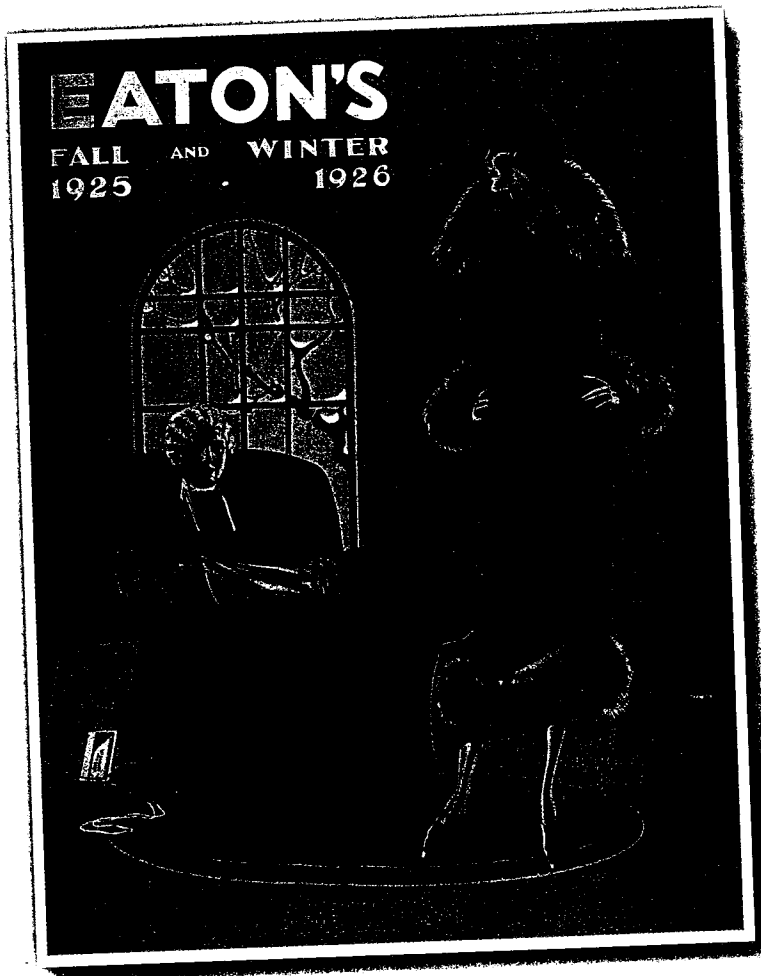


Thinking Historically

- HS** Establishing **historical significance**
- E** Using primary-source **evidence**
- C&C** Identifying **continuity and change**
- C→C** Analyzing **cause and consequence**
- HP** Taking a **historical perspective**
- ED** Considering the **ethical dimensions** of history

Figure 11-3 Stores such as the T. Eaton Company created colour catalogues full of idealized images encouraging people—mainly women—to buy new products. These mail-order catalogues allowed people in rural areas to have access to the same goods people could buy in the cities.



CANADA IN THE GREAT DEPRESSION

The Great Depression began in 1929 and lasted until the start of the Second World War in 1939. As with most events in history, the causes of the Depression were varied, starting with some of the changes that took place in people's lives following the First World War.

THE ROARING '20S

The First World War ended in 1918. By 1924, the Canadian economy was booming. Countries were starting to recover from the war, and demand for Canadian products such as wheat was strong. Canada also exported newsprint, lumber, and many types of minerals.

Within Canada, demand for consumer goods such as cars and radios grew. Industries had developed assembly lines that helped them mass produce goods more quickly and for less money than ever before. These changes meant more people could afford to buy items once considered luxuries, such as washing machines. Many people moved from rural areas to cities to take manufacturing jobs. Other people took jobs providing services for the growing urban population.

