

## **Economic Development and Canada's Gateways: A Tale of Two Regional Development Agencies**

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### **Article abstract**

The Atlantic Canada Opportunities Agency (ACOA) and Western Economic Diversification Canada (WD) are regional development agencies (RDAs) created to forge links between federal economic development priorities and local interests. RDAs in Canada follow a pro-trade agenda in support of local economic growth, but their strategies were adjusted in the 1990s to a new regionalism mindset, which emphasizes decentralized and collaborative leadership. In this article, we examine how both agencies responded, respectively, to the 2007 federal designation of an Atlantic Gateway on the East Coast, and an Asia Pacific Gateway on the West Coast. We combine a content analysis of each RDA's yearly reports from 2007 to 2020, with a network analysis of their involvement in gateway projects funded by the federal government during this period. The combined analyses show the centrality of ACOA in gateway initiatives in Atlantic Canada, and the peripheral role of WD in Asia Pacific gateway initiatives.

# ECONOMIC DEVELOPMENT AND CANADA'S GATEWAYS: A TALE OF TWO REGIONAL DEVELOPMENT AGENCIES<sup>1</sup>

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**Abstract:** The Atlantic Canada Opportunities Agency (ACOA) and Western Economic Diversification Canada (WD) are regional development agencies (RDAs) created to forge links between federal economic development priorities and local interests. RDAs in Canada follow a pro-trade agenda in support of local economic growth, but their strategies were adjusted in the 1990s to a new regionalism mindset, which emphasizes decentralized and collaborative leadership. In this article, we examine how both agencies responded, respectively, to the 2007 federal designation of an Atlantic Gateway on the East Coast, and an Asia Pacific Gateway on the West Coast. We combine a content analysis of each RDA's yearly reports from 2007 to 2020, with a network analysis of their involvement in gateway projects funded by the federal government during this period. The combined analyses show the centrality of ACOA in gateway initiatives in Atlantic Canada, and the peripheral role of WD in Asia Pacific gateway initiatives.

**Keywords:** Asia Pacific Gateway, Atlantic Canada Opportunities Agency, Atlantic Gateway, Regional development agency, Western Economic Diversification Canada

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## INTRODUCTION

In 1987, the Government of Canada created two regional development agencies (RDAs), the Atlantic Canada Opportunities Agency (ACOA) and Western Economic Diversification Canada (WD), to assist local businesses in becoming more competitive and advance regional interests towards local economic growth (ACOA, 2012a; WD, 2008). Their creation was part of a broader reorganization of federal support away from inter-regional redistribution, and towards partnerships and indirect support for megaproject development (Savoie, 2003). The new RDAs were designed as “switchpoint mechanisms” and “institutional intermediaries” between national priorities and local stakeholders (Bradford & Wolfe, 2013: 332). The work of ACOA and WD has been evaluated from various perspectives: market-based analyses of the impacts of government subsidies on regional economies, context-specific assessments of how supports can be most effective for the mixed economies of said regions, and local studies advocating for community-led development (Strain & Grant, 1999). Publicly, the RDAs’ initiatives have regularly been described as primarily motivated by “national unity concerns and partisan political considerations,” rather than economic development best practices (Savoie in Vodden et al, 2019: xvi).

The political and ideological context in which the RDAs operate has changed since 1987, bringing to the fore a fundamental question about the importance of national imperatives versus local autonomy in contemporary regional development strategies. Both ACOA and WD adjusted to a “new regionalism” mindset in the 1990s, which translated neoliberal public policy requirements into new priorities: multi-level collaborative governance, innovation, and integrated development (Minnes & Vodden, 2019: 3). In line with global trends that began in the 1980s and 1990s, regional development practices in Canada shifted from a more top-down approach employing growth poles and other fiscal strategies of the Keynesian state (Perroux, 1988), to more locally customized approaches. These emphasize institutional and other social arrangements within localities and regions to support knowledge creation and shared learning, leading to innovation (Morgan, 1997; Maskell & Malmberg, 1999). This became even more important after the 2007-2009 Great Recession, when the federal government created more RDAs to extend its economic development reach to the entire country (Hall, 2012).

Canada’s trade gateway and corridor strategy – aimed at greater efficiency and improvement of port, airport, rail, and road networks facilitating international trade, either in multimodal locations

(i.e., gateways), or during transport between locations (i.e., corridors) – provides an interesting case study in assessing the approaches privileged by RDAs in a post-Great Recession period. The multi-regional and connective character of trade and transportation in regional economic development plans, highlights the importance of understanding the role of RDAs and other place-based actors in affecting whether local stakeholders can capture the benefits of infrastructure investments. Spending on physical infrastructure has been incorporated in all approaches to regional development, although it has been relatively de-emphasized under new regionalism (Rodríguez-Pose & Fratesi 2004).

