
MEDIA AND FEDERALISM

Jeffrey Simpson



Federal states are often hard for citizens/taxpayers to figure out. They ask themselves: Which level of government is responsible for what? Which is taxing me, and for what? To whom do I complain, or whom do I praise?

Ask any national or regional elected official. She or he gets this question a lot. And often rightly so. Experts and practitioners of federalism have time to plumb the depth of its complications, and lawyers too always enjoy federal systems because they are complicated. Garden-variety citizens have better things to do than plumb the depths of federalism's complexities.

In 1946, the iconic academic pioneer of federalism, K.C. Wheare, portrayed federal systems as containing silo-like governments, national and regional, each sovereign within its jurisdiction. Federalism remains as Wheare describes it, but only to a point. A national government in any federation is responsible for, say, the military or foreign relations. And provincial or state governments almost always handle roads or social welfare. But with the expansion of governments after World War Two, and especially since the 1960s, jurisdictions have increasingly overlapped. Matters are made more complicated still in federations with Indigenous “nations.” Responsibility for services to these “nations” is usually assigned to the national government – making relations “nation-to-nation.” But services such as schools or health or welfare are provided at least in part by provinces or states.

In Canada, the focus of this paper, the federal and provincial governments both levy income and sales taxes. They both negotiate conditions for the Canada Pension Plan, although Quebec has its own plan. The constitution gives both levels power over environment and agriculture. The provinces control natural resources, but the federal government reviews projects (pipelines, for example) that cross provincial boundaries.

The federal government, as noted, is responsible for Indigenous communities, but provinces deliver various services to Indigenous reserves. Provinces operate the health-care systems (except for the military and Indigenous populations which are federal responsibility) but the federal government annually sends money to the provinces for those systems – sums routinely dismissed as insufficient by the provincial governments. Provinces fund some of the operating costs of universities – student fees each year account for ever-larger shares of university operating budgets – but the federal government finances most of university research.

The list of overlapping jurisdictions or policies is long and often very complicated, but the grandmother of all complications is a program, enshrined in the Canadian constitution, whereby the federal government distributes tax money it raises in “equalization payments” to provinces. This program is designed to allow all provinces to provide a basic minimum of services so that citizens in a poor province (New Brunswick, for example) can have access too roughly comparable public services to those in a rich province (Ontario, for example).

How “equalization payments” are calculated is based on a formula involving tax-raising methods across the country and a variety of other calculations, many of them arcane, that would confound all but a handful of economists and civil servants to understand, let alone explain. These calculations ascertain provinces’ “fiscal capacity.” Those provinces with below the national average receive money through the federal government because money is transferred through the federal treasury to poorer provinces from taxpayers in more affluent ones. Six provinces regularly receive equalization payments: the four Atlantic provinces, Quebec and Manitoba.

Explaining federalism is the job of the media. The trouble is that complications are the enemy of straightforward narrative and personality-driven coverage of the kind much preferred by the electronic media and large swaths of the print media. That the media would dive into the complexities of “equalization payments,” which total billions of dollars and keep various provincial budgets afloat, presumes the media could understand the subject, let alone explain it in ways that non-experts might too. Neither assumption would be correct.

So coverage of this pillar of fiscal federalism is mostly about gripes and grievances from those provinces who complain their payments are inadequate, and complaints from wealthier provinces that their taxpayers are being unfairly soaked.

Within federal systems, levels of government episodically quarrel over money, power and publicity. When things go poorly or problems multiply or it becomes politically expedient to do so, fingers are pointed at the other level of government. The resulting “blame game” usually plays itself out through the media, which reports the salvos directed from one level of government at another. Theatre, after all, is what most of the media craves and where possible delivers.

The media, in Canada as in other federations, is split between regional and national outlets. As such, the split reflects the constitutional nature of federalism and the facts of population dispersal. In such circumstances, the media will reflect its local audience’s interests and perceptions more than challenging them.

Both national and regional media outlets have been shrinking as the media suffered huge losses in advertising and experience the younger generation's preference for digital media. In the early years of digital, newspapers assumed that advertising would follow as eyeballs moved from the printed page to the screen. That assumption proved faulty and papers were forced to charge for access to their digital edition. But especially young readers had become so accustomed to getting news for free on television or the digital giants such as Google that they balked at paying for newspapers online.