BUYING ON CREDIT

One outcome of these changes was the increased use of credit—borrowed money. Before the 1920s, grocers and merchants had sometimes extended credit for food and fuel. Amounts owed by households were small and the credit was given for short periods of time only. But in the 1920s, merchants and banks began lending money for goods such as household furnishings and cars. As a result, household debts increased dramatically.

Credit was also available for investing in the stock market, which appealed to people who wanted to share in the promise of huge profits. Paying very little up front, even average citizens could invest. The stock market boomed, setting new trading records. Investors sometimes borrowed heavily, assuming they could pay off their debt with the increased value of their stocks.

C&C Based on what you have read on this page and in earlier chapters, what changes and continuities occurred in Canadian life in the 1920s?

C↔C Causes of the Depression

The 1920s were characterized by increasing optimism. Many people saw their **standard of living** rise and assumed their prosperity would continue to grow. Standard of living is usually measured by the kind and quality of goods and services available to a group of people. Not all groups of people and not all regions participated equally in the prosperity. First Nations, Métis, and Inuit peoples, as well as Atlantic Canadians, did not see an increased standard of living. Nevertheless, the standard of living for many Canadians increased in the 1920s.

However, many people borrowed too much money. For example, farmers sometimes borrowed heavily to purchase new machinery, assuming they could pay their loans back with a continued increase in the price of wheat. Unfortunately, European countries, which had been importing much of Canada's wheat, began to struggle with their wartime debts. Some found they could no longer import as much wheat or other consumer goods. Demand and prices for wheat dropped quickly. With their income falling, farmers—at that time 30 percent of the population—stopped buying new goods, such as tractors and appliances. As the demand for goods dropped, people who manufactured the goods began to lose their jobs and then they, too, could no longer afford to purchase new items.

As the economy slowed, banks and companies that had loaned people money began to demand repayment. Some people began selling their stocks to repay their debts. On Tuesday, October 29, 1929—a day known as Black Tuesday—stock prices around the world dropped sharply. People panicked and rushed to sell their stocks, sometimes for less than they had paid for them. Analysts estimate that Canadian stock exchanges lost \$1 million every minute the stock exchanges were open that day.

Many people lost their life savings and could not repay their loans. Companies went out of business and people lost jobs by the thousands.

Canada was not the only country hurt by the Depression. The United States, Great Britain, Japan, and many other countries also experienced a major economic downturn. Some countries set or increased tariffs in an effort to protect their own businesses and producers from having to compete with those of other nations. Foreign tariffs hurt the Canadian economy because 80 percent of Canada's farm, forestry, and mining products were exported to other countries.



Figure 11-4 The front page of the *Toronto Daily Star* on Black Tuesday. Although there were slight rallies in the stock market after the crash, the markets were not to recover until the Second World War.

C↔C

1. The stock market crash of 1929 is generally seen as the immediate cause of the Depression. However, the crash was far from the only cause. Create an organizer to summarize the causes of the Depression described on pages 318 to 319. Leave space on the right side of your organizer to capture the consequences of the Depression. As you read the rest of this section, record direct and indirect consequences.

2. In 2008, the world again experienced an economic decline that many analysts have compared to the Great Depression. Research the causes and consequences of the 2008 financial crisis and compare them to the Great Depression. What similarities and differences do you find?

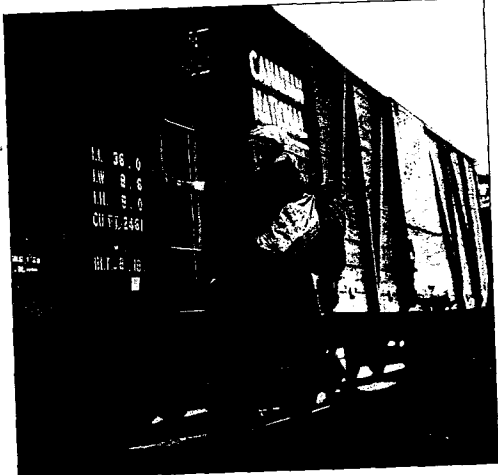
IMPACT OF THE DEPRESSION

While most Canadians had not lost money in the stock market crash, all felt the effects of the economic decline. Unemployment swept across the country. In 1928, the annual unemployment rate in Canada was 2.6 percent. In 1930, it jumped to 12.6 percent. By 1933, 26.6 percent of the workforce was unemployed. General employment figures do not include self-employed people, such as farmers and small-business owners, who also suffered during the general economic decline.