In this article, we examine how ACOA and WD offered support to Canada’s trade gateway and corridor strategy in their respective region, from 2007 to 2020.<sup>2</sup> With a clear geographical interest in this federal priority as shown by Figure 1, each RDA’s involvement in gateway initiatives is partly determined by their positioning within their region’s institutional landscape, as well as their other goals beyond gateway projects. In the case of Canada’s gateway and corridor strategy, our analysis will reveal that ACOA is more central in the regional configuration of stakeholders promoting the Atlantic Gateway, while WD is in a more peripheral role in its gateway configuration.

Our review of the two RDAs’ involvement in gateway projects contributes empirically to documenting how Canadian RDAs operate in practice (Bradford & Wolfe, 2013; Hall, 2012; Vodden et al, 2019). The involvement of ACOA and WD in supporting Canada’s trade gateway and corridor strategy in their region reflects a post-2009 approach in the federal trade-oriented agenda, which highlights the importance of much needed public infrastructure investments. Moreover, this study sheds light on underexplored linkages between shifting federal priorities, regional economic development policy (as designed and practiced), and multilevel and multisectoral institutional arrangements pertaining to the design and implementation of integrative trade strategies in two Canadian regions (Bradford, 2010; Brunelle et al, 2021; Conteh, 2011a). After a brief theoretical and methodological discussion, we contextualize regional economic development in Canada to situate the role of RDAs. We then examine the federal approach to trade gateways and corridors to contrast the strategies employed by ACOA and WD and assess the role and position of each RDA in support of gateway initiatives in their region.

## THEORETICAL AND METHODOLOGICAL CONSIDERATIONS

As “purposeful and systematic interventions through public policy” to shape the “development trajectory within a relatively large but sub-national spatial context,” regional development in Canada reflects the federal government’s evolving priorities in framing and understanding regional disparities (Minnes & Vodden, 2019: 2). Studies documenting the history of this policy in Canada have notably focused on the impacts of new regionalism on the *praxis* of regional development policy (Bradford & Wolfe, 2013; Breen et al, 2019; Hall, 2012; Strain & Grant, 1999). From the standpoint of new regionalism, a top-down approach to investing in regional development, like large-scale transportation infrastructure, is considered to have limited impact. It often lacks the decentralized leadership and multilevel collaborative governance framework needed to optimize investment for multi-sectorial, integrative and innovative development (Bannister & Berechman, 2001; Vickerman et al, 1999). One key reason is the absence of conditions that allow local stakehol-

**Figure 1.** Regional Economic Development Agencies and Canada’s Gateways and Trade Corridors



<sup>2</sup> In 2021, WD was split into two RDAs: PacifiCan for British Columbia and PrairiesCan for the remaining three Western provinces: Alberta, Saskatchewan, and Manitoba. This move is unrelated to the trade gateways and transportation corridors. It was motivated by a desire to further ‘regionalize’ development assistance (Government of Canada, 2021).

ders in poorer regions to capture the benefits of such investments without proper support from public bodies. Lacking such support, local stakeholders struggle to embed transportation investments in “a wider network of knowledge, talent and entrepreneurship,” and to create synergies and identify gaps in local economic systems (Bradford & Wolfe, 2013: 338).

Under a new regionalism mindset and a public policy shift towards the downloading of responsibilities onto local stakeholders, ACOA and WD have focused, since the 1990s, on collaborations across sectors and jurisdictions “to deliver integrated programming for job creation and economic diversification” (Bradford & Wolfe, 2013: 342). RDAs gain legitimacy when they can steer a local coalition of economic development stakeholders in the direction of federal priorities and secure funding (Vodden et al, 2019). Their role in the regional institutional landscape is to articulate convincingly the relationships between global production networks and local assets “to stimulate processes of value creation, enhancement and capture” (Coe et al, 2004: 469). This is done by connecting the priorities of several stakeholders, deepening local knowledge capacities, and deploying policy instruments like financial assistance to support the private sector (Bradford & Wolfe, 2013).

In this study, we selected ACOA and WD because they have the longest track-record as Canadian RDAs, a high degree of departmental autonomy, and their mandates are interprovincial in nature (Conteh, 2011b; Hall, 2012). As Bradford & Wolfe (2013) indicate, both ACOA and WD are involved in inter-governmental policy alignment and supporting local private sector actors. While describing ACOA’s approach as “fostering links across the macro-regional clustering and the meso-regional community economic development,” they see WD’s work being focused on major urban centres in Western Canada, where it deployed strategies involving all three levels of government and several sectors of activity (Bradford & Wolfe, 2013: 343). As Conteh (2011a: 128) describes, their strategies reveal “inter-organizations’ cooperation among public agencies” and “state-society partnerships incorporating community development organizations and business groups.”

