

# Calgary: The City and the Petroleum Industry since World War Two

David H. Breen

Numéro 2-77, octobre 1977

URI : <https://id.erudit.org/iderudit/1019565ar>

DOI : <https://doi.org/10.7202/1019565ar>

[Aller au sommaire du numéro](#)

Éditeur(s)

Urban History Review / Revue d'histoire urbaine

ISSN

0703-0428 (imprimé)

1918-5138 (numérique)

[Découvrir la revue](#)

Citer cet article

Breen, D. H. (1977). Calgary: The City and the Petroleum Industry since World War Two. *Urban History Review / Revue d'histoire urbaine*, (2-77), 55–71.  
<https://doi.org/10.7202/1019565ar>

CALGARY: THE CITY AND THE PETROLEUM INDUSTRY  
SINCE WORLD WAR TWO

- - - - -  
*David H. Breen*

In the relatively short span of 100 years Calgary has expanded from a lonely police post into a burgeoning metropolis with a population of close to one half million. This remarkable growth has in fact been of a sufficiently interesting character and extent to have marked the foothill city as a subject of much scholarly interest over the past decade and a half.<sup>1</sup> With the exception of Vancouver and Edmonton no other Canadian city has grown so rapidly to such a size. But Vancouver's enlargement has not been so substantially concentrated in the post World War II period, nor has it been as closely associated with the development of a single industry. Clearly it is the Leduc-generated oil boom and the almost continuously buoyant Alberta economy that accounts for the spectacular urbanization of that province. However, while the petroleum based economy has underpinned the development of both Calgary and Edmonton, it is argued here that the character of the impact varies in a way that has reinforced those features that have always distinguished the southern city from the provincial capital. In large part this has to do with the fact that Calgary's intimate connection with the oil industry began a

- 
1. See, for example: R.P. Baine, Calgary: An Urban Study (Toronto 1973); A.W. Rasporich and Henry Klassen, eds., Frontier Calgary: Town, City and Region, 1875-1914 (Calgary, 1975); Max L. Foran, "Urban Calgary 1884-1895," Histoire sociale/Social History, Vol. 5, No. 9 (April, 1972), 61-76, and "Early Calgary 1875-1895: The Controversies Surrounding the Townsite Location and the Direction of Town Expansion" in A.R. McCormack and Ian Macpherson, eds., Cities in the West (Ottawa 1975), pp. 26-45; P.J. Smith, "Calgary a Study in Urban Pattern," Economic Geography, Vol. 38, No. 4 (October, 1962), pp. 315-329, and "Change in a Youthful City: The Case of Calgary, Alberta," Geography, Vol. 56 (January, 1971), pp. 1-14; and L.G. Thomas, "The Rancher and the City: Calgary and the Cattlemen, 1883-1914," Transactions of the Royal Society of Canada, Vol. VI, Ser. IV (June, 1968), pp. 203-215.

generation before this enterprise made much of an impact upon Edmonton. The consequences of this longer direct connection with the developing petroleum industry were of both social-cultural and economic significance and to gain some perspective on the remarkable growth that commenced with the major oil discovery at Leduc in 1947, some aspects of Calgary's earlier development must first be considered. Within a few weeks of the arrival of the police the dominant trading company on the southwestern high plains, the I.G. Baker Company of Fort Benton Montana, constructed a company store, to be joined later the same year by the patriarch of western commercial enterprise, the Hudson's Bay Company. Located well south of the traditional western trade route that linked Fort Garry (Winnipeg) to Fort Edmonton, Calgary did not advance beyond being a minor local trade centre. Though the post did develop as an important stop on the Old North Trail that linked Fort Benton on the Missouri with Fort Edmonton on the North Saskatchewan, even here the focus of the trade was on the larger and longer established community of Edmonton.