The Depression highlighted **regional disparities**—differences in resources, income, wages, and jobs—across Canada. All parts of Canada suffered during the Depression, but times were toughest for the prairie and Atlantic provinces. On the prairies, for example, up to 50 percent of the workforce was unemployed at the peak of the Depression, almost double the national average.

Economies in the Atlantic provinces had started a decline in the 1920s, even while the rest of the country was booming. As Canadian industries switched from coal to hydroelectric power, coal mines in the Atlantic provinces began to close, leaving many miners unemployed. In addition, the federal government had approved a more than 200 percent increase in railway rates. This meant goods produced in the Atlantic region were more expensive than those in Ontario and Québec. In the 1920s, 42 percent of the manufacturing jobs in the Atlantic provinces disappeared. After 1929, markets for the region's remaining exports—fish and lumber—also declined significantly.

PICTURING THE GREAT DEPRESSION



Riding the Rails

Figure 11-5 During the Depression, many people became homeless, and some travelled the country looking for work. Called tramps or hobos, many of these travellers illegally caught rides on freight trains and camped on the outskirts of towns and cities.

Figure 11-6 The government set up work camps for unemployed men. These men are shown working on a road near Kimberley, British Columbia, in May 1934. What inferences does this photograph help you make about conditions in the Depression?



Work Camps

IMPACT OF THE DEPRESSION ON THE PRAIRIES

The region of Canada worst hit by the Depression was the prairies. A farmer earned 80 cents for a bushel of wheat in 1928, but by 1932, a bushel was worth only 35 cents. However, this was only the beginning of the devastation that befell prairie farmers.

In 1930, the southern prairies began to experience drought, a significant decline in the average rainfall. Drought conditions lasted, on and off, for a decade. For years farmers had been overworking their land, resulting in a loosening of the topsoil. With the drought and higher-than-average temperatures, the topsoil turned to dust and began to blow away. Huge dust storms blocked out the sun and people began to call the prairies the Canadian Dust Bowl.

If the drought and low wheat prices were not bad enough, crops were also inundated by grasshoppers. Sometimes the grasshoppers descended on an area like a cloud, stripping the heads off wheat and eating anything that was green. Some people reported grasshoppers eating fresh laundry off a line.

Farmers could not afford to buy even the basic necessities. In 1928 in Saskatchewan, the average farmer's annual income was \$1614, which was enough to pay for necessities, some luxury items, and even to save a little. By 1933, the average annual income was only \$66. Many men left their farms to look for work in the cities.

VOICES

The land had reached the point where it had been worked and worked and harrowed and ploughed so much that it was very fine. There was nothing to hold it and it just picked up and blew across the countryside. You look out and see this great cloud of dust coming and then you're in it and you can hardly see twenty feet ahead. The grit gets into your nose and mouth and into the houses, drifting in under the doors and windows. By 1936 the sky in Moose Jaw and Regina was perennially overcast and the sidewalks were gritty with dust under your feet.

— Janice Patton in
How the Depression Hit the West, 1973



Dust Storms



Lining Up for Meals

Figure 11-7 Huge dust storms on the prairies, such as this one near Fort Macleod, Alberta, turned daylight to blackness, blew into houses down chimneys and through cracks, and covered roads, railway tracks, and farmhouses with drifts of dirt. How do you think these storms affected the mood and outlook of people suffering economic problems?