Methodologically, we combine a content analysis of yearly reports for each RDA and a network analysis of local stakeholders involved in four rounds of federal funding for transportation infrastructure projects. Whereas the content analysis reveals why and how each RDA was involved in local gateway projects, the network analysis locates the centrality and influence of each RDA in their regional configuration of stakeholders regarding funded gateway projects.

For the content analysis, we conducted a review of ACOA and WD’s annual activity, performance and assessment reports from 2007 to 2020 to assess their involvement and support of gateway and corridor projects and initiatives. We identified the gateway projects in which they participated, type of involvement (i.e., financial support, convening power, advocacy), and nature of collaborations with other stakeholders. We screened for keywords, including gateway, corridor, port, and the titles of each round of federal gateway funding, namely the 2006 *Asia-Pacific Gateway and Corridor Initiative* (APGCI), the 2008 *Gateway and Border Crossing Fund* (GBCF), as well as the 2017 and 2019 rounds of the *National Trade Corridors Fund* (NTCF). This review allows us to assess the degree and duration of involvement of each RDA in gateway projects, and how this relates to their priorities and other activities.<sup>3</sup>

We conducted a network analysis and visualization exercise using Gephi software. We created a database on stakeholder involvement using open government proactive disclosure, an access-to-informa-

tion request for federal gateway funding from 2007 to 2020, as well as media announcements and government reports related to each round of funding (i.e., the APGCI, the GBCF and the NTCF rounds). We used this information to determine the degree of participation of stakeholders from the public, private, not-for-profit and civil society sectors in funded gateway projects and the relationships between these stakeholders. Visually, this network analysis locates at the centre of the configuration the stakeholders more involved and connected to others in all the gateway projects of each region from 2007 to 2020; stakeholders that are less engaged are placed in periphery.

In each figure, constituent organizations and stakeholders, and the larger organizations with which they are associated, are included in the complete network. For example, “Transport Canada,” “CBSA,” “Government of Canada” and the RDAs are all identified as specific government organizations (in red) that were directly or indirectly involved with funded projects. A project may involve Transport Canada and ACOA separately; and, in order to complete the network, these would both be connected to each other via the Government of Canada. In few instances, the original data mentions only the “Government of Canada” to refer to other federal organizations. In this case, these organizations were included as “Government of Canada.” Similarly, many individual private sector firms (identified in blue) may be members of associations (identified in green), such as the Greater Vancouver Gateway Council; hence the network analysis includes both the direct involvement of a firm in a funded project, and also indirectly via the association (although in many cases, private sector industry associations are also directly involved in funded projects). The relationships between individual municipalities, and regional government bodies are similarly included in the network.

In terms of limitations, this study relies on publicly available information, including academic and grey literatures. We did not interview public officials, so it is impossible to assess the motivations of each RDA in supporting particular gateway projects. It is also not our intent to qualify one RDA as more effective than another in supporting gateway initiatives. It should not be assumed that an RDA that is positioned more centrally in their regional configuration of stakeholders represents a more successful agency.

## REGIONAL ECONOMIC DEVELOPMENT IN CANADA

RDAs in Canada, as in many other countries, were designed to serve as key nodes between local conditions, regional interests, and federal priorities (Beer et al, 2003; Bradford, 2010; Clark et al, 2010). While the creation of RDAs was part of the long-standing federal commitment to reducing economic disparities across the country, each has distinct strategies in implementing similar goals, as well as their own objectives in what they consider the best supports to local economic growth in their region. The panoply of initiatives undertaken by ACOA and WD include small business incubators, programs for women, Indigenous, Francophone and Northern entrepreneurs, immigration support to foreign talent, and sector-specific activities in support of information technology, aerospace and coal transition industries among others (ACOA, 2012b: 26-27; Bradford and Wolfe, 2013: 338-339; WD, 2011: 21-22). In this section, we will first put the federal approach to regional economic development in historical perspective, then discuss how the two agencies, ACOA and WD, have developed their own approaches to supporting regional economic development.

<sup>3</sup> For these four rounds of federal funding, APGCI funding was not available for projects in Atlantic Canada and few Asia Pacific gateway projects were funded through the GBCF.