It was the decision of the Canadian Pacific Company to take a more southerly route across the prairies, to follow the Bow River valley into the Rockies and then enter British Columbia through the Kicking Horse Pass, that was the critical turning point in Calgary's development. This decision placed the small police post on the main line of east-west commerce and abruptly altered Calgary's marginal place in the Territorial trade network and largely severed the old north-south trade link with Montana. The first important consequence of the railway's announced plans was the rapid expansion of the cattle industry. Following the lead of Senator M.H. Cochrane, who envisaged participation in the vast overseas beef trade, dozens of eastern capitalists organized huge ranch companies that each controlled vast acreages and ran thousands of cattle. The initial burst of commercial development that immediately preceded and then followed the arrival of the railway in 1883 was closely connected to the expansion of a stock-raising industry patterned on the economic model developed in the western United States. Beyond the provisions of basic goods and services that ranged all the way from harness, saddle and leather goods supplies, to banks and brokerage houses, the

foundation of a major beef processing industry was laid. Within a few years of the coming of the railway Calgary had replaced Fort Macleod as the financial, administrative and social centre of the ranch country.

The successful development of the cattle industry meant moreover that by the late 1880s ranchers were doing sufficiently well to become the most important local source of investment capital. As the owners of the stockyards, slaughtering works, tannery, pork-packing plant, cold storage plant and brewery, local stockmen were the dominant force in the creation of the community's manufacturing base.<sup>2</sup> Many of the large sandstone commercial buildings that began to appear in the business section of the town after 1889 were financed by the cattle interests. Local lumbermen and ranchers also owned the waterworks, electric light, telephone and street railway companies.<sup>3</sup> In this way, by providing both an attractive market for urban services and existing as a substantial source of risk capital, the ranchers performed a critical dual function in Calgary's initial development.

This remarkable integration of urban business and ranch interests during the founding period, complimented as it was by the most intimate social bonds, was of long term consequence. The ease with which the large ranchers were able to coalesce with the town's business establishment in fact was quite predictable given the similar origins of both groups.<sup>4</sup> These entrepreneurs from town and ranch came mainly from the same eastern background and the British ranchers found congenial entry into a society that displayed an especially strong attachment to all things British. Many ranchers had in fact never really left the urban business environment. The large stock raisers, especially the company men, were businessmen in

---

2. M.L. Foran, "The Calgary Town Council, 1884-1895: A Study of Local Government in a Frontier Environment," M.A. Thesis (University of Calgary, 1970), pp. 36-46.

3. Ibid. p. 34.

4. D.H. Breen, "The Canadian West and the Ranching Frontier, 1875-1922," Ph.D. Thesis (University of Alberta, 1972), pp. 193-204.

much the same sense as their town counterparts and many managed ranches and city businesses with equal success. They were very much a part of the local and larger national urban community and this helps to account for the perpetuation of the cattlemen's influence long after their relative economic importance in the hinterland had declined.

While the social and economic blending of the town and country elites lent a special character to Calgary it also led the city to interpret its position in the prairie west quite differently from other prairie communities. Confident in the future of their region, Calgarians largely rejected the concept of a single western community.<sup>5</sup> The old capital of the cattle kingdom was never inclined to bend to Winnipeg's guidance and from its earliest days has exhibited the most expansive metropolitan ambitions.

For all their energy and ambition Calgary boosters at first had to be content with modest growth but by the time the first major expansion was underway after the turn of the century the city's social character, the pattern of subsequent physical development, as well as the city's economic structure and function were largely defined and set in place. Over the next four decades the city changed greatly in size but not much in substance or function. Calgary's location astride a key transportation nexus assured that the entrepreneurial hopes of the previous decade and a half would not be in vain. Beef processing activities in the city expanded to a point that by 1911 they accounted for almost 25 percent of the total manufacturing in the province and thereby remained a distinguishing characteristic of the city's economy.<sup>6</sup> The city's role as an agricultural service centre was expanded to look after the needs of the tens of thousands of farmers who were settling the southwestern prairie. In fact, growth during the first decade of what indeed promised to be "Canada's Century" was so substantial (see Table I) that enthused city

---

5. P.F.W. Rutherford, "The Western Press and Regionalism, 1870-96," Canadian Historical Review, Vol. LII, No. 3 (September, 1971), p. 290.