Figure 11-8 In 1934, 130 000 people in Toronto were on relief—government support—at a time when the city's population was about 613 000. The people in this photograph were lined up for a free meal prepared by a charity. What evidence might the photographer have been trying to gather when this picture was snapped?

GOVERNMENT RESPONSES TO THE DEPRESSION

MACKENZIE KING'S GOVERNMENT

At the start of the Depression, William Lyon Mackenzie King, leader of the Liberal Party, was the prime minister. He told Canadians that “business was never better, nor faith in Canada’s future more justified.” King believed, as did most observers at the time, that the downswing was a normal part of the business cycle.

Due to the division of powers between the federal and provincial governments in the *British North America Act*, the provinces had only limited ways of raising money through taxes, but they had all the responsibility for social programs such as health care, education, and assistance for the unemployed. In the first years of the Depression, provincial governments, especially in the West, struggled to deal with their unemployed. They asked King for help, but he refused, saying unemployment was a provincial responsibility.

Even if King had been inclined to help the provinces, he would have had trouble raising the money to do so. Most of the federal government’s income came from tariffs and sales taxes. With the economic collapse, less money was coming in to the federal government, which was struggling with its own debts. However, to voters, King appeared indifferent to their problems. The Conservative Party leader of the Official Opposition, R. B. Bennett, used Prime Minister King’s apparent disregard for people’s concerns to defeat the Liberals in the 1930 election.

← CHECKBACK

You learned about the division of powers between the federal and provincial governments in the *British North America Act* in Chapter 6.

Figure 11-9 William Lyon Mackenzie King served as prime minister from 1921–26, 1926–30, and 1935–48.



E Examine the editorial cartoon in Figure 11-10. What impression does the cartoon give you of Prime Minister King’s response to the provinces? Who might have disagreed with this point of view?

Figure 11-10 This cartoon was published in the *Manitoba Free Press* on April 8, 1930. Five of the provincial governments appealing to Prime Minister King were Conservative (known as Tory). In refusing demands to give money to the provinces for unemployment relief, King famously said he would not give the Conservative governments “a five-cent piece.”



R. B. BENNETT'S GOVERNMENT

R. B. Bennett and the Conservatives formed the government during the five worst years of the Depression, from 1930 to 1935. Like King, Prime Minister Bennett did not anticipate the severity of the Depression and did not act quickly to attempt to stop the economic downtrend. He expected the economy to turn around without government intervention. In 1930, Bennett introduced tariffs to protect Canadian manufacturers—mainly in Québec and Ontario—from competition from goods coming in from other countries. However, other countries had done the same. Canadian exporters of wheat, lumber, and fish—mainly the Atlantic and western provinces—found their situation worsened.

Figure 11-11 Prime Minister Bennett, like many Canadians at the time, believed people should be self-sufficient. He did not believe the government should give handouts to people who were not contributing to society.



VIEWPOINTS ON HISTORY

Letters to Bennett

The Depression was not bad for everyone. Because prices of food and other goods had dropped, people earning \$20 to \$30 a week could get by reasonably well. For many, however, the Depression was a time of desperation. Programs like welfare and health and unemployment insurance did not exist. People who lost their jobs faced great hardships. Some Canadians appealed directly to the prime minister for help, and he often responded directly, sometimes enclosing his own money.

Dear Sir,

I am writing to you as a last resort to see if I cannot, through your aid, obtain a position and at last, after a period of more than two years, support myself and enjoy again a little independence . . . The fact is: this day I am faced with starvation and I see no possible means of counteracting or even averting it temporarily! . . . First I ate three very light meals a day; then two and then one. During the past two weeks I have eaten only toast and drunk a cup of tea every other day . . . I have applied for every position that I heard about but there were always so many girls who

applied that it was impossible to get work. So time went on and my clothing became very shabby. I was afraid to spend the little I had to replenish my wardrobe . . . Today I went to an office for an examination and the examiner just looked me over and said, "I am afraid Miss, you are so awfully shabby I could never have you in my office." I was so worried and disappointed and frightened that I replied somewhat angrily: "Do you think clothes can be picked up in the streets?" "Well," he replied with aggravating insolence, "lots of girls find them there these days." . . .