## Federal Priorities and Regional Economic Development

The importance of regional economic development in Canada begins with a foundational recognition of geographic inequities across the federation. Barely 25 years after Confederation was established, the Maritime provinces reported income levels lower than the national average, and this situation worsened in the first half of the twentieth century (Foster, 2019). The 1940 report of the Royal Commission on Dominion-Provincial Relations, also known as the Rowell-Sirois Commission, recommended that the growing imbalance in wealth redistribution, which was exacerbated by the Great Depression, required an overhaul of the federal pact, especially to meet the needs of poorer provinces. This led to a revision of the fiscal plan “in order to make the division of financial powers and responsibilities of governments conform to the basic economic structure and social needs of the country” (Privy Council Office, 1940: 177).

Disparities among resource-based regions were exacerbated again in the 1950s, when Canadian cities solidified their status as key sites of economic growth and rural exodus accelerated (Bradford, 2010). The 1955-1957 Royal Commission on Canada's Economic Prospects – the Gordon Commission – suggested a proactive federal approach to regional economic development, which resulted in a top-down model organized and implemented through sectoral departments (Bradford, 2010; Breen et al, 2019; Conteh, 2011a; Savoie, 2003). In the 1960s, federal organizations, such as the Atlantic Development Board and the Area Development Agency, were established to improve local living conditions by creating incentives to stimulate productivity and employment (Foster, 2019; Hall, 2012; Savoie, 2003). However, this approach created tensions with some provinces over the federal government's jurisdictional ability to intervene in local economic development, and led to an overall lack of social buy-in of federally funded activities (Bradford, 2010). After the creation of the Department of Regional Economic Expansion (DREE) in 1969, the federal government eventually shifted its approach towards intergovernmental agreements and instituted the system of General Development Agreements (GDAs) in 1973. A more decentralized, province-focused way to meet sector-specific needs and priorities was established, but this did not prevent the GDA approach to come under criticism due to a lack of co-ordination between the two levels of government (Bradford, 2010; Bradford & Wolfe, 2013; Hall, 2012; Savoie, 2003).

Starting in the 1980s, the Canadian approach, like in other countries, zeroed in on building capacity and investing in local projects with potential for meeting economic development goals (Beer et al, 2003; Bradford, 2010; Breen et al, 2019). DREE was disbanded in 1982 and replaced by the Ministry of State for Economic and Regional Development (MSERD) and the Department of Regional Industrial Expansion (DRIE): “MSERD would look after federal-provincial agreements and DRIE, the federal-regional industrial incentive program” (Savoie, 2003: 155). A number of other changes were made, including the appointment of senior Federal Economic Development Co-ordinators (FEDCs) for each province, but these initiatives were short-lived due to their inability to alleviate regional disparities through a centralized approach. In 1987, the federal government established its first two RDAs, and mandated ACOA and WD with a dual purpose: better representation of regional interests in Ottawa in exchange for sustained federal presence in selected regions (Bradford, 2010; Hall, 2012; Savoie, 2003).

## Two Regional Development Agencies

By establishing ACOA and WD, the federal government formalized a regional economic development approach prioritizing policy decen-

tralization to the local level (Bradford and Wolfe, 2013; Conteh, 2011b; Minnes & Vodden, 2019). The creation of federal agencies committed to business, innovation, and human resource development in specific regions emerged from what Karen Foster (2019) calls a “productivist” mindset, as a precursor to neoliberal ideals in framing growth and productivity from a public policy standpoint. Both ACOA and WD were intended to fund local initiatives directly based on their own priorities to support local economic growth, which include wide-ranging support to businesses, notably small and medium-size enterprises and entrepreneurs from marginalized groups.<sup>4</sup> This approach reflected a broader shift in Canadian public administration “towards decentralization, devolution of responsibilities, partnerships, and the restructuring of accountability relationships in service delivery,” which led to a model of policy implementation requiring “cooperative or collaborative partnership arrangements” with non-state actors (Conteh, 2011a: 124).

A new regionalism mindset took hold of the RDAs in the mid-1990s through federal budgetary constraints (Clark et al, 2010; Hall, 2012; Vodden et al, 2019). It was presented as a flexible, adaptive, and collaborative model with a focus on recruitment and training strategies, potential synergies across sectors, and other multi-dimensional requirements for supporting the knowledge-based economy (Bradford, 2010; Minnes & Vodden, 2019). RDAs became connectors in multi-level collaborative governance schemes across levels of government, communities, and sectors (Bradford, 2010; Bradford & Wolfe, 2013; Conteh, 2011b; Vodden et al, 2019). The way in which this function is fulfilled by each RDA became increasingly differentiated after the 2007-2009 Great Recession, as they navigated the particular institutional governance framework in their respective region, shaped by the “blending of ongoing commitments to neoliberalism with a chaotic return to almost neo-Keynesian public investment policy, along with a downloading of governance responsibilities to industry and communities” (Halseth and Ryser quoted in Breen et al, 2019: 17). Each RDA developed its own approach to aligning their goals to federal priorities in its region, whether it meant pushing back against or embracing neoliberal precepts, developing bilateral or multilateral arrangements, or taking the lead or following other stakeholders in advancing projects (Breen et al, 2019: 18).

