an equally grievous issue. Without facilities, housing, infrastructures and basic public services, the 'National Development Policy' would prove to be only a minor incentive in attracting private enterprise to the North. Through the 1940s and 1950s, the American government dedicated large expenditures and personnel to constructing the Alaska Highway, an all-weather highway to Whitehorse, and various defence projects, like the Pinetree Line and Mid-Canada Line. These developments only provided a minimum of access to remote and isolated regions in the North. The next stage of Diefenbaker's 'Northern Roads Programme' was build site specific transportation access in areas that would trigger mining activity and resource development. The government expected that mining activity and government expenditures would promptly stimulate commercial activity for nearby northern settlements. In the cases of Frobisher Bay and Dawson City, the government had specific designs for the redevelopments of these Arctic settlements, which were meant to showcase the apogee of modern Arctic living and represent the culmination of 'Vision' planning and construction.

In the case of each 'Northern Vision' project, there were three critical features that the Diefenbaker government required in order to justify the high expenditures, planning and construction needed for its implementation. First, the potential for large-scale development of an economically-significant resource deposit was the most basic necessity for the Diefenbaker government. Second, the opportunity for economic spin-off, which resulted from government activity and investment benefiting the redevelopment of northern settlements. The indigenous and non-indigenous populations of the North were always considered the secondary beneficiaries of Diefenbaker's northern development projects. Lastly, Diefenbaker anticipated that each project would produce long-term earnings for the Canadian economy as well as northern development. These first-stage 'Northern Vision' projects were considered to be only a minimum investment in northern development and hardly compared to the anticipated private expenditures and commercial activity these projects would trigger once completed. Ultimately, however, the 'Northern Vision' was a failed policy and, the high expectations for revenue and economic spin-off failed to materialize.

The Dempster Highway, 1958-1979

The extraction of natural resources from the Eagle Plains in the Yukon depended upon large-scale federal aid. The federal government had known about the existence of a large and economically-significant deposit of oil and gas in the Eagle Plains intermontane region, north of Dawson City, since the early 1950s. A DNANR report on the region's economic prospects anticipated that the basin would become the most commercially developed petroleum-

producing region in the Canadian north.¹⁷⁸ In any case, a road would need to be first installed before any operations or exploitation of the reserve took place. When Alvin Hamilton became minister of DNANR in 1958, he assessed potential sites where the government could make serious investment into natural resources development and decided that development of the Eagle Plains would have a significant benefit for the Yukon's regional economy.¹⁷⁹ Moreover, a northern road to the basin could also have positive implications for local northerners.

After the launch of the 'Northern Roads Programme,' Hamilton announced that the first stage of the 'Territorial Roads program' would construct over 1,200 miles of new roads and six major bridges in the Yukon and Northwest Territories, estimated at a cost of over \$31 million. The first project would be the construction of a major road to the Eagle Plains. The road would depart from the Klondike Highway at Flat Creek, to ensure its integration with existing transportation system, and then would travel northwest 270 km to the southern edge of the Eagle Plains oil basin. In a press release which appeared in the "Canadian Economic Supplement" of the *London Times*, Hamilton explained that the development of

Mountains made it a logistical impossibility for industrial and construction equipment to be transported in time.

¹⁷⁸ Early planning considered building a pipeline from the Eagle Plains to Skagway, Alaska. This proposal was later abandoned because of the basin's narrow situation between the Ogilvie and Richardson-Mackenzie

¹⁷⁹ Canada, Department of Northern Affairs and National Resources, Northern Administration Branch, "Committee to Examine the Economic Potential of Dawson City Area, Report to the Deputy Minister," April 1965 (Ottawa: Northern Affairs Library, 1965); Canada, Department of Northern Affairs and National Resources, Northern Administration Branch, Resources Division, "Guide to Northern Non-Renewable Resources, Yukon, Northwest Territories and Arctic Islands, July 1964," (Ottawa: Northern Affairs Library, 1964).

¹⁸⁰ Canada, Department of Northern Affairs and National Resources."Major Road Programme for the North, for Release Wednesday, March 26, 1958," Diefenbaker Canada Centre Archive. Series VI, Vol. 382, Resource and Development - Northern Development in Canada - 1958, 298263-298266.

¹⁸¹ Canada, Department of Northern Affairs and National Resources."Major Road Programme for the North, for Release Wednesday, March 26, 1958," Diefenbaker Canada Centre Archive. Series VI, Vol. 382, Resource and Development - Northern Development in Canada - 1958, 298263-298266.

Eagle Plains deposit was the most promising economic activity currently underway in the North, and if commercial development proved successful, that the construction of the Dawson Highway would vindicate the 'National Development Policy.' 182

By 1960, the first 69 miles (110 km) of the highway was complete and an unfinished winter road allowed construction crews to enter the interior of the Eagle Plains, where the oil deposits were located. When the Diefenbaker government lost interest in the 'National Development Policy' by 1962, however, the federal government withdrew their funding of the Dawson Highway and the remaining 150 km were left incomplete. All federally-funded operations in the Dawson and Mackenzie region were placed on hold or abandoned. The partial highway served as an access road for exploration crews and a convenient route for local aboriginal hunters to reach the caribou herds that migrated annually through the area. This was hardly the original intention.

The Dempster Highway was expected to be finished in five years at a cost of \$5-8 million. When the highway finally opened in 1979, nearly twenty years after its announcement, it cost nearly \$103 million. To the approval of Northerners, the highway was named after W.J.D. Dempster, a former RCMP officer who was then in his mid-eighties. Construction on northern highways resumed during the early 1970s, prompted by plans to build a natural gas pipeline from the Beaufort Sea through the Mackenzie Valley. This made the Dempster Highway a vital access point to the Yukon interior. 183

¹⁸² Alvin Hamilton, "A Statement by the Honourable Alvin Hamilton on the Philosophy and Principles of the National Development Program," Diefenbaker Canada Center Archive. Series VI, Vol. 380, Resource and Development - General -1957-1962, 297459-297472.

¹⁸³ Coates, Land of the Midnight Sun, 284.

Geologists and prospectors were aware of the presence of a sizable lead-zinc deposit along the south shore of Great Slave Lake since 1898, when the region was first mapped by a geological survey. The region experienced its first development boom after the discovery of gold along the north shore of Saskatchewan's Lake Athabasca. This prompted another extensive geological survey of the Northwest Territories, which revealed unprecedented lead-zinc mineral concentrations at Pine Point. 184 The survey determined that the ore deposit was located approximately 45 miles (72 km) east of Hay river and 10 miles (16 km) south from Great Slave Lake. Departmental notes reveal that claim over this area was an ongoing competition amongst various private businesses and prospectors since 1914. 185 Prior to 1945, several attempts to construct large-scale mining operations were financed, but ongoing competition and land disputes were not resolved until the late 1940s.