In 1950 (before the advent of television) there was one newspaper per Canadian household. In 1995, 49 per cent of households received a newspaper. By 2015, the ratio had fallen to 15 per cent and, according to an authoritative study by the Public Policy Forum, that ratio might fall to 2 per cent of households receiving a newspaper by 2030. Between 2004 and 2018, nearly one in five U.S. newspapers closed and print newsrooms shed nearly half of their employees.

The COVID-19 pandemic exacerbated the media's financial plight as advertising budgets were slashed. Postmedia closed 15 community newspapers in Ontario and Manitoba, furloughed some employees, and imposed salary reductions for employees earning more than \$60,000. Torstar eliminated 85 positions and cut its operating budget. (The Toronto Star, once among North America's most profitable dailies, was sold during the pandemic for a pittance compared to its value a decade ago.) Saltwater Media, Atlantic Canada's largest newspaper chain, laid off 40 per cent of its staff and shut down all its weekly newspapers. Private television and radio stations, too, were hit by advertising reductions, and responded as did print outlets.

Digital outlets have been created in both Canada and the U.S., some of them quite large and lively. And podcasts have become a staple of the digital world, their scope expanding all the time. They tend, as does much of social media and cable television channels, to attract like-thinking audiences drawn by common interests.

Indeed, it would seem from many academic studies and books that the media world in the digital age, far from expanding overall knowledge tends to cluster consumers by pre-conceptions which are then reinforced by what they hear and see on social media, creating the risk or reality of polarization.

Overall, digital operations employ a fraction of the personnel in traditional newsrooms. Some elite newspapers – notably the New York Times – have found thousands of new digital subscribers and reversed a long-term decline. The Globe and Mail, Canada’s self-proclaimed “national newspaper,” has implemented by contrast three rounds of staff buyouts in recent years. Local and regional newspapers have suffered the most. Many have closed; others have barely enough staff to cover municipal councils let alone the provincial government. Pre-COVID-219, local and even national television newsrooms shrunk drastically too, except those at the state-subsidized Canadian Broadcasting Corporation.

What do these changes for media coverage in a federal country? Fewer journalists mean less news about everything from courts to politics, sports to culture, business to city governments. Inevitably, coverage of federalism and its complications will diminish.

In better financial times, the electronic and print media played three roles in reporting on federalism.

The national media, such as the nationwide television networks and The Globe and Mail newspaper with sales across the country, reported regional perspectives because they had viewers and readers everywhere, but as national organizations they paid special attention to the federal government. They covered the national perspective of the economics and fiscal arrangements of federalism, but also constitutional reform efforts that were a staple of Canadian federalism under Liberal and Progressive Conservative governments from the 1970s to the early 2000s. Those efforts came in response to the threat of Quebec seceding from Canada. Federal governments offered constitutional (and other) changes to satisfy Quebec about its place in Canada. These efforts – and the debates they spawned – were covered thoroughly by the major national media, although whether Canadians understood the details of proposed constitutional changes was another matter.

A case in point. The government of Prime Minister Brian Mulroney in the late 1980s negotiated with the provincial premiers five constitutional changes, grouped in something known as the Meech Lake accord. Meech Lake produced a national psychodrama with passions inflamed across the country, especially around a clause that would have required the Supreme Court in interpreting the constitution to recognize Quebec as a “distinct society” within Canada. This clause conjured up “special status” for Quebec, a simple reflection of everyday reality for Quebecers, but a controversial idea outside the province.

Whole forests were felled to produce the newsprint for stories and even special sections in national newspapers explaining the content and implications of the Meech Lake accord. Television organizations, especially the CBC, did special broadcasts about the proposed accord, with politicians, academics and other “experts” debating its merits or otherwise. The coverage was compendious. The country’s detailed understanding was limited, likely in part because constitutional arguments quickly centre not on details and wording but emotional or even existential questions of identity and, let it be said, whether leaders proposing change are admired or not.