On the one hand, ACOA has evolved into a key institutional connector amid various jurisdictions, sectors, and levels in Atlantic Canada, a relatively small geographical area encompassing four provinces (Bradford & Wolfe, 2013; Conteh, 2013). According to ACOA (2012a: 22), a web of offices across the region, often shared with other federal departments and agencies, allows ACOA to be “far more in touch with the needs, issues and opportunities” of regional stakeholders. ACOA developed a proactive approach to building innovation in and across communities, notably by supporting capacity-building, partnerships, entrepreneurship, and commercialization of new products (Bradford, 2010).

On the other hand, WD has a similar mandate to ACOA, but it is practiced differently. Covering a far wider geographical area, it historically privileged a contractual model with provincial governments. Conteh (2011b: 74) highlights that this approach allows WD to advance its mandate, provide technical expertise while also ensuring its interventions fit the political goals of each province, which can vary a lot more than in Atlantic Canada. WD fosters relationships with all levels of government by investing in areas of mutual interest and supporting provincial priorities (Bradford, 2010; Conteh 2011b; 2013). This approach led to the 2021 split of WD into PacifiCan and PrairiesCan (see footnote 2).

<sup>4</sup> Similar regional development bodies were established for Québec and Northern Ontario a few years later, while one for Southern Ontario and another for the Canadian Territories were created in 2009 (Bradford, 2010; Hall, 2012).

## TWO APPROACHES TO SUPPORTING CANADA'S GATEWAYS

By designating the Atlantic Gateway on the East Coast and the Asia Pacific Gateway on the West Coast in 2007, the Government of Canada sought to optimize “the symbiotic relationship between global value chains and transportation” in locations where local production and industrial activity could benefit from, and build on, specific transportation systems and advantages in distribution networks (Transport Canada, 2017).<sup>5</sup> The ultimate goal of these gateway and corridor initiatives is to provide the physical infrastructure needed for global economic expansion by supporting regional economic development goals across the country (Brunelle et al, 2021). Through the APGCI, the GBCF and the NTCF, the Canadian government invested significantly in improving and expanding the transportation infrastructure in selected gateway and corridor locations, in addition to other federal sources of funding, including investments from ACOA and WD (Davies Transportation Consulting, 2021). In this section, we contextualize the design of each gateway and examine the support received from their respective RDA, which reveals how ACOA is central to supporting the Atlantic Gateway, while WD is a peripheral supporter of the Asia Pacific Gateway.

### ACOA's Centrality in the Atlantic Gateway

The *Atlantic Gateway and Trade Corridors Strategy* was launched in 2011, a few years after adoption of the 2007 federal policy framework by the Conservative government of Stephen Harper. As then-Minister responsible for ACOA Peter McKay (2007: 1) explains with regards to the gateway, “the Agency will pursue an ambitious, focused agenda that fosters productivity, competitiveness and growth in Atlantic Canada's economy.” Between 2007 and 2011, a partnership with all four Atlantic Canada provinces was consolidated to leverage this transportation investment strategy for addressing some of the long-standing regional problems, such as lack of economic growth, population decline, and lack of visibility for local industries (ACOA, 2007: 8-10; 2009b: 8-9; 2010: 31; 2011: 30-31). Stakeholders identified key locations in the region as catalysts for the Atlantic Gateway strategy, notably in Halifax where investments in port and airport expansion projects and increasing transportation business from Europe, Latin America, Africa, and South Asia could benefit the entire region (Brunelle et al, 2021). As such, projects located in the greater Halifax area received \$55 million from the GBCF competition and \$72.5 million from the NTCF rounds for Halifax port and airport-related projects, and an additional \$132.5 million from the NTCF for highway improvement projects in Nova Scotia alone (Transport Canada, 2014: 29; 2023).

In this context, ACOA has been proactive in building a coalition of local stakeholders across all four provinces around the idea of the Atlantic Gateway. One year before the official launch of the federal gateway strategy, the Atlantic Policy Research Initiative (APRI) of the Agency funded two studies to provide data, a regional profile and a policy framework, while also working with consulting firms to develop the Atlantic Gateway business case as a way to involve the private sector (ACOA, 2007: 56). Then-Minister McKay (2009a: i) saw ACOA's role as a “central player, with Transport Canada and Atlantic Canada's provincial governments, in advancing the trade and business growth potential of the Atlantic Gateway,” envisioning early on that, “as the Atlantic Gateway moves ahead, the relevance of ACOA as a regional coordinator is enhanced by the possibilities this and future initiatives could bring to the region” (ACOA, 2009a: 36).