The federal government first looked into building a railway to Pine Point in 1955, a year after the first mining operation was established. In 1958, the Pine Point Railway was approved and listed as one of the main projects in the 'National Development Policy.' The railroad was considered to be the cheapest means to transport lead-zinc ore and concentrates from Pine Point to Trail, British Columbia, where Consolidate Mining (renamed Cominco in

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¹⁸⁴ George Ramsay Rae, *The Settlement of the Great Slave Lake Frontier, Northwest Territories, Canada: From the Eighteenth to the Twentieth Century*, dissertation supervised by Dodge, Stanley D., (Ann Arbor: University of Michigan, 1963): 341; Canada, Royal Commission on the Great Slave Lake Railway, "The Report of the Royal Commission on the Great Slave Lake Railway, Vol. 2 Factual and Statistical Material," *The Royal Commission on the Great Slave Lake Railway*, (Ottawa: Royal Commission on the Great Slave Lake Railway, 1960): 130-1.

¹⁸⁵ Canada, Department of Northern Affairs and National Resources, Northern Administration Branch, Resources Division, "Guide to Northern Non-Renewable Resources, Yukon, Northwest Territories and Arctic Islands, July 1964," (Ottawa: Northern Affairs Library, 1964).

1967) built their refinery operations. ¹⁸⁶ The railway became a sensitive political issue when advocates debated an eastern route, which would travel from Fort McMurray to Fort Smith and then Pine Point, and a western route from Grimshaw to Pine Point. The construction of the railway was expected to have a positive economic impact for communities along the proposed route. ¹⁸⁷

In 1960, the Royal Commission on the Great Slave Lake Railway estimated that the operation of a railroad could transport nearly 215,000 or more tons of concentrates per year to Alberta. The railway depended on deposits of base mental ores, such as lead-zinc, copper, nickel and iron, present in a large enough quantity to be mined at a low cost and transported in large tonnages. Several potential sites for mineral extraction were found in the areas adjacent to the Pine Point railroad, but geologists and mining professionals were not convinced by the Government's prediction that more economically-significant deposits would be found. The Commission recommended that the Government conduct further investigation before investing any more tax-money into the project. Seventually, the federal government resolved that the large lead-zinc deposit at Pine Point justified a railway because it, alone, would guarantee a return on the government's investment. A financial report included in the Commission predicted that, "the revenue accruing to the new portion of the railway would be some \$1,321,000 per annum, which would increase as the production of

¹⁸⁶ Zaslow, The Northward Expansion of Canada, 341.

¹⁸⁷ Deprez, The Pine Point Mine and the Development of the Area South of Great Slave Lake, 24-25.

¹⁸⁸ Canada, Royal Commission on the Great Slave Lake Railway, "The Report of the Royal Commission on the Great Slave Lake Railway, Vol. 2 Factual and Statistical Material," 132.

¹⁸⁹ Ibid., 133.

concentrates from Pine Point increased".¹⁹⁰ Moreover, the mining operation at Pine Pint would offset the declining incomes of Aboriginal people.¹⁹¹

In 1961, a committee agreed that the Pine Point Railway would depart from Roma, Alberta and travel north along the existing Mackenzie rail line to Great Slave Lake - construction ensued on the 432 mile (695 km) railroad. Three years later it was complete and the first trainloads of lead-zinc ore were shipped. The Pine Point Railroad was the most publicized and publicly recognized achievement of Diefenbaker's 'National Development Policy,' and lauded for its rapid construction and immediate earnings. Nevertheless, Northerners alleged that the newly-constructed railroad contributed more to northern Alberta's development than the Northwest Territories' economy. 193

In June 1970, NANR contracted the University of Manitoba's Centre for Settlement Studies to evaluate the impact of federal financial intervention on regional Native employment opportunities and the economic spinoff that mining operations had generated for the region. Paul Deprez, Professor of Economics at the University of Manitoba, reported in 1973:

It is possible for economic growth to occur in a region without resulting in significant beneficial effect for the area in question. This appears at an earlier stage to have happened in the Pine Point development program...As it transpired the development at Pine Point appeared to have focussed heavily on natural resource development because of the supposed resultant impact on economic growth and economic development. Early planning did not appear to have given the human element of the equation, especially the local native population, a high priority. 194

¹⁹⁰ Ibid., 121.

¹⁹¹ Deprez, The Pine Point Mine and the Development of the Area South of Great Slave Lake, 6.

¹⁹² Deprez, The Pine Point Mine and the Development of the Area South of Great Slave Lake, 24-25.

¹⁹³ Ibid.

¹⁹⁴ Ibid., iii-iv.

The construction of the Pine Point Railway stimulated mining activity but also disrupted the regional economy. The Diefenbaker government had failed to consult with neighbouring Native communities, and as a result were unable to share in the profits generated from federal investments in regional economic development. Local Aboriginal employment was decided on an *ad hoc* basis, and discriminatory hiring practices reflected the prevailing belief that industrial mining was too difficult and highly-technical for Aboriginal labourers. ¹⁹⁵

According to Deprez, the absence of an employment philosophy and/or policy, with specific terms respecting the employment of Aboriginal people, indicated the lack of coordination between government planners and local officials. This suggested that the Canadian government was unconcerned with the regional implications that their 'National Development Policy' had for northern Aboriginal communities. Despite the federal government's occasional comments, suggesting that Aboriginal Canadians would benefit from northern development and Diefenbaker's assurance that the 'National Development Policy' would benefit all Canadians, the conditions at Pine Point suggested that integration of Aboriginals into the North's structured, modern work force was a low priority for the federal government. The federal government's plans for a new townsite at Pine Point ignored the possibility that Aboriginal people would relocate closer for access to social services and employment opportunities. His report found that with better town planning and more adequate, affordable housing, "the mine would have likely attracted much more native employment than was the case." 197

¹⁹⁵ Young, Third World in the First, 156.

¹⁹⁶ Deprez, The Pine Point Mine and the Development of the Area South of Great Slave Lake, vi.

¹⁹⁷ Ibid., vi.