6. Census of Canada, 1931, Vol. VIII, p. 667.

planners engaged a well-known English town planner to draw up a city plan for one million people.

TABLE I: POPULATION GROWTH IN  
CITY OF CALGARY, 1891-1971

YEAR	POPULATION	NUMERICAL CHANGE	PERCENT CHANGE
1891	3,876	-	-
1901	4,398	522	13.5
1911	43,704	39,306	893.7
1921	63,305	19,601	44.8
1931	83,761	20,456	32.3
1941	88,904	5,143	6.1
1951	129,060	40,156	45.2
1961	249,641	107,581	83.3
1971	403,319	153,678	38.1

Source: Census of Canada, 1891-1971.

In 1913 the bubble burst and inflated land values came crashing down, speculators lost their money and the planned suburban developments distant from the river valley were not realized until the mid 1950s. The immensity of the downturn however was clouded temporarily, for within a year Calgarians were preoccupied in frenzied speculation that more than equalled the frantic real estate boom of a few years before. At Turner Valley about 30 miles southwest of the city, on May 14, 1914, the Calgary Petroleum Products struck oil. The discovery, well known as Dingham Number One, marked the birth of western Canada's petroleum industry and for more than 30 years, until the Leduc discovery after World War II, the Turner Valley field was Canada's major oil producer.

While Turner Valley oil did not prove to be the immediate bonanza that Calgarians had anticipated, the discovery was nonetheless of profound, if longer term consequence. It added an important new dimension to the city's economic base that continued to differentiate Calgary from her sister cities on the prairies and elsewhere in Canada. Over the following

decade several hundred exploratory wells were drilled in the Calgary area and in 1921 the newly built Imperial Oil refinery in Calgary was connected by pipeline to the Turner Valley oil field. In ultimate recognition of the fact that petroleum had become an important factor in the Alberta economy, the provincial government decided that it was necessary to play a more direct regulatory role. To this end the Alberta Oil and Gas Conservation Board was established in 1938 and since oil production was almost entirely centred in the Calgary vicinity, it seemed only sensible that this agency be headquartered in the foothill-city. Thus, by the time the big post World War II oil discoveries were made in central and northern Alberta, Calgary already was firmly entrenched as the management, financial and regulatory centre of western Canada's petroleum industry.

With the exception of a few years in the middle and late twenties, the interwar years were ones of economic difficulty and very slow growth. Yet Calgary's maturing metropolitan role during this period is revealed in the resultant political unrest. As the promise of a new and better life in the west dimmed for thousands of once-optimistic prairie settlers, Calgary emerged as a focal point and generator of ideas regarding pressing agrarian problems. Indeed, during the 1920s and 1930s Calgary produced a number of political leaders, as the careers of William Irvine, Henry Wise Wood, William Aberhart and R.B. Bennett bear witness, who were able to articulate the concerns and aspirations of the region, of the west generally and to some extent of the nation at large. Through these individuals Calgary left its particular mark on the character and course of agrarian agitation. In large part this mark stemmed from the strong regional sense of identity and commercial ambition that was characteristic of Calgary from the first years of settlement, which fused after World War I with a ripening and more broadly based feeling of western alienation to produce a direct challenge to the eastern concept of Canadian nationhood. Once set, it has been on this course championing "western" interests that Calgary has focussed its political energies in the post war period.