A major poll taken after many weeks of media coverage revealed only a minority of respondents knew the five points in the accord. The one they did know – Quebec as a “distinct society” – was considered not on its implications but on its symbolism. Since most Canadians then got most of their information from television, it was a poignant moment when one of the country’s leading television broadcasters admitted later that, despite television’s best efforts, his medium wasn’t very good at explaining complicated matters.

Regional media outlets pay attention to provincial governments and their role in the federation, although these outlets are shrinking in size and capabilities. The outlets report what provincial authorities say and do at home, and when those authorities are briefly on the national stage. In the six equalization-receiving provinces, they report what share of the provincial budget comes from Ottawa under that scheme. They focus, in other words, on the provincial scene, which is appropriate given the important services provinces deliver: health, roads and public transit, welfare, education. And they invariably echo, but do not challenge assertions from provincial governments about Ottawa’s shortcomings.

What has gone missing with the shrinkage of media resources – or what in one case never existed – is coverage within one region of what is happening and what governments in other regions are thinking and doing. In an ideal world, citizens in one region should have available information about their region – and information about their national government and perspectives from other parts of the federation.

This third perspective – knowing how others in the federation feel – used to be somewhat more available. There were several national newspaper chains – FP Publications and Southam News – with correspondents across the country. Their coverage from, say, Alberta would then be available to editors in the chain elsewhere in Canada. These national news services are now gone. Individual newspapers such as the Toronto Star had closed bureaus across the country. They have all closed. What remains by way of national coverage is The Canadian Press wire service and correspondents from The Globe and Mail, although the number of these correspondents has been reduced.

In French-speaking Quebec, there never was much out-of-province coverage. Except briefly, when La Presse newspaper briefly opened a bureau in Toronto no French-language newspaper or private television network ever had a correspondent anywhere in Canada. When challenged on this gap, the reasons offered were lack of resources, lack of interest by staff to work outside Quebec, lack of interest among readers. English-language media until recently all had correspondents (and often many of them) in Quebec. But the French-language media remained stubbornly parochial, even though in previous times the media was profitable in the province.

In the debates over secession, Quebec citizens were therefore woefully ignorant of what they could expect if the province voted to leave Canada. They had little or no sense of the interests at stake in the rest of the country and how governments there would mobilize to defend them. Quebeckers therefore labored under the illusion that the rest of Canada, with three times as many people, would somehow consent to accepting whatever demands would arrive from Quebec and that the path to an independent Quebec would be walk in the park.

The same illusions infected Brexiteers who imagined all sorts of erroneous assumptions of how much the European Union would be forced to “give” Britain. But that is another story.

Radio-Canada, the government-subsidized network, is the exception in Quebec. It does provide coverage of the rest of Canada, but not much. The result, even with Radio-Canada, is that federalism is portrayed to Quebeckers as a bilateral affair between Ottawa and Quebec, or more frequently in the nationalist media as Quebec versus Ottawa, without any sense of the multilateral dynamics of the entire federal system. With the shrinkage or elimination of coverage across Canada about other regional perspectives, what we might call the “Quebec syndrome” of excessive media parochialism has infected other parts of Canada.

As antidote to shrinking media resources, and therefore coverage, the federal government has proposed a series of fiscal measures designed to help the media. Quebec has gone even further in trying through tax breaks to assist the media in that province. The main broadsheet newspaper, La Presse, has been turned by its previous owners, Power Corporation, into a charity. Whether these measures will help secure the media’s financial future remains to be seen.

It is a sign of the shrinking coverage in so much of the Canadian media how many English-speaking Canadians are now subscribing digitally to foreign news sources: the New York Times, The Washington Post, The Economist, the Guardian. But, of course, these outlets are only episodically interested in Canada (although the New York Times has made a major investment in covering Canada), and among the stories the foreign media will not cover in Canada is federalism. That is a story, with all its intricacies, for Canadians alone.

About the Author



Jeffrey Simpson was national affairs columnist at The Globe and Mail for nearly three decades. The author of eight books, he has won all three of Canada's leading literary prizes – the Governor-General's award for non-fiction book writing, the National Magazine Award for political writing, and the National Newspaper Award for column writing (twice).