In Third World in the First, environmental studies scholar Elspeth Young explained that the development of mining towns had significant social implications for adjacent Aboriginal settlements. Mining towns were often owned or controlled by mining companies and were lodgings for labourers and employees – comprised mainly of non-indigenous people who migrated into the area from elsewhere. 198 Nonetheless, modern entertainment, food, and services in these mining towns attracted indigenous people who resided in nearby settlements. Young found that, in many cases, the influx of this transient labour population and the cultural divide between mining employees and Aboriginal people resulted in misunderstandings, conflicts, and grave social consequences for Aboriginal communities. 199 The material and social characteristics of western culture disrupted traditional forms of social control within Aboriginal communities. Newcomers sought exploitive and temporary relations with Aboriginal people, and alcohol abuse devastated Aboriginal youth.²⁰⁰ Although there has been a marked improvement since the 1960s in the government's awareness of Aboriginal issues and the harmful impact that resource operations can have on nearby settlements, both the government and mining industry has found it difficult to appropriately accommodate the interests of Aboriginal peoples in development plans.²⁰¹

¹⁹⁸ Young, Third World in the First, 156,157.

¹⁹⁹ Ibid., 156.

²⁰⁰ Ibid., 157, 177, 180, 181.

²⁰¹ Ibid., 161; Frances Widdowson and Albert Howard, *Disrobing the Aboriginal Industry: The Deception Behind Indigenous Cultural Preservation*, (Montreal: McGill-Queen's University Press, 2008): 3-7, 248.

Municipal and Town Redevelopment Projects in the Canadian north: Federal Plans for Frobisher Bay and Dawson City

In "High modernism in the Arctic," historian P. Whitney Lackenbauer and geographer Matthew Farish referred to the 'Northern Vision' as the "apogee of Arctic modernization in both dream and practice."²⁰² During the 1950s, emerging social scientific inquiry conducted by the Northern Co-ordination and Research Centre documented the transformation underway in northern communities, often a direct response to military modernization. According to Lackenbauer and Farish, the "identification of the post-war Arctic as an immense scientific laboratory was prompted not only by the desire for more accurate and comprehensive knowledge of an apparently unfamiliar environment - a modern impulse itself - but also by the belief that this knowledge might be relevant to future military campaigns."²⁰³ The absence of any influential political constituency in the North meant that it was a safe testing ground. Canada's nascent occupation and development of the North had encouraged social scientists to investigate the potentiality of modernizing northern settlements. By 1958, this scientific interest in redeveloping northern towns aligned with the Canadian government's long-term systematic strategy for northern economic development. Indeed, the second stage of the 'National Development Policy' planned to redevelop and establish Frobisher Bay and Dawson City as the administrative centers of the Arctic, from which the federal government could better manage and extend northern development, transportation and communications.

²⁰² P. Whitney Lackenbauer and Matthew Fairish, "High modernism in the Arctic: Planning Frobisher Bay and Inuvik," *Journal of Historical Geography* 35 (2009): 517-8.

²⁰³ Ibid., 526.

Frobisher Bay, Northwest Territories, 1957-1963

Frobisher Bay, located on the southern coast of Baffin Island, began as a settlement when a nearby United States airbase was established in 1942 and, eventually, acquired by Canada's Department of Transportation in 1956. During the 1950s and 1960s, the nearby Arctic settlement depended on the economic spin-off that Canadian and American government agencies generated. According to historian Jeffrey David Noakes, whose thesis dissertation examined Defense Construction Limited and its role in Cold War defense projects of the Arctic, found that unlike other Arctic settlements at the time, the early expansion of Frobisher Bay involved no master planning. Urgent social and housing issues gradually emerged during the postwar period and by the 1950s, Ottawa politicians believed that the future thrust of federal policy in the Arctic would be in the direction of northern development. The development of the Arctic was not only in the interests of expanding Canadian nationhood, but a defence requirement during the Cold War. By the mid-1950s, the North became a critical region to Continental Defence, where both Canada and the United States invested major expenditures constructing various defence projects.

By 1957, Ottawa and Washington agreed on two defence projects for the Canadian Arctic. The Mid-Canada Line was recently completed and work was already underway to construct the DEW Line.²⁰⁶ Although both radar defence lines were vital to the early detection of Soviet bombers, the United States government sought permission from Ottawa to allow the construction of Strategic Air Command (SAC) refueling bases in Central and

²⁰⁴ Jeffrey David Noakes, "Under the Radar: Defence Construction (1951) Limited and Military Infrastructure in Canada, 1950, 1965," (Ph.D. Thesis, Carleton University, Canada, 2005): 415.

²⁰⁵ R. Quinn Duffy, *The Road to Nunavut*, (Montreal: McGill-Queen's University Press, 1988): 31-33.

²⁰⁶ Noakes, "Under the Radar," 360.

Eastern Arctic. The construction of SAC bases in the Canadian Arctic could refuel United States Air Force (USAF) bombers en route to Soviet targets and would improve their range and effectiveness. In addition, the U.S. government planned to construct two tactical air navigation or TACAN stations on the East and West coasts of Northern Canada to aid flight navigation. ²⁰⁷ From the earliest stages of planning, Frobisher was considered a suitable location for a SAC refueling base because of previous construction, its location along the Southwest coast of the Canadian Arctic and its accessibility by air and coastal transportation.

The 1957 election of John G. Diefenbaker was not a major impediment to the SAC refueling base program, even though the Progressive Conservative party platform emphasized the economic development of the Arctic rather than its militarization. A more serious issue for the U.S. government was Ottawa's demand that Canadian contractors be used to construct the four SAC refueling bases planned for Churchill, Cold Lake, Namao and Frobisher Bay. This agreement favored Diefenbaker's antagonistic feelings towards American businesses operating Canada as well as his ambitious plans to expand Canada's presence further into the Arctic.

In February 1958, Diefenbaker announced his 'Northern Vision' and plan to build a modern Arctic settlement at Frobisher Bay.²¹⁰ This new settlement was purported as the

²⁰⁷ Ibid., 563-4.

²⁰⁸ John G. Diefenabker, "The Progressive Conservative National Development Policy, 21 May 1957," Diefenbaker Canada Centre Archive. Series XII, Vol. 59, 040875-040931.

²⁰⁹ Noakes, "Under the Radar," 387-90; Carrigan, Canadian Party Platforms, 226-232.

²¹⁰ John G. Diefenbaker, "Broadcast portion of a speech delivered by the Prime Minister, the Right Honourable John G. Diefenbaker, in the Civic Auditorium, Winnipeg, Manitoba, Wednesday, February 12, 1958, as broadcast by Radio Station C.K.Y. Winnipeg," Diefenbaker Canada Centre. Series VII, Vol. 165, National Development-1958-1960,101847-101860.

apogee of Diefenbaker's various northern development aims, would serve as the administrative centre for the Eastern Arctic and hub for both mining activity and Arctic transportation. In an interview with *Maclean's* magazine later that year, Commissioner of the North R.G. Robertson imagined within five years that private businesses would be able to construct "an interconnected grid of high-rising apartment and business towers to shelter 5,000 people...A model city of multi-story apartment blocks linked by covered, heated passages." For Canadian contractors working in the Arctic, the 'Northern Vision' opposed U.S. businesses and personnel acquring Canadian contracts and meant an increase in job opportunities for Canadian labour.