With the coming of the second war the city's political and economic energies were redirected in the national interest. Calgary began to grow under the wartime stimulus and as the conflict terminated there

already were signs that a basic modification of Calgary's essential function as an agricultural service centre was underway. That a new era in the city's development had commenced was confirmed in the emblazoned headline LEDUC WELL ROARS IN WITH OIL that greeted Calgarians as they opened their morning Albertans on February 14, 1947. The "blowing in" of a wild cat well is always a dramatic experience, but the thundering column of burning gas and oil with its belching flame and dense black smoke that rolled hundreds of feet skyward to mark the arrival of Imperial Oil's Leduc No. 1 in the late afternoon of February 13th, was particularly impressive. Follow-up drilling proved remarkably successful; of the 147 wells drilled in the Leduc area in 1948, 131 became oil producers.<sup>7</sup> The greatest Alberta oil boom was now underway and the whole structure of the post war Alberta economy began to alter.

The Leduc success could hardly have come at a more opportune time. Production from the Turner Valley field just south of Calgary had begun to decline, prairie consumption was still increasing and Calgary oil refineries were on the verge of arranging crude oil imports from the United States. But, with Leduc, Alberta suddenly became an oil surplus region again. The immediate problem was one of marketing, the new discovery at Leduc was 13 miles southwest of Edmonton and the refineries were at Calgary 180 miles to the south. The location of the refineries in the southern city along with the fact that Calgary was the existing headquarters of most of the oil companies operating in the west, gave Calgary an initial advantage that assured the city's continued pre-eminence as administrative and financial centre of the Canadian petroleum industry.

With this and subsequent discoveries, supported by the usually buoyant state of the post-war Canadian economy, Calgary commenced a period of sustained growth that has lasted uninterrupted to the present. What this has meant in terms of population growth in the Calgary metropolitan area is manifest in Table II. To consider the nature of this population increase more closely one might focus on the decade 1961-71. During these

---

7. E.J. Hanson, Dynamic Decade: The Evolution and Effects of the Oil Industry in Alberta (Toronto, 1958), p. 72.



TABLE II: POPULATION FOR THE PRINCIPAL REGIONS  
OF METROPOLITAN DEVELOPMENT IN WESTERN  
CANADA, 1901-1971.  
(in thousands)

REGION	1884	1891	1901	1911	1921	1931	1941	1951	1961	1971
Calgary	.5	4	8	56	78	103	112	156	290	403
Edmonton	-	-	15	48	87	116	136	211	374	495
Winnipeg	-	-	48	157	229	295	302	357	476	540
Vancouver	-	-	-	-	224	338	394	562	790	1,082

Source: L.V. Stone, Urban Development in Canada (Ottawa, 1967), p. 278.

In order to provide data for a constant geographical area the pre-1961 municipal boundaries have been extended to closely approximate the 1961 Metropolitan Regions. The 1884 and 1891 Calgary Statistics are from city sources. The 1971 figures are from Census of Canada, Vol. 1, part 1-8.

years the population of the Calgary metropolitan area increased by 113,000 or 28 percent. This is an average yearly increase of almost 12,000 or about 1,000 a month, and more than half of this yearly increment represents a net migration.<sup>8</sup> The significance of this growth perhaps is better understood when placed in a regional perspective. Over this same decade Winnipeg, the long dominant city on the Canadian prairie, grew about 64,000 or a modest 12 percent. In contrast Calgary's population growth in the latter part of the decade, 1966 to 1971, was 22 percent, the highest of any metropolitan area in the country, while Winnipeg's growth measured a little over 6 percent.<sup>9</sup> Though Winnipeg's total population is still greater, the gap has narrowed sharply reflecting the fact that since the late 1950s economic and political power has shifted from the eastern to

8. Baine, Calgary, pp. 89, 97. See also, Urban Development in Canada, p. 278.

9. Baine, Calgary, p. 89. See also Alan F.J. Artibise, "Patterns of Population Growth and Ethnic Relationships in Winnipeg, 1874-1974," Histoire sociale/Social History, Vol. IX, No. 18 (November 1976), pp. 297-335.

the western edge of the plains. Growth rates for most years since 1951 that have marked Calgary and Edmonton as the fastest growing of the nation's major cities stand as evidence of the fact that Alberta has become the predominate prairie province.