Whiteway, New Brunswick, October 7, 1935

EXPLORATIONS

1. What does this letter help you learn about hardships in the Depression?
2. What does the writer's description of the potential employer's attitude toward her clothes teach you about some people's ideas about the unemployed in this period?

RELIEF EFFORTS

Despite his personal views about government handouts, the severity of the Depression forced Prime Minister Bennett to offer help. In 1931, Bennett introduced the *Unemployment Relief Act*, which allocated \$20 million for relief projects. However, responsibility for distributing the relief was given to municipal governments, so relief measures differed from region to region.

Some aid came in the form of vouchers for food, clothing, and shelter. To receive assistance, people often had to line up in public places, where their neighbours and friends could see them. People were embarrassed to have to turn to government handouts, which were minimal. Provinces provided less than the lowest-paying jobs to encourage people to continue to look for employment. Many families lived in a constant state of malnourishment.

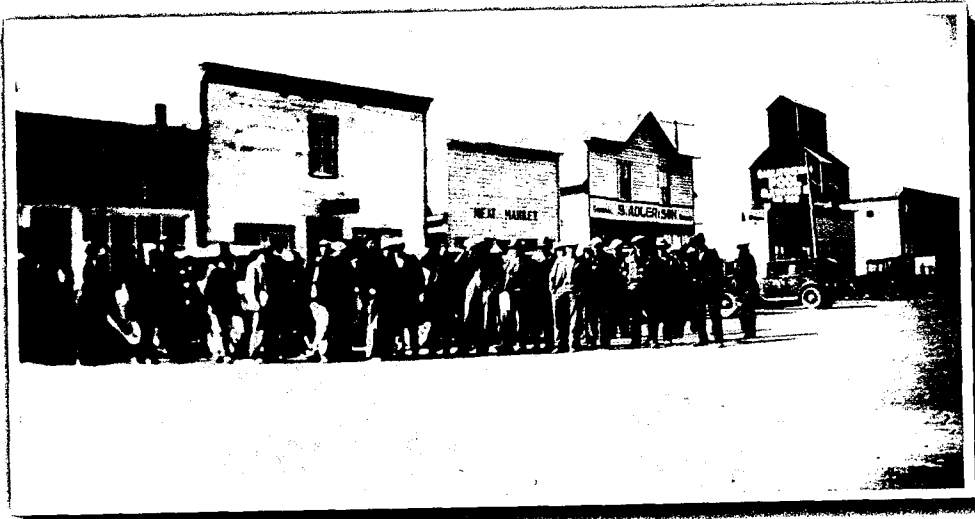


Figure 11-12 In 1931, striking coal miners organized by the Workers Unity League marched in Estevan, Saskatchewan, to protest cuts to their wages. In this photograph, the strikers are gathering to begin their march. The RCMP ended the demonstration with brutal force: three miners were killed and many others were injured.

Most relief came in the form of **public works** projects. “Relief men” had to work for their assistance by performing tasks such as cutting grass or digging ditches. Men with families had a higher priority for these jobs and other employment. This left thousands of young men without many options. Many “rode the rails” across the country, relying on charity for survival. As the Depression dragged on, many of these men became frustrated and desperate. Especially in urban areas, signs of social unrest grew.

CCC Based on what you have read on this page about relief efforts, how would you describe people’s attitudes about government assistance? Explain whether you think attitudes today are similar to or significantly different from those in the 1930s.

DEMANDS FOR WORKERS’ RIGHTS

In response to the social problems they were experiencing, many people began to demand change, often through the union movement. For example, the Workers Unity League (WUL), formed in 1929, was a federation of trade unions. The WUL was a major national labour organization in Canada during the early years of the Depression. At its peak, WUL membership reached about 40 000 people, mainly unskilled workers in the mining and timber industries, but also industrial workers in southern Ontario.

THE CONGRESS OF INDUSTRIAL ORGANIZATIONS

In November 1935, American workers established the Committee for Industrial Organization, which became the Congress of Industrial Organizations (CIO) in 1938. The CIO organized workers by industry, such as auto manufacturing, instead of by craft, such as carpentry or printing. Changes in manufacturing meant there were now many unskilled workers on assembly lines. The CIO wanted to organize workers by industry so that all workers in an industry could bargain for agreements that would benefit everyone, skilled and unskilled. The CIO helped organize the United Auto Workers and United Steel Workers, which included Canadian and American labour unions in their membership.

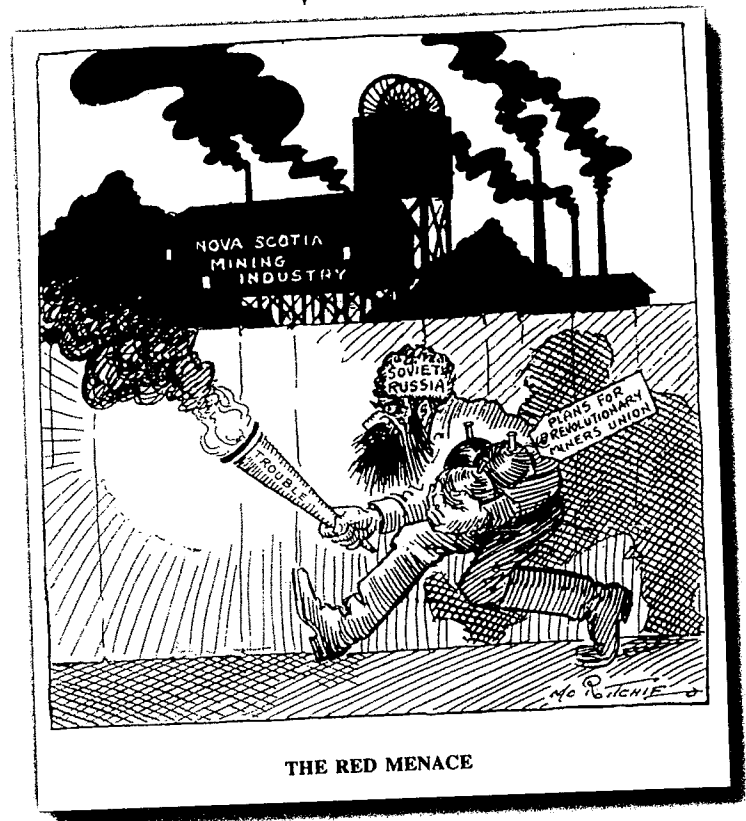
THE COMMUNIST PARTY

Business owners resisted the development of unions, and governments tried to suppress any movement with links to communism. The Communist Party of Canada had been founded in 1921. It supported the idea that everyone should share in the profits from their labour. This idea had wide support in the tough economic conditions of the Depression. However, the Communist Party also had radical policies that alarmed governments. For example, the party called for a workers' revolution to overthrow and reorganize the government according to the ideas of Vladimir Lenin, the Russian revolutionary leader. Federal and provincial governments tried to suppress the party's activities. In 1931, the federal government outlawed the Communist Party, and several of its leaders were sent to jail in 1932. To prevent the formation of unions, business owners and police often accused union organizers of being communists.

In 1937, the Québec government passed the Padlock Law (the *Act Respecting Communist Propaganda*). The law allowed the Québec government to padlock, or close for one year, any building that had been used to produce communist propaganda. People involved in printing or distributing the material could be arrested and held without appeal for a year. The Padlock Law was also used to intimidate and suppress the activities of labour groups, whether connected to the Communist Party or not. It was not until 1957 that the Supreme Court of Canada ruled the Padlock Law unconstitutional.

HP Take a historical perspective to explain why people's fear of communism affected their attitudes toward all efforts to improve conditions for workers. Do you think their fear was reasonable, given their historical circumstances, such as growing labour unrest, large numbers of unemployed, and the example of the communist revolution in Russia in 1917? Explain why or why not.

Figure 11-13 During the Depression, mine workers in Nova Scotia tried to improve their working conditions. How might this cartoon, published in the *Halifax Herald* on April 11, 1930, have contributed to their lack of success?



THE RED MENACE

WORK CAMPS

Ironically, one of the methods Prime Minister Bennett used to suppress radical political activity ended up encouraging radicalism. In October 1932, Bennett set up work camps for unemployed single men. Bennett's camps seemed to be less about ensuring the well-being of workers and more about fear of the trouble they might cause. Relief camps provided basic accommodation, usually in isolated areas. Men were given food, shelter, army-style clothing, and twenty cents a day. In return, they worked long hours building bridges and digging ditches for various "make-work" projects. Some of Canada's national parks, such as Riding Mountain National Park in Manitoba, were developed by work camp labourers. To be admitted to a camp, workers had to be single, male, not living at home, healthy and fit, unemployed, and at least eighteen years old. "Political agitators," those involved in the Communist Party or any of its affiliated organizations, were not allowed. Bennett hoped that isolating men at the work camps would prevent them from rioting or protesting publicly.

HP Take a historical perspective to imagine how different Canadians might have viewed the work camps. Consider, for example, the attitudes of a member of Bennett's government, an unemployed young man, and a worker with a good job.

THE ON-TO-OTTAWA TREK

Instead of solving the problems of social unrest, deplorable conditions in the work camps led to more problems. In some camps, the Relief Camp Workers' Union, which was associated with the Communist Party, organized protests. In the summer of 1935, 3000 work camp workers met in Vancouver to begin the On-to-Ottawa Trek. This trek was a collective journey to take their demands to the federal government. Workers asked for fair wages, a seven-hour workday, a five-day workweek, compensation

for injuries sustained on the job, and the right to vote in provincial and federal elections. Under the *Dominion Elections Act* of 1934, work camp workers were ineligible to vote. After a riot in Vancouver, over 1800 men boarded trains to Ottawa. Other men joined the trek as the trains moved across British Columbia and Alberta. By June 14, 1935, approximately 2400 men had gathered in Regina.

Bennett demanded that the RCMP end the trek in Regina. A delegation of trek organizers met with the federal government in Ottawa on June 22, but returned to Regina in frustration. As marchers and members of the public gathered on July 1 for a public meeting, the RCMP moved in to arrest the leaders. A riot broke out, resulting in the death of one policeman and hundreds of injuries and arrests. Canadians were upset by the violence used by RCMP forces in the Regina Riot, and public opinion turned against Bennett's government.

Figure 11-14 Hundreds of unemployed workers climbed onto freight trains for the On-to-Ottawa Trek. How does this photograph provide evidence of the workers' desperation?



ED Closing Canada's Door

By the mid-1920s, Canadian officials believed the West was adequately settled, and Canada began accepting fewer immigrants. In the Depression, immigration dropped from an average of 124 000 people per year in the 1920s to 20 000 people per year.

As in earlier Canadian immigration history, some immigrants were less welcome than others. Immigrants from central and southern Europe were only rarely accepted. The government associated people from these regions with communism and other radical political activities.

Many government officials (and other Canadians) were openly **anti-Semitic**, or prejudiced against Jewish people, so Jewish immigration was limited. These limitations had especially tragic consequences. After Adolf Hitler and the Nazi party came to power in 1933, the persecution of Jewish people in Germany became more pronounced. Many Jewish people sought refuge in other nations. Although Canada accepted a few **refugees**, its efforts were minimal