The newly-acquired airfield and redeveloped settlement were meant to demonstrate the potential of modern Arctic living. Frobisher Bay would be built up to include an international airport; housing designs, amenities and comforts that could be found in any southern Canadian city; and cultural integration between Inuit and non-Aboriginal people. Diefenbaker expected that an innovative, modern northern city would encourage Canadians to relocate to the North, stimulate commercial activity, and galvanize development across the Arctic.

In March 1958, D. Snowden, chief of the Northern Affairs Branch's Industrial Arctic Division, delivered a speech to an audience at Carleton University regarding the 'New North' that the Canadian government was designing in the Arctic. Snowden explained that DNANR

²¹¹ R.G. Robertson, "Arctic Preview: For North's Miniature Manhattan," *Maclean's Magazine*, 1 March 1958: 1.

²¹² Alvin Hamilton, "A Statement by the Honourable Alvin Hamilton on the Philosophy and Principles of the National Development Program," Diefenbaker Canada Center Archive. Series VI, Vol. 380, Resource and Development - General -1957-1962, 297459-297472.

planned to build a modern Arctic city at Frobisher Bay, even though the department had not made any public announcement about the project. He proclaimed:

It will be the most revolutionary community in the country, perhaps on the continent...Today, architects and engineers are talking in terms of a new community shaped roughly like a snowflake. In the centre of the snowflake would be the stores, the bowling alleys, the newspaper and radio station, the hotel and restaurants, the banks, the airline offices, the movie theatre and cocktail lounge, and the other small enterprises that go to make up a modern community of more than 4,000 people. In addition, there will be offices of oil companies, airlines, and the government. In the outer arms might be the accommodation unit reaching, like the central structure, several stories into the sky.²¹³

The construction of this Arctic city was an ambitious and bold proposal that truly represented Diefenbaker's pinnacle vision for Northern Canada. Within five years, the Canadian government expected that the Frobisher airfield could be transformed into an international airport that allowed stop-over for intercontinental flights. The 'Northern Roads Programme' and 'Roads to Resources' program would help attract private industries to Frobisher and allow access the mineral resources expected to be found in the southern regions of Baffin Islands. Finally, once Frobisher Bay was established as the administrative centre of the Eastern Arctic, the government could manage and direct the economic boom that federal investments were expected to set off.²¹⁴

Building a modern hub was key to deliver federal programs in the eastern Arctic.

Without an administrative centre to maintain and regulate economic activity within the region, a sound economic and industrial base could not established. In 1961, the Glassco Commission found that federal administration in the Arctic was complicated by the absence

²¹³ D. Snowden, "Frobisher-Crossroads of the Arctic, Lectured Delivered by D. Snowden, Arctic Division, Department of Northern Affairs and National Resources, March 7 1958," (Ottawa: Northern Affairs Library, 1960).

²¹⁴ John G. Diefenbaker, "Broadcast portion of a speech delivered by the Prime Minister, the Right Honourable John G. Diefenbaker, in the Civic Auditorium, Winnipeg, Manitoba, Wednesday, February 12, 1958, as broadcast by Radio Station C.K.Y. Winnipeg," Diefenbaker Canada Centre. Series VII, Vol. 165, National Development-1958-1960,101847-101860.

of municipal and local governments. Although DNANR and territorial officials were scattered throughout the Arctic, local governments had a greater capacity to translate and apply government policy to local conditions. The Commission contended that the North was a society that "resembles neither that to which the natives have been accustomed nor that in which their administrators have been reared - and one, moreover, that is constantly changing." The Commissioner's comments clearly reflected the ambitious and rapid construction plans that DNANR proposed for Frobisher Bay.

On 25 July 1961, the Canadian government announced a \$120 million plan to build a permanent townsite at Frobisher Bay. A DNANR press release laid out a redevelopment strategy to replace temporary buildings over a four year period and install a 20-bed hospital, 16-room school, and a 120-occupant apartment building. 216 Utilizing 'modern scientific innovations,' the government planned to build several high-rise, pre-cast concrete housing structures that would be interconnected by a system of covered passageways and pipes that would transmit basic utilities and heat throughout the town. The conservation of heat was a critical issue during the planning and designing phase. High-rise buildings were expected cut down the ground area required by the town and create a corresponding reduction in heating and service costs. 217

²¹⁵ Canada, The Royal Commission on Government Organization, "Special Areas of Administration: Report 22, Northern Affairs," *The Royal Commission on Government Organization*, (Ottawa: The Queen's Printer, 1963): 156.

²¹⁶ Canada, Department of Northern Affairs and National Resources, "Permanent Townsite for Frobisher Bay, For Release Tuesday, July 25, 1961, Diefenbaker Canada Centre Archive. Series VI, Vol. 382, Resource and Development - Northern Development in Canada - 1959-1963, 298512-3.

²¹⁷ Ibid., 2.

Ultimately, this plan would not come to pass and Diefenbaker's vision of Frobisher Bay was dismissed even before major construction began. Between 1961-63, a number of issues and problems arose that seriously questioned the Canadian government's plans for Frobisher Bay. The first in a series of setback was the Soviets' successful test of an intercontinental ballistic missile (ICBM) in August 1957, which eventually had significant implications for North American's long-term defence plans. Even with the early warning detection that the DEW Line provided, a Soviet ICBM attack only gave SAC minutes for preparation whereas a conventional bomber attack would allow hours. By 1961, the necessity for SAC refueling bases had significantly decreased. American use of ICBMs had rendered the B-47 bomber and KC-97 refueling tanker obsolete. ²¹⁸ The SAC refueling base constructed at Frobisher Bay had cost \$20, 847, 614.05, and was nearly double the cost of the base built at Churchill and more expensive that the Cold Lake and Namao bases combined.²¹⁹ In 1962, the Canadian government had long foreseen this happening and decided to reevaluate their plans for Frobisher Bay. In 1963, Canada acquired the SAC refueling base from the U.S. government and decided to transform it into a large administrative building to house all of Frobisher's government employees.²²⁰

Another unforeseen setback that brought Diefenbaker's plans for Frobisher Bay into question was the declining importance of the Frobisher airfield to intercontinental travel. Following the Department of Transport's takeover in 1957, the Frobisher airfield served as a refueling site and emergency stop-over for commercial airliners. As part of a great circle

²¹⁸ Noakes, "Under the Radar," 367, 414.

²¹⁹ Ibid., 409.