The degree to which Calgary's phenomenal growth is tied to the petroleum industry is suggested by the presence in 1965 of the head offices of 886 oil and oil related companies plus the branch offices of a further 336.<sup>10</sup> In 1971, 74 percent of Canada's oil and gas exploration, development and producing companies had their head offices in Calgary, along with 84 percent of the nation's geophysical contracting companies, 87 percent of the data processing firms related to the oil and gas industry, 68 percent of petroleum related consulting companies, and 65 percent of the firms engaged in contract oil well drilling.<sup>11</sup> The benefit of being the nation's first petroleum capital still accrues to Calgary for even though, apart from the Athabasca tar sands, the primary interests of western based oil companies have expanded beyond Alberta to the Mackenzie delta, the Arctic islands, the North Sea off the Scottish coast and some parts of the Middle East and Southeast Asia, Canadian activities in these areas mainly are directed from Calgary. In addition to direct exploration and development elsewhere, Calgary firms are especially active in the marketing of oil field experience and expertise in developing frontier areas and in this highly specialized field Calgary's hinterland has expanded to global dimensions.

To understand the character of post-war Calgary it is of course necessary to look beyond the mere numbers of people added through this oil-generated population boom. A few pertinent observations can be highlighted. First, it should be noted that Calgary has acquired a large part of this new population -- it has been estimated at about 50 percent -- from the rural areas of Alberta and Saskatchewan.<sup>12</sup> That is, work opportunities

---

10. P.J. Smith, "Change in a Youthful City: The Case of Calgary, Alberta," Geography, Vol. 56 (January 1971), p. 4.

11. Baine, Calgary, p. 58.

12. Smith, "Change in a Youthful City," p.4.

in Calgary have accentuated the post-war rural to urban drift and to this extent oil has been the critical factor in the further urbanization of the province. Beyond this, the character of employment opportunities has reinforced the city's unique economic structure. Despite the vast population increase, basic employment in manufacturing remains low. With only 12 to 15 percent of the labour force engaged in manufacturing, compared to three times this percentage in a city like Hamilton or twice this in Vancouver, Calgary has one of the smallest manufacturing sectors of any major Canadian city.<sup>13</sup> Similarly, the percentage of those engaged in the wholesale trade has shifted even more towards white-collar, specialist and managerial occupations associated with the petroleum industry. The relative place of the petroleum industry is underlined by the fact that in 1971 10,225 Calgarians were directly employed by the crude petroleum and natural gas industry compared to 2,050 Edmontonians and only 60 Winnipeggers.<sup>14</sup> In Calgary the factories are few; it is very much a "brief-case" rather than a "lunch-box" city.

Given the almost continuous expansionary nature of the local economy that has accounted for the concentration of highly skilled, managerial and professional people (the ratio of managerial to unskilled, labour in Calgary is approximately three to one), average incomes have long been the highest of any prairie city and there is a distinctly middle-class, well-to-do tone and appearance to the city. Beyond this, the character of employment opportunities have contributed to the homogenous tone of the city in another important way. Because the incoming population has been drawn so heavily from the surrounding region and, more important, since employers were not recruiting a factory labour force the foreign-born non-English-speaking population has remained relatively small. Reflecting the Anglo-Saxon predominance of southern Alberta from which it

---

13. Baine, Calgary, pp. 98-99. The 1971 Census shows that the percent of the labour force employed in manufacturing declined even further from the 12 percent that Baine obtained from the 1961 census.

14. Census of Canada, 1971, Vol. III, Part IV.

has attracted much of its new population Calgary, with more than one half of its population of British stock, stands in contrast to the other major cities of the prairie west. As with the first period of substantial urban growth that came with the years of initial prairie settlement, the second period of rapid expansion that came after World War II, at least to the late 1960s, drew only marginally upon European migration. In 1961 a little over one half of Calgary's population was Alberta born, while the Canadian born total was over 75 percent.<sup>15</sup> Such homogeneity of population is not typical of a sustained boom economy and it is this unusual combination that underlies the social and political stability and generally conservative outlook that has characterized the city during the post war period (see Tables III and IV).