The Agency fulfilled three main roles regarding grounding the Atlantic Gateway strategy in regional priorities. First, ACOA set up the institutional support to designing and implementing the initiative. Concerned

with aligning federal priorities to “the region's critical infrastructure needs” (ACOA, 2007: 58), the Agency “assisted in the creation of a federal-provincial senior officials working group to discuss and promote the co-ordinated development of a strategy” (ACOA, 2007: 61), along with a Atlantic Gateway Working Group and a Atlantic Gateway Secretariat, both created through ACOA (ACOA, 2007: 15; 2011: 30). By facilitating intergovernmental discussions and collaborations, this ensured the coherence and relevance of the strategy.

Second, ACOA coordinated the efforts of local stakeholders and integrated the Atlantic Gateway goals to other regional priorities. Its Policy, Advocacy and Coordination branch consulted extensively with public and private sector actors to align transportation infrastructure priorities to key areas of growth, such as aerospace, ocean technologies, agrifood and energy industries, and identify areas of policy development requiring immediate attention, notably around regulatory concerns and environmental sustainability (ACOA, 2010: 32-33; 2011: 29; 2012b: 3-4). Hence, ACOA facilitated the integration of the Atlantic Gateway vision to other regional initiatives, like the Atlantic Population Initiative, which aimed at addressing population decline through immigration (ACOA, 2009b: 8-10; 2012b: 30).

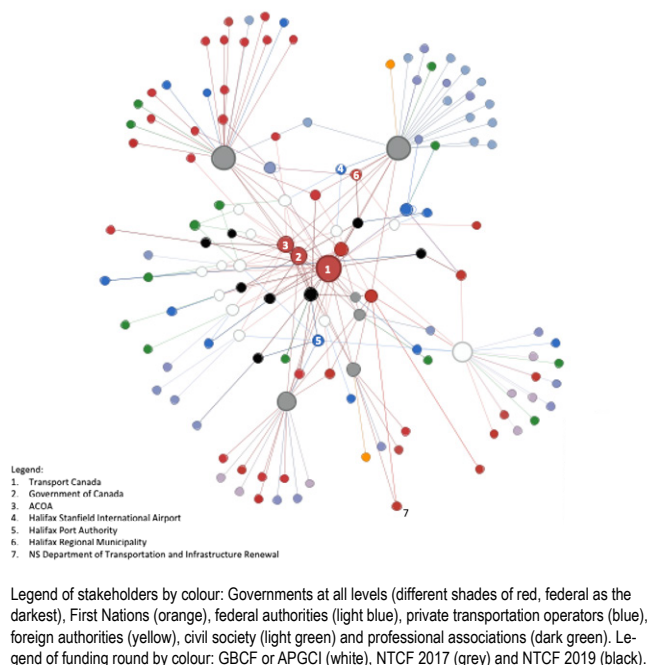
Third, the Agency provided research and analysis to ground its advocacy and promotional activities, so that “pertinent pieces of research” can support “events that highlighted the region's transportation network at the international level” (ACOA, 2014: 13). Aside from the early studies it sponsored, ACOA's Atlantic Canada business case and its pan-Atlantic marketing plans were based on extensive consultations with local and international stakeholders, which added to the legitimacy of its advocacy efforts (ACOA, 2010: 31; 2012a: 28; 2015: 23).

A review of ACOA's yearly activity and assessment reports between 2007 and 2020 reveals the infrastructural role played by the RDA, even before the national framework was launched. Between 2007 and 2011, ACOA developed its centrality and influence in facilitating the design of the strategy, which involved forging relationships with regional stakeholders, building consensus (ACOA, 2009b: 17), and addressing potential tensions among Atlantic provincial governments (Casey, 2010). ACOA remains today a key regional player in supporting the federal government trade initiatives, notably by mobilizing and educating local stakeholders on investment and knowledge transfer opportunities. Even if since 2015, the Atlantic Gateway is not mentioned in its departmental performance reports, ACOA remains an important actor and collaborator on many gateway-related funded projects, through the NTCF.