²²⁰ Ibid., 430.

route for Northern American and European travel, Frobisher would have benefited from the increasing numbers flights traveling over the Atlantic. The government expected that increased air traffic at the airfield would prompt more commercial and service activity in Frobisher Bay. These plans, however, were abandoned when long-range commercial jet airliners were introduced in 1960.²²¹ Commercial aviation had developed far quicker than the government expected and airliners were now capable of intercontinental flights without the need for refueling stops. Shortly thereafter, the Frobisher airfield became inconsequential to North American air travel.

Lastly, the government's expectation that the 'Northern Roads Programme' and the 'Roads to Resources' program would trigger large-scale mining operations in Baffin Island proved unfounded. Similar to the setbacks that Diefenbaker's 'Northern Vision' encountered, no economically-significant mineral deposits were discovered near Frobisher Bay.

Geological surveys discovered high grade iron ore deposits at Mary River in north Baffin Island and major amounts of lead, zinc and sulfur in the Arctic Archipelago, however, none of the deposits were close enough to Frobisher and development was economically inadvisable. Moreover, this revelation caused the Canadian government to reconsider their plans to build a large administrative centre for the Eastern Arctic. Without the possibility of intercontinental air travel or growth of mining activity, the government saw little need for administrative centre to be paced in Frobisher Bay.

Within several years, Diefenbaker's ambitious plans for a modern Arctic city were effectively obsolete. The project had serious implications for Diefenbaker's 'National

²²¹ Ibid., 425.

²²² Duffy, *The Road to Nunavut*, 174.

Development Policy,' which had dedicated enormous expenditures towards the construction of new roads, facilities, housing and an international airport at Frobisher Bay. Although this modernist vision of Frobisher Bay failed to materialize for a number of unforeseen issues and developments, due to reasons closely associated with the problems of the 'Northern Vision,' the redevelopment project was a public disappointment for the Diefenbaker administration and further injured the Prime Minister's reputation between the 1962 and 1963 federal elections.²²³

Dawson City, Yukon Territory, 1958-1966

Another region of interest to the Diefenbaker government was Dawson City, Yukon Territory. Situated at the confluence of the Klondike and Yukon rivers, Dawson City was the centre of mining activity during the Klondike Gold Rush. After the discovery of gold, the influx of prospectors rapidly transformed the townsite and, in a few short years, the crude buildings were replaced with retail services and an expanded settlement to accommodate the growing population. During the 1890s, Dawson City was at the heights of its prosperity and acquired a certain historic significance for its role in the Klondike Gold Rush.

From the 1920s until the late 1950s, a series of setbacks deteriorated Dawson City's economic base. The construction of the Alaska Highway during the Second World War established a road link to Whitehorse, and in the process, diverted much of Dawson City's economic potential and employment opportunities. In 1951, the government eventually was persuaded to transfer government agencies from Dawson City to Whitehorse. Without an all-

²²³ Beck, *Pendulum of Power*, 330-1, 346-7.

weather road to Dawson City, travel was impossible during winter months and the federal government decided Whitehorse would replace Dawson City as the administrative centre of the Western Arctic. By 1953, aided by the newly-established DNANR, the transfer of government agencies to Whitehorse was complete.²²⁴ Without the job opportunities that government agencies employed, many local residents were forced to relocate to Whitehorse. With its declining population and loss of employment opportunities, Dawson City's future appeared bleak.

In 1958, Diefenbaker announced his 'National Development Policy,' which emphasized not only the economic value of the North, but reminded Canadians of the national historic significance of Dawson City and the Klondike Gold Rush.²²⁵ The federal government planned to construct an all-weather highway that would travel northwest from Dawson City to the Eagle Plains and Mackenzie Delta, eventually named the Dempster Highway. It was expected that the construction of this highway would bring renewed activity to the townsite. This was a significant investment for Dawson City and reinvigorated a townsite not long ago considered a temporary boomtown. At the same time, members of the local community, who eventually formed the Klondike Tourist Bureau, petitioned the Canadian government to recognize Dawson City as a culturally, if not historically significant townsite.²²⁶ The Klondike Tourist Bureau felt that it was the responsibility of the federal government to prevent the further deterioration of Dawson City's historic buildings and

²²⁴ Colin Jeffares, "Dawson City, Yukon Territory: An Evaluation of Factors Contributing to its Renewed Viability," (M.A. Thesis, University of Alberta, Canada, 1977): 47-49.

²²⁵ Ronald Eugene Burnham, "Surprising Survival: The Preservation of Dawson City's Architectural Heritage," (M.A. Thesis, University of Victoria, Canada, 2002): 89-90.

²²⁶ Elizabeth Anne English, "Cultural Tourism Planning: A Case Study, Dawson City, Yukon," (M.A. Thesis, University of Calgary, Canada, 1997): 43-44.

applied for financial assistance that would allow local members to preserve and restore buildings constructed during the Klondike Gold Rush.

In September 1958, Diefenbaker visited Dawson City on his tour of the Western Arctic. Even though this may have been an attempt to reaffirm his northern development aims and campaign promises, perhaps while visiting Robert Service's cabin did he realized first-hand the cultural significance of Dawson City.²²⁷ In tone with his vision of national development, Diefenbaker felt that Dawson City's cultural heritage could be a major tourist attraction and planned a cultural celebration of July 1962, eventually named the Dawson City Festival. The festival would not only celebrate the history of Dawson City and the Klondike Gold Rush, but would feature Canadian and Northern arts, theatre and culture. DNANR was responsible for planning the festival and Hamilton had hired Tom Patterson, the founder of the Stratford Shakespeare Festival, to determine if Dawson could accommodate the event.²²⁸ In 1959, Hamilton recommended that that the Historic Sites and Monument Board of Canada (HSMBC) preserve Dawson City's historic buildings. In coordination with the local community, HSMBC restored Dawson City's Palace Grande Theatre, Masonic Hall, old administration building and Robert Service's cabin.²²⁹ The 1962 Dawson City Festival, however, was a financial failure. Nevertheless, it helped fund the restoration of a number historical buildings and demonstrated that with a clear restoration policy, remaining

²²⁷ Isabel Kehoe, "Yukon, Canada's Treasure Chest, Rt. Hon. John G. Diefenbaker - First Canadian Prime Minister to Visit the Yukon, Prime Minister Catches Trout in Cold Yukon Lake," Diefenbaker Canada Centre Archive. Series VII, Vol. 83, Diefenbaker, Rt. Hon. John G. - National Development - 1940-1958, 49776-49781.

²²⁸ Yvonne A. Meyer, "Historic Preservation in Skagway, Alaska and Dawson City, Yukon Territory: A Comparison of Cultural Resource Management Policies in Two Northern Towns," (M.A. Thesis, University of Alaska, United States, 2008): 66.