TABLE III: MAJOR ETHNIC GROUPS IN  
CITY OF CALGARY, 1911-1951.

ETHNIC GROUP	1911		1931		1951	
	No.	(%)	No.	(%)	No.	(%)
British	30,884	(70.6)	65,422	(78.1)	88,416	(68.5)
German	2,608	( 5.7)	3,751	( 4.5)	8,794	( 6.8)
Scandinavian	928	( 2.1)	3,297	( 3.9)	6,415	( 5.0)
French	705	( 1.6)	1,755	( 2.1)	4,012	( 3.1)
Jewish	604	( 1.4)	1,622	( 2.0)	1,713	( 1.3)
Ukrainian	522	( 1.2)	807	( 1.0)	3,033	( 2.4)
Dutch	213	( .5)	1,035	( 1.2)	2,528	( 1.9)
Other	7,240	(16.6)	6,072	( 7.2)	14,149	(11.0)
Total	43,704	(100)	83,761	(100)	129,060	(100)

Source: Census of Canada, 1911, 1931, 1951.

15. W.C. Wonders, Atlas of Alberta (Edmonton 1969), p. 54.

TABLE IV: MAJOR ETHNIC GROUPS IN METROPOLITAN  
CALGARY, EDMONTON, AND WINNIPEG, 1971.

ETHNIC GROUP	CALGARY		EDMONTON		WINNIPEG	
	No.	(%)	No.	(%)	No.	(%)
British	225,835	(56.0)	221,625	(44.7)	232,125	(42.9)
German	50,825	(12.6)	62,440	(12.6)	61,995	(11.5)
Scandinavian	20,010	( 5.0)	23,280	( 4.7)	17,535	( 3.2)
French	16,455	( 4.1)	35,750	( 7.2)	46,205	( 8.6)
Ukrainian	15,850	( 3.9)	62,650	(12.6)	64,305	(12.0)
Dutch	13,795	( 3.4)	16,775	( 3.4)	15,020	( 2.8)
Polish	7,465	( 1.8)	16,950	( 3.4)	25,915	( 4.8)
Jewish	3,710	( 1.0)	2,910	( 0.6)	19,385	( 3.6)
Other	49,385	(12.2)	53,535	(10.8)	57,775	(10.7)
Total	403,330	(100)	495,915	(100)	540,260	(100)

Source: Census of Canada, 1971, Vol. I, Part III.

In a visual or spatial sense, the impact of oil industry is even more dramatic than the demographic change. Since World War II the city's downtown core has been almost entirely rebuilt. The old sandstone structures of the pre World War I boom have been largely replaced with the not always more attractive, towering multi-storied edifices that house Imperial Oil, Shell, Gulf, Texaco, Pacific Petroleum, Home Oil and the others. Appropriately perhaps, in the physical renewal of the central area Calgary's first corporate citizen, the Canadian Pacific Railway, has not been outdone. Rising from the railway's immensely valuable core acres is the 600 foot Calgary Tower which stands as the centre-piece of the substantial commercial development that marks the CPR's contribution to the new city skyline. The other features of rapid post war expansion characteristic of most other North American cities also are strikingly manifest in Calgary. Stretching away from the downtown workplace are the square miles

of residential suburbia supported at appropriate intervals with regional and local shopping centres and tied to the central core with traffic-clogged multi-lane expressways. As the largest Canadian city in area, Calgary's far-flung city boundaries have much to do with the fact that income levels have been sufficient to permit the great majority of families to purchase the preferred detached single family dwelling.