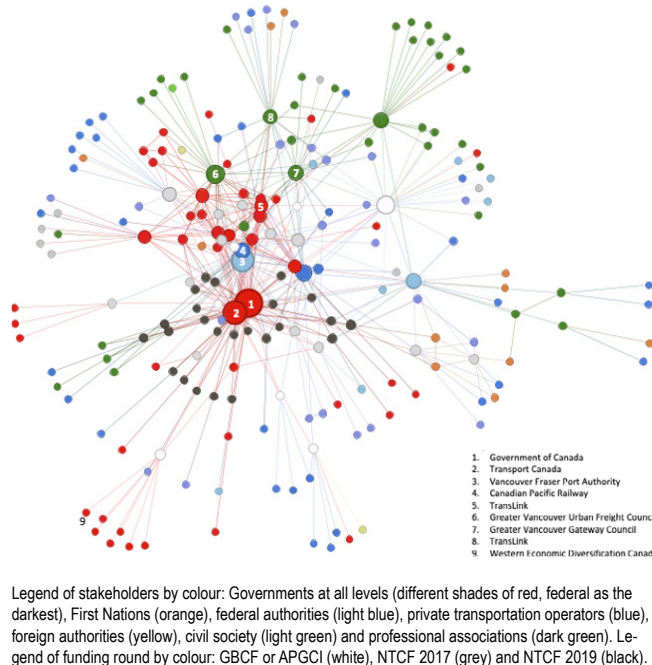
Figure 2 confirms this content analysis. It shows ACOA's centrality within the regional configuration of stakeholders involved in funded gateway projects between 2007 and 2020. The Agency is in the top seven of most influential stakeholders, while being slightly less central than Transport Canada and other federal departments, taken all together. Its role is more central than Halifax-based transportation stakeholders, such as the Halifax Regional Municipality, Stanfield International Airport, and the Nova Scotia Department of Transportation and Infrastructure Renewal, which indicates that its centrality relies on a pan-regional involvement in gateway projects. ACOA's influence comes from its convening role in various gateway and public fora. As shown in Figure 2, the RDA's main connections are with white, grey and black nodes, which represent projects funded through federal gateway fundings. This shows that the Agency's engagement with other public and private sector actors occurs indirectly through particular projects. In sum, ACOA has remained a key actor in gateway projects over the years due to its foundational contributions to the design and implementation of the gateway strategy, as well as the legitimacy, expertise and influence it gained in this process.

<sup>5</sup> We focus here on the two most developed gateway and corridor initiatives, but there have been others, including the Ontario-Quebec Continental Gateway, focused on the Quebec-Detroit corridor, and proposals for a Mid-Continent Trade and Transportation Corridor, an Arctic Gateway, and a Canadian Northern Corridor.

**Figure 2.** Atlantic Canada Regional Configuration of Stakeholders Involved in Funded Federal Gateway Projects (2007-2020)



**Figure 3.** Asia Pacific Regional Configuration of Stakeholders Involved in Funded Federal Gateway Projects (2007-2020)



### WD's Peripheral Role in the Asia Pacific Gateway

The *Asia-Pacific Gateway and Corridor Initiative* (APGCI) was a recognition by the federal government of long-standing advocacy efforts from a Vancouver-based transportation and industry coalition and in line with BC's 2005 economic development plan for building a globally competitive transportation corridor between Asia and North America (APF Canada, 2019). As part of a strategy to reorient the province away from a resource economy logic and heavy dependence on North American markets, major investments in port, rail, and trucking infrastructure were identified as the first steps to diversify economic activities and partners, and to better position Vancouver and BC within the Asia Pacific region (Brunelle et al, 2021). According to Davies Transportation Consulting (2021: 30), the federal government significantly increased its funding to BC projects over the years, from an average annual contribution of \$62.5 million under the APGCI funding to \$165 million under the NTCF.

WD's support to the federal vision for the Asia Pacific Gateway was most significant under the APGCI. As its 2006-2007 Report on Plans and Priorities indicates, "WD plans to concentrate on supporting Canada's Asia-Pacific Gateway and Corridor Initiative and increasing western Canadian awareness of, and access to, promising new Asia-Pacific markets" (WD, 2007a: 9), which included "a strong role within the federal government in advocating on behalf of western Canadian priorities and interests, promoting policy initiatives such as the Asia-Pacific Gateway and Corridor Initiative and stronger cross-border linkages with the United States" (WD, 2007a: 12). WD considered its role as "assist[ing] Western Canada and federal partners to capitalize on new opportunities the national Asia-Pacific Gateway and Corridor Initiative offers" (WD, 2007a: 18). As then-Minister responsible for WD Rona Ambrose indicated, the approach was designed to focus on "targeted investments in the West that build infrastructure and facilitate export opportunities" (WD, 2007b: 2).