²²⁹ Ibid., 65.

commercial and residential areas could be reconstructed and Dawson City could attract tourists.²³⁰

After the Dawson City Festival failed to meet expectations, Diefenbaker felt that Canadians were indifferent towards northern Canada. By 1962, declining public interest for northern development caused Diefenbaker and the Progressive Conservative party to reconsider following through with the 'National Development Policy.' The results of the 1962 federal election further dissuaded Diefenbaker from implementing the second stage of his nation policy. Consequently, all major northern development activity was put on hold, and eventually rejected when Diefenbaker loss the 1963 federal election to Lester B. Pearson.

Another setback to the redevelopment of Dawson City was in 1963, when the Diefenbaker government suspended construction on the Dempster Highway. Local residents were less concerned with a resumption of mining activity in the Eagle Plains and more concerned with potential spin-off effect that the Dempster Highway and northern transportation would have for Dawson City. Northerners expected that the all-weather highway would allow year-round freighting by way of Dawson City and assist tourism by attracting a greater number of visitors.

In April 1965, DNANR established an inquiry to determine a redevelopment strategy for Dawson City that would prevent further economic deterioration and establish a sound economic base. Even though the Pearson government distanced itself from the northern development strategies of the former government, the new report similarly emphasized that an economically significant deposit of minerals, oil and gas near Dawson City would secure

²³⁰ English, "Cultural Tourism Planning," 70.

long-term interest and reduce the chance of complete economic stagnation.²³¹ Geological surveys identified some scattered deposits of gold, silver-lead, antimony, iron and coal directly north and along the Mackenzie Delta, but there was little evidence to predict that developments in the area would improve the regional economy.²³² Accordingly, the major findings of this inquiry recommended that it was inadvisable for the Pearson government to redevelop Dawson City unless an economically-significant resource deposit was immediately found. Future redevelopment plans had to take into consideration Dawson's socioeconomic condition, the absence of municipal infrastructure, and the limited population of 500 permanent residents. The 'Committee to Examine the Economic Potential of Dawson City Area' recommended a redevelopment strategy to foster long-term economic development and resettlement:

- 1. A community plan must be development without delay to serve a reduced population estimated at two hundred to three hundred. The Commissioner should be asked to undertake a study to determine the optimum size and location of a concentrated commercial and residential areas:
- 2. Power, water and sewage services should be planned for the smaller settlement. (...) The extent of services that can be provided may in fact determine the future size of the town;
- 3. The Historic Sites Division should be asked to take an immediate and active interest in Dawson and prepare plans for the preservation of historic buildings before they decay further. The Committee is convinced that Dawson will become a tourist attraction capable of drawing relatively large numbers within the next 30-50 years;
- 4. In conjunction with the Dawson restoration program, the Yukon Tourist Development Officer should be given whatever support is indicated to promote the Dawson area as a tourist attraction;
- 5. A re-settlement program should be development to encourage and assist some of the present citizens of Dawson City to relocate where employment possibilities are

²³¹ Canada, Department of Northern Affairs and National Resources, Northern Administration Branch, "Committee to Examine the Economic Potential of Dawson City Area, Report to the Deputy Minister," April 1965 (Ottawa: Northern Affairs Library, 1965): 6-9.

²³² Ibid., 1. To promote social and economic development in the Yukon, the Pearson government enlisted private industry to cooperatively develop the oil potential of the Mackenzie Valley. This partnership reflected the philosophy of Diefenbaker's 'National Development Policy'. Diefenbaker was confident that if the 'National Development Policy' stimulated economic development in the North, social developments and an increase in regional welfare would soon follow.

- greater. The cost of such a program will depend on the number of people that can be persuaded to move and the value of property they would leave behind;
- 6. The City Charter should be given up and local government should have a status comparable to a "Local Improvement District";
- 7. The Commissioner of the Yukon should establish a Dawson Re-development Committee at Whitehorse to advise him and to co-ordinate the activities of all government agencies working in Dawson City;
- 8. Co-ordination and encouragement on the ground is necessary, therefore a contract employee should be hired immediately for a period of two years to act as Area Administrator.²³³

Moreover, the report recommended that the federal government consult with Dawson City's permanent residents and determine their views on a variety of issues, including a possible reform of local government, the types of social programs to be initiated, the forms of economic development activities, and the amount of financial assistance necessary.²³⁴ The findings of this report, however, were not enough to persuade the Liberals to resume Diefenbaker's northern development strategies and programs.

By 1966, Northerners recognized that Dawson City would not attain the level renewed prosperity that Diefenbaker had envisaged in 1958. Despite the best efforts to restore Dawson City's historical buildings, the vision of a redeveloped townsite would require increased expenditures and a more aggressive federal approach. The last in a series of economic setbacks for Dawson City was in 1966 when the Yukon Consolidated Gold Corporation (YCGC) closed. Since the transfer of government administration to Whitehorse, Dawson City relied upon its two remaining forms of income: its expanding tourism industry and regional mining activity. YCGC was the largest mining operation in the Yukon Territory and the largest employer of labourers in Dawson City. Moreover, YCGC was responsible for

²³³ Ibid., 3-6.

²³⁴ Ibid., 6.

²³⁵ Burham, "Surprising Survival," 97.

maintaining Dawson City's public services and supply of energy. The vacancy left by YCGC forced an already burdened municipality to relive more heavily upon the territorial and federal governments.²³⁶ In 1968, Parks Canada and HSMBC, in coordination with the municipal government, were placed in charge of Dawson City's municipal redevelopment project. After DNANR approved the restoration of 13 historical buildings, the Dawson City National Historical Complex became the largest historical park constructed in Canada. Since, the role of municipal government in Dawson City's planning and development has involved supporting and encouraging the private sector and tourism industry. Since the 1960s, tourism has accounted for the largest source of income in Dawson City.²³⁷

Conclusions

The Diefenbaker government anticipated that the 'Roads to Resources' program and a minimum investment in northern economic development would trigger private expenditures and mining activity across the northern Canada. The expectation that many economically-significant oil, mineral and gas deposits would be found in North was eventually proved false. The success of Diefenbaker's 'National Development Policy' depended on the government discovering and developing natural resources in the North. When this did not come to pass, the Diefenbaker government encountered serious economic problems and cutback DNANR's northern development plans.²³⁸

²³⁶ Jeffares, "Dawson City, Yukon Territory," 48-50.

²³⁷ Burham, "Surprising Survival," 100.

²³⁸ Phillips, Canada's North, 176.