In the industrial sectors of the city the change though substantial has been less marked. The old industrial areas in Calgary's north east and south east sectors have been filled in and with but a few important exceptions this in-filling has been with numerous service orientated enterprises rather than larger, higher profiled industrial manufacturing concerns. Yet, it is important to note that while the main expansion has been in the petroleum related service area, Calgary still functions as a key regional service centre for the surrounding agricultural hinterland. To this extent, traditional agricultural related enterprise, though overshadowed, is by no means insignificant and the city-based meat processing industry still ranks as the third largest in the country.<sup>16</sup>

There is another dimension of the oil industry's influence on Calgary that must not be overlooked. If the post war development of Calgary is to be understood in terms of the expansion of the petroleum industry, this development must also be understood within the context of the growth and domination of the Alberta and Calgary economies by the foreign multi-national corporation. Calgary more than any other major city has come to stand as the centre of an industry that is completely foreign dominated. In 1973 foreign corporations controlled 99.5 percent of the assets, accounted for 98.9 percent of the sales accumulated 98.8 percent of the profits in the petroleum and coal products sector of the Canadian economy.<sup>17</sup>

---

16. Baine, Calgary, p. 59. Ranked according to Value Added by Manufacturing Activities and Value of Shipments of Goods of Own Manufacture.

17. Canada, Corporations and Labour Unions Act, Annual Report, 1973. Most industry sources dispute these figures but the debate is largely academic, whatever statistics one uses the industry is still overwhelmingly dominated by American interests. Information in the Financial

The process towards such remarkable domination began well before World War II. Perhaps the 1921 acquisition of the Calgary Petroleum Products Company, the company responsible for the discovery of oil at Turner Valley in 1914, by the Royalite Oil Co., an Imperial Oil Limited subsidiary,<sup>18</sup> can be considered to mark the beginning of this movement. Development over the subsequent decades was dependent on a steady and plentiful supply of risk capital and while the persistent formation of independent Calgary-based exploration companies bears witness to the continued generation of capital in the Calgary area, it was never sufficient. This, with the general aloofness of eastern Canadian investors towards western Canadian oil ventures, accelerated the process of foreign acquisition of capital-starved Canadian enterprises. In more recent years as oil exploration has moved on to more remote areas and the cost of exploration escalated, the elimination of smaller Canadian and American companies in favour of the corporate giants has continued apace. Thus, with the foreign purchase of North Star Oil Ltd. (1960), Pacific Petroleum Ltd. (1960), Canadian Oil Companies (1962), Great Plains Development Co. (1963), Banff Oil Ltd. (1964), and so on through the 1960s and early 1970s, the petroleum industry in western Canada has been integrated into and become simply an extension of the larger American industry. With this integration connecting Calgary to Tulsa, Denver and Houston, the old north-south axis that had bound Calgary to Fort Banton in pre-CPR days has been restored.

This fusion, along with the buoyant character of the oil-fueled Alberta economy, has not been without influence upon Calgary's evolving

---

Post's Survey of Oils, 1977, shows foreign controlled companies accounted for 84.8% of the assets, 92.6% of the sales and 87.6% of the profits of Canada's 22 largest oil and gas companies. During 1976 two new government owned petroleum companies emerged -- the Alberta Energy Company and Petro Canada. The creation of these two new companies in a minor way further decreased the foreign share of the petroleum industry in Canada.

18. Hanson, Dynamic Decade, p. 46.

social and political character. The strong north south linkages forged by the heavy movement of oil company capital and personnel back and forth across the border to Calgary has helped to reinforce America's cultural embrace. More than the citizens of most Canadian communities who have been similarly exposed to the corrosive impact of American magazines, films, television and radio, for many thousands of Calgarians connected to the oil industry, cultural contact has had a closer personal quality. While the precise consequences of this experience of working with and for Americans in an almost totally American dominated industry is impossible to measure, it is clear that the former and often noted British character of the city has greatly diminished and it seems not unreasonable to suggest that the petroleum industry has played an important part in the post-war Americanization of Calgary.