WD's support resulted in six concrete actions, rather than broader roles like in the case of ACOA. First, it provided \$30 million to develop the Fairview container terminal at the port of Prince Rupert

in 2006-2007, and second, it contributed \$4 million for upgrading a shipping channel under the Fraser River Port Authority in 2006-08 (WD, 2018b: 20). Third, WD worked with the Province of Manitoba to support the Mid-Continent Trade and Transportation Corridor, which includes the Hudson Bay Rail Line and the Port of Churchill (WD, 2008b: 21; 2019: 10). Fourth, it assisted in formalizing municipal cooperation agreements between Edmonton, Prince George and Prince Rupert along the corridor, notably with a \$2.26 million investment for warehousing in Edmonton (WD, 2009: 19). Fifth, WD funded reports from the Asia Pacific Foundation of Canada and the Canada West Foundation on Western Canada economic trends, challenges and opportunities, and a study tour of Western Canada for key stakeholders residing in Asia (WD, 2008a: 25; 2008b: 25; 2011: 37; 2018). Finally, it provided \$18.6 million for 16 trade and investment projects to involve small and medium enterprises in Western Canada's trade corridor activities in 2014-15 (WD, 2016: 9).

The review of WD's yearly reports from 2007 to 2020 reveals that its support to the Asia Pacific Gateway relied indeed on targeted investments, as a way to complement the priorities of other public actors, notably provincial and municipal governments. Its limited influence and centrality in supporting the APGCI was due to the leadership already provided by an established private-led coalition and key provinces like BC (Brunelle et al, 2021). Of further note, WD has moved away from supporting the gateway over the years. After explicit involvement in the APGCI, WD reports do not mention the GBCF and NTCF rounds of funding. Since 2016, WD does not report any involvement in gateway projects, except for supporting small and medium enterprises in the Western Canada trade corridor, and northern developments around the Port of Churchill, both of which fit more broadly Canadian trade and commercial interests (ACOA, 2016; 2019).

The peripheral role of WD in the Asia Pacific Gateway is confirmed by a network analysis of stakeholders involved in the APGCI, the GBCF and the NTCF rounds of funding. In Figure 3, we observe that WD is not in the top seven of most influential stakeholders. The RDA is located at the margins of the main cluster of stakeholders, which



depicts the Government of Canada – notably Transport Canada – the Vancouver Fraser Port Authority, the Canadian Pacific Railway, Translink, the Greater Vancouver Gateway Council and the Greater Vancouver Urban Freight Council, as the leaders. While WD is connected indirectly through funding some studies about specific projects, it has limited connections to such leaders and the transport and logistics firms at the heart of the Asia Pacific Gateway. In sum, before the 2021 restructuring of the organization, WD provided peripheral and targeted support to the Asia Pacific Gateway. Over the years, WD's engagement with the gateway moved from the BC Coast, eastward into the Prairie provinces along the corridor.

## CONCLUSION

From 2007 to 2020, ACOA and WD implemented distinct approaches to supporting the federal trade gateway and corridor strategy in their respective region. ACOA played a more central role in the regional configuration of stakeholders involved in the Atlantic Gateway, while WD adopted a peripheral one within the Asia Pacific Gateway configuration. Each RDA's local engagement with gateway projects relies on key distinctions in their inner workings and regional positioning, distinctions which impact how they support other federal priorities. ACOA's decentralized structure, its early contribution to the infrastructure of the Atlantic Gateway, and the pan-regional mindset allowed it to connect the gateway vision to other regional issues. This contrasts with WD's targeted investments in support of particular projects and stakeholders, and respect for the priorities of each Western Canada provincial government. Another distinction is the geography of each region which structures how to reconcile provincial interests. WD's contribution to transportation infrastructure has gradually been pushed into the trade corridor of the Prairies, which reveals a distance from BC-based gateway projects. Such distinct gateway and corridor considerations within Western Canada are not found in Atlantic Canada, where these are more connected.

Aside from providing a better understanding of how two RDAs with similar mandates support a federal priority in different ways, our analysis reveals the importance of centering such bodies in the design and implementation of federal priorities in Canada's varied local contexts. Canada's RDAs have had mixed successes, and the complexity of multilevel governance makes measuring their impact extremely difficult (Conteh, 2013). It is especially hard to assess the influence of RDAs in legitimizing national priorities and in mobilizing local social buy-in for federally-funded projects. Consultation processes designed by Canadian governments to gain local support for infrastructure projects have been criticized as circumventing democratic practice (Longo, 2017). While WD worked with established departments and agencies, ACOA has demonstrated how an RDA can adopt a more expansive, and inclusive process of stakeholder engagement to gain social buy-in. Developing a role similar to what Tim Cresswell (2009) calls prosthetic citizenship – or the ability to reconcile opposing interests between global economic requirements and local considerations – RDAs are key locales to navigate such disagreements, in parallel and complementary to re-integrating discussions of transportation infrastructure in traditional local democracy fora.

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