The results of the 'National Development Policy' did not attain the levels of northern economic development that Diefenbaker promised, but it did generate nationwide attention and concern for the underdeveloped North. The limited and minor achievements of the 'National Development Policy' began the process of modern redevelopment and expansion in the Canadian north. Even though Diefenbaker's escalating expectations for the North were ultimately proved false, the 'National Development Policy' demonstrated that a long-term development strategy based on the North's natural resource could stimulate economic activity in the North. Historically, the fundamental basis for the North's regional economy has been mining and natural resource development. 'Vision' projects, like the Dempster Highway and Pine Point Railway, recognized the value and importance in constructing transportation access in the Canadian north. Although Northern transportation never developed to the point Diefenbaker envisaged, it succeeded in alleviating feelings of marginalization and isolation amongst Northerners and stimulated new economic activity in several Arctic settlements. With the construction of the Dempster Highway, Dawson City recovered from its decades of declining commerce and physical decay. Even though the 1962 Dawson City Festival celebrated the Dawson's cultural heritage and national importance, it was a financial disaster and disappointment to Diefenbaker and Hamilton after years of planning and investment. Likewise, the failed redevelopment of Frobisher Bay intended to demonstrate the merits of modern Arctic living. However, Frobisher's declining importance to intercontinental air travel and the absence of mineral resources eventually led Diefenbaker to abandon his hopes of constructing an Arctic metropolis. In spite of these failed projects, it demonstrated that with careful planning and investment Arctic settlements could attract

tourists and commercial businesses. Indeed, the recent political rhetoric by Stephen Harper and his "use it or lose it" approach to the North, which includes commitments to invest in infrastructure to prepare the North for more resource development and recognizes the vital benefit of Northern communities, promises to finally realize Diefenbaker's 'Northern Vision.'

The most prominent setback and complication to the 'Northern Vision' was the limited discovery of oil, gas and mineral deposits in the North. In principal, the 'Roads to Resources' program was an incredible means of unlocking the North's resource potential, however, the Canadian government was unable discover any economically-significant resource deposits between 1957 and 1963. After all, the lead-zinc deposit at Pine Point and scattered oil deposits near Dawson City were known to the Canadian government even before Diefenbaker developed his 'National Development Policy.' Without oil, gas and mineral deposits, the 'National Development Policy' stood little chance of attracting private industry, commercial businesses and Canadians to relocate to the North. It was only a matter of time before rising project expenditures and public criticism forced Diefenbaker to reevaluate his government's commitment to northern development. With the cutbacks approved for DNANR, which included canceling all northern development plans and projects as well as a 15 per cent reduction in staff, the 'Northern Vision' swiftly disappeared from the Diefenbaker government's agenda by 1962.²⁴⁰ In attempt to recover some popularity with

²³⁹ See P. Whitney Lackenbauer, From Polar Race to Polar Saga: An Integrated Strategy for Canada and the Circumpolar World (Toronto: Canadian International Council, July 2009).

²⁴⁰ Phillips, Canada's North, 176-8.

Canadians, Diefenbaker diverted his attention towards more pressing matters of foreign affairs, international military conflicts, and federal disputes.

Reevaluating Diefenbaker's 'Northern Vision'

John George Diefenbaker, like Sir John A. Macdonald, was a Prime Minister with a dream, not just seeing the great expanse of the country, but the greatness that Canada and Canadians should aspire to. But he understood that to truly fulfill our national dream we must accept the challenges and seize the opportunities presented by our North....

Prime Minister Diefenbaker is no longer with us, but the geopolitical importance of the Arctic and Canada's interests in it have never been greater. This is why our government has launched an ambitious Northern Agenda based on the timeless responsibility imposed by our national anthem, to keep the True North strong and free. To this end, we will encourage responsible development of the North's abundant economic resources, we will ensure jobs and opportunity and the health and good governance of Northern communities. We will protect the unique and fragile Arctic ecosystem for the generations to come. And of course, we will assert and defend Canada's sovereignty and security in the region.

Rt. Hon. Stephen Harper, Inuvik, Northwest Territories, 28 August 2008²⁴¹

Despite implementation failures and abandoned initiatives, the 'Northern Vision' established a foothold for future social, political, and economic developments to occur in the North and many projects developed by the Diefenbaker administration were undertaken by consecutive governments. Like Sir John A. Macdonald, we recognize the critical role and work of Sir Wilfrid Laurier's successive government to the completion of the 'National Policy'. Despite previous scholarship, Canadians are unaware of the achievements and positive outcomes of Diefenbaker's 'Vision'. Canadian historiography disregards

Diefenbaker's as a disappointed contribution to advance postwar development in the North, yet the failed commitment of subsequent governments and unrealistic expectations of improving regional social, economic, and political conditions of the North remains

106

²⁴¹ Quoted in Lackenbauer, From Polar Race to Polar Saga, 1.

overlooked. Diefenbaker's extension of nation-building to the Canadian North is a process that continues and the legacy of his 'Vision' has a renewed consciousness in Canadian society today.

The role of the Diefenbaker government in opening the Canadian north is an overlooked chapter in its postwar regional history. It occurred between periods where the North was increasingly seen as the 'exposed flank' of Northern American defence and subject to an occupation of the American military working jointly with the Canadian government, and the Pearson government's expansion of social services and programs into the Canadian north during the 1960s. Given the innovative nature of the 'Northern Vision' and Diefenbaker's ambition to incorporate the North within the Canadian state, this period is a watershed in the history of northern development and an overlooked dimension to the history of John G. Diefenbaker.

The relationship between the 'Northern Vision' and Diefenbaker's landslide victory in the 1958 Federal election cannot be divided. Whether its effects were direct or indirect to the electoral results are of inconsequence, the 'Northern Vision' and admissions of the Canadian north were present since the beginning of Diefenbaker's election campaigns in 1957 and 1958, and more importantly was announced as the foundation of the Progressive Conservative political platform at the inauguration of the Party's election campaign in Winnipeg on 12 February 1958. Certainly, leadership was a decisive issue in the 1958 federal elections and can account for Diefenbaker's nationwide support and popularity. After all, Canadians' response to the 'Northern Vision' was overwhelming. The 'National Development Policy' presented Canadians with a clear strategy to revive the Canadian

economy from recession and prevent an eventual takeover by American businesses, and was a sharp contrast to the economic policies of Liberal administrations which Canadians felt was complacent and favourable to American economic designs.

In 1958, the Canadian press reported extensively on the 'Northern Vision' and the emerging concerns of the Canadian north were a contentious and unforeseen issue that entered the federal political arena. It was a decisive issue that distinguished the political platform of the Progressive Conservative party from the Liberal's economic development strategy. Furthermore, many Conservative politicians were increasingly distrustful of American personnel in the Canadian Arctic. Diefenbaker's appeal to opening the Canadian north revived Sir John A. Macdonald's vision of national development and revealed the Prime Minister's contestation for American economic takeover. Indisputably, Diefenbaker's 'Vision' resonated with the economic and sovereignty concerns as well as nationalist fervor of Canadians nationwide.