At the same time, through re-building north-south ties the oil industry has helped to shape the political views of many Calgarians in a way that has reinforced traditional western objections to the eastern-favoured National Policy. With its interests tied so closely to petroleum Calgary's world view is predominantly continental; there probably is not another city in the country where the view favouring continentalist economic policies has such a strong following. To this extent, the interests of the new oil-based economy have lent support to those post-war political energies that have focused on opposition to Ottawa. This, moreover, has been consistent with a political tradition that goes far back to the Territorial period. Electing a Conservative in 1887, the first time they participated in a federal election, Calgarians have rarely deviated from their federal preference for the Conservative Party and hence the Opposition side in the House of Commons.

While the petroleum industry has, if anything, worked as a force of political continuity at the federal level, it has also functioned at the local level as an agent of political stability -- helping to set the post World War II period in sharp contrast to the interwar years. The almost continuous expansionary economy generated by the oil boom has made for a broadly-based rising standard of living. With "good times" the political dissent and debate characteristic of the 1920s and 1930s



has given way to a remarkable political and social calm. At the provincial level Calgary's political energies have been mainly absorbed in the city's continuing rivalry with the provincial capital, Edmonton. In the renewed post-war struggle for provincial dominance these two aggressive and rapidly expanding cities have been almost evenly matched, Edmonton's advantage as provincial capital checked by Calgary's place as administrative and financial centre of the petroleum industry. In this light, the fact that Peter Lougheed and his Conservative Party should emerge from what initially was a Calgary base, to challenge the long entrenched and equally conservative Social Credit government presiding in Edmonton, is hardly surprising. After their initial political success Calgary Conservatives were not long in converting Edmontonians and, in the final analysis, the Calgary led sweep that eventually toppled the increasingly rural-based Social Credit government symbolized the now clearly dominant place of urban Alberta. Social Credit had remained a party of rural values but by the mid-sixties Alberta had changed from the predominantly agrarian society of Aberhart's time to an urban society sustained by the oil industry. As the nature of the Alberta economy had altered since World War II, the provinces two largest cities had developed interests and attitudes that increasingly differentiated them from the hinterland.

Just as the interests of the petroleum industry aligned so easily with the dominant existing political preferences and the new economy allowed Calgary's early metropolitan ambitions to mature, there is an additional factor that accounts for the smooth integration of the oil industry into the city's social and political fabric. Though oil has changed the physical face of Calgary, it is doubtful that one could identify another enterprise that could be as supportive of the city's old identity. Towering office towers and modern geophysics notwithstanding, the oil industry in America has geographical and historical roots that are distinctly western and in this regard there are important parallels with the first dominant enterprise on the western plains -- cattle ranching. In both Canada and the United States the most significant oil finds came first in the heart of the ranch country and as the industry developed in this region elements of the existing social-cultural milieu

in the cattle country were absorbed by the new economic order. Ranchers, by virtue of their close business connections in Calgary, and often as property holders with mineral rights, in contrast to most farmers who settled later when such rights were no longer given with land title, were closely identified with oil drilling ventures from the start. The transition from cattle-baron to oil-baron was easy; the predominant attitudes or ethic did not have to change. The romantic mantle that cloaked the cowboy and his activities had to be altered very slightly to include the oil-rigger. The existing ranch country elite, many of whom were quick to benefit from oil discoveries on or near their properties, both absorbed and became part of the expanding new social and economic elite. The continued close social connection with the old life style -- the connection between oil, cattle and things equestrian -- is immediately apparent to anyone who has travelled west of Calgary and observed the palatial "hobby ranches" that dot the westward-facing slopes of the Rocky Mountain foothills. The connection -- forged in the late 1940s and 1950s -- has been set for two generations. Even to this day, to make the upper reaches of the social ladder, it does not do to be simply a city-bound president of an independent oil company; the foothill estate remains a decided social asset.

Despite the observable unity in the old and new elites, the foregoing comments are not meant to suggest that there has been no change in Calgary's social character, or, for that matter, that the early "western" flavour of the petroleum industry has not altered significantly. Rather, the intent has been to point out that in a social-cultural as well as in a political context, the cattle and oil economies had much in common and that this served to strengthen those characteristics that have set Calgary apart from the other cities of the Canadian prairie west.