

Social Studies 8

Chapter 10 – A Canadian Province: Modernization and Social Change

After Confederation with Canada, Premier Joseph R. Smallwood's Liberal government began a policy of "develop or perish". This meant that in order to keep the workforce within the province, there would be a push on developing new manufacturing industries with higher paying jobs. In turn, this would create a higher standard of living. This policy, combined with mega-projects, was meant to modernize Newfoundland & Labrador while keeping people from moving to mainland Canada for better employment opportunities.

Part I: Development of Industry and Economic Growth

There are usually three main sectors to any economy:

<u>Primary Sector</u>	<u>Secondary Sector</u>	<u>Tertiary Sector</u>
This involves the <i>harvesting of natural resources</i> such as fishing, agriculture, forestry, mining, etc.	Using <i>raw materials to create products</i> such as hydro-electric plants, pulp and paper mills, fish plants, etc.	People who provide services to others, such as the sale and servicing of manufactured products, truck drivers, health care workers, etc.
*The Quaternary Sector: Even though not mentioned in the text, this fourth aspect of the economy involves those who work to develop new ideas, technologies and techniques to the other sectors of the economy. Examples can include scientists, food inspectors, software developers, etc.		

Primary Sector in Newfoundland and Labrador

The Fishery: After Confederation, the Canadian government controlled fishing regulations and encouraged fishermen to modernize to meet increased international demand for fish products. There were, however, drawbacks.

Federal government gave funding to upgrade to modern boats and gear.

Growth of foreign fishing fleets drastically reduced the amount of fish NL fishermen could catch and fewer young people saw the fishery as a reliable career.

Forestry and Agrifoods: In the forestry, new modern tools began to be used. Instead of bucksaws and horses, chainsaws and trucks were used.

While this increased the amount of raw material being harvested, it required fewer workers.

Some fishermen, who once depended on the forest industry as supplemental income in the off-season, now found themselves without work.

Mining: This industry is always developing and changing with new technologies and the workers must adapt. Even though there used to be

numerous mines throughout NL, the bulk of the province's mining activity takes place in Labrador.

Even though iron ore was discovered in western Labrador in the 1890s, the technological and transportation network did not exist until Wabush in 1955 and Labrador City in 1962.

Some mines were dangerous operations, such as the St. Lawrence fluorspar mine which had problems with radioactive radon gas which led to the deaths of many miners.

2. Secondary Sector in Newfoundland and Labrador

a) Manufacturing and Construction: Much of Newfoundland seemed to be under construction just after confederation.

- Smallwood attempted various manufacturing plants for things like gloves, chocolate, wallboard, etc. Most of these sites were short lived, however, along with the jobs they created
- Smallwood then focused on the building of new homes, schools, offices and roads, including mega-projects such as the building of the TCH.

b) Fish Processing: Even though the terms of union gave control of the fishery to the Canadian government, control of fish processing.

- With the switch of international markets wanting fresh frozen fish, many modern plants were able to process a wider variety of groundfish besides cod.
- New employment opportunities in these plants gave both men a women regular shifts for hourly pay - this was contrasted to the irregular hours and pay of the salt fish trade.
- Workers in these plants could now contribute to healthcare plans and unemployment insurance programs which gave them stability.

c) Newsprint: Pulp and paper continued to grow through the 1950s thanks to increased international demands. Two mills were in full operation with a third being planned.

- Keeping the mills up to date, however, proved costly for the workforce. The more efficient the mill, fewer workers were needed. By the end of the 1970s, the number of workers in pulp and paper was fewer than 20 years ago and continued to decline.

d) Hydro Developments: With the large number of fast flowing rivers in Newfoundland and Labrador, Smallwood encouraged companies to build industry in the province by offering them cheap electricity rates produced by hydro electric generating stations.

- Many industries took advantage of this cheap power, such as a phosphorous plant at Long Harbour and the Oil Refinery at Come By Chance.

e) Churchill Falls: In 1966, the building of the Churchill Falls Hydroelectricity project was the largest civil engineering project in North America at the time. The hope

was that Newfoundland and Labrador would be able to sell the electricity produced at the site to other provinces and down to the United States.

- Province of Quebec refused to allow transmission lines to cross its territory unless the power was sold to Quebec first, who would then sell it to the customers.
- Newfoundland agreed to sell the power to Quebec at 1966 rates and locked these rates in until 2041.
- When the project was completed in 1974, energy prices drastically increased. This meant Quebec was buying the power cheaply, and then increasing the price to re-sell it.

3. Tertiary (Service) Sector in Newfoundland and Labrador

- a) Public Services: Refers to the services put in place for the public to use. These types of services increased after Confederation and needed people not only to build the services, but to maintain them afterwards.
 - Infrastructure, or the basic facilities needed for society to function, increased such as transportation, water and sewer, power lines, as well as public institutions such as hospitals, schools and post offices.
 - In 1949, fewer than 50% of Newfoundland's population had electricity. By the 1970s, only a few isolated towns were still without power.
- b) Railways, Roads and Highways: After 1949, transportation was primarily land based as opposed to the pre-Confederation era when many people travelled by sea. But even the type of transportation was changing as modernization continued.
 - Road construction in the 1960s saw a link built between Happy Valley-Goose Bay and Churchill Falls. Goose Bay and North West River were then connected by Road. On the south coast of Labrador, a road connected L'Anse au Clair to Red Bay. Subsequently the Trans Labrador Highway connected the south coast to Happy Valley-Goose Bay.
 - As road construction increased throughout the province, services such as gas stations and restaurants grew. Communities now began to be built closer to road links rather than the harbours.
 - Roads and highways meant that goods could be transported quicker and cheaper by transport trucks. People relied more on passenger busses and cars rather than trains. By 1969, the train crossing the island had stopped passenger service and ceased freight runs in 1988. The railway which was laid 100 years earlier was now being torn up. The only train to operate within the province today is the iron ore train running between Labrador City/Wabush to Sept Îles, Quebec