The 'Northern Vision' or 'National Development Policy' was a policy with strong political conviction from the onset of its design. It was a policy of national ambition, an adamant attempt to encourage regional economic development, and foster a wider financial participation from both the Canadian people and private enterprise in Canada's resource economy. While it is true that the underdevelopment, lacking infrastructure, and sparse population of the Canadian north handicapped the success of Diefenbaker's 'Northern Vision,' the most identifiable setback was the difficulty locating any economically significant deposits of oil, gas and mineral resources. The 'National Development Policy' depended on the extraction of northern natural resources for the benefit of "all Canadians" and when none

were found, rising public criticism for high expenditures and northern development projects that were inconsequential to the national economy eventually forced "the Chief" to abandon his northern strategy in 1962. In a region where meagre development had occurred previously, however, Diefenbaker's vision of expanding transportation facilities, building roads and highways, and initiating various resource development operations was a bold and ambitious strategy that advanced political, economic and transportation imperatives in the North.

This study has found that there is no definite conclusion to the 'Northern Vision'. It is impermissible for this policy to be labeled a complete failure when positive outcomes were a result. The expectation that all objectives and promises of the 'National Development Policy' could be achieved in a single term in government was unreasonable. The 'National Development Policy' was a long-term economic strategy with few short-term and observable benefits for the national economy. Diefenbaker's political failure was that he assured Canadians that within five to seven years the 'National Development Policy' would be complete. It did, however, demonstrate that tourism was new and vibrant source of income for northern settlements and, that government planning and crucial investments in transportation and resource development would benefit the general welfare and regional development of Arctic communities. The process of northern development initiated by the Diefenbaker government was never abandoned insofar as the potentialities and unrealized projects of the 'Northern Vision' were undertaken and carried through by subsequent Canadian governments.

In terms of our government's administration of the North over the past half century, the 'Northern Vision' was a significant achievement of northern development and a period of integration between northern and southern Canada. Subsequent governments have improved upon this initial policy, however, a more likely to advocate programs which address contemporary social, economic, and environmental issues. The 'Northern Vision' was a long-term strategy to stimulate northern resource development; and a national policy which planned to expand Canadian nationhood and civil boundaries to the Far North. The 'Roads to Resources' program was an obvious accomplishment of the 'Vision' and continued to have a wide and lasting implication for the future development of the North. While each consecutive government has pledged bold promises to develop the vast natural resources of the North, many of the same issues and challenges which confronted Diefenbaker's 'Northern Vision' persist today.

A valuable questions is whether the most enduring element of the 'Northern Vision' was its ideological principles rather than its political convictions or emphasis on economic sovereignty. According to Frances Abele, the second half of the twentieth century perpetuated the "national policy" model for northern socioeconomic development. This model, typically characterized by boosterism for Arctic sovereignty and national urgency, has reemerged intermittently since the early 1960s and has appropriated elements from Diefenbaker's ambitious agenda. Did Diefenbaker's 'Vision' capture a zeitgeist that would continue for the next half century or was the 'Vision' an innovative policy that inaugurated a new modern epoch for the Canadian north? This policy does bears some similarity to other

²⁴² Abele, "Canadian Contradictions," 310-12.

resource development strategies of the time, however, the 'Northern Vision' emerged from a distinct Canadian context and was designed to address emerging issues of the 1950s.

Diefenbaker's apparent ambition and vision for the Canadian north resonated with Canadians, and while it may be easily scoffed at as nationalistic rhetoric, Diefenbaker's ideology of the North has transcended his own time. Moreover, the important issues which the 'Northern Vision' addressed - including northern development, the northward expansion of Canadian nationhood, Arctic sovereignty, economic sovereignty, and the vital question of Canada's relationship with its Northern territory - continue to be prevailing issues for the Canadian government.

On 26 July 2009, the Harper government contributed to Ottawa's long-history of national polices of northern development. *Canada's Northern Strategy* focuses on advancing numerous priority areas of northern development including promoting social and economic developments and, like Diefenbaker's 'Northern Vision,' recognizes the vital benefit that the future of the Canadian north has for all Canadians.²⁴³ The Harper government is well aware of prior federal development strategies directed at the North and has consciously incorporated the philosophical tone and inspiration of Diefenbaker's 'Northern Vision'. In August of 2008, Harper announced plans for a new state-of-the-art polar icebreaker to named in honor of the late Prime Minister John G. Diefenbaker, "I can think of no better name for the ship than the man who stood a few meters away from where I am standing today: John

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²⁴³ Government of Canada, *Canada's Northern Strategy: Our North, Our Heritage, Our Future,* (Ottawa: Department of Indian Affairs, 2009) [http://www.northernstrategy.ca/cns/cns-eng.asp accessed 11 November 2009].

George Diefenbaker. He understood that to truly fulfill our national dream, we must accept the challenges and seize opportunities presented by our North."²⁴⁴

Like the 'Northern Vision,' time will tell whether the Harper government can achieve their bold vision for the Arctic. As Foreign Affairs Minister Lawrence Cannon noted when the strategy was unveiled, "Policy is only as good as the action it inspires". 245 After the disproportionate amount of emphasis government policy has placed on militarization and security in recent years, the Northern Strategy is a valuable step in the right direction. The most identifiable lesson to be learned from Diefenbaker's 'Northern Vision' is that national policies that promote northern development for the strict benefit of the Canadian private sector and which demur at the value in developing Northern settlements are certainly at greater risk to changes in the national economy and equivocal public support. Northerners have repetitively learned this lesson and have warned the federal government that its political decisions and northern development plans cannot depend on intermittent political support for northern concerns. Political imperatives and alarmism for Arctic sovereignty and northern economic development is not simply empty rhetoric, however, has been a persistent condition for the past half century. Ensuring that this bold strategy leads to deliverable outcomes will distinguish this policy from the northern development strategies of previous governments. We must heed the warnings and obstacles that have hindered northern development in the past if the Canadian government is indeed committed to fulfilling the national aspirations of the North that have endured for nearly 50 years.

²⁴⁴ "New Arctic icebreaker to be named Diefenbaker," 28 August 2008 [http://www.cbc.ca/canada/north/story/ 2008/08/28/new-icebreaker.html accessed 11 November 2009].

²⁴⁵ "Canada unveils Arctic Strategy," 26 July 2009 [http://www.cbc.ca/canada/story/2009/07/26/arctic-sovereignty.html accessed 4 December 2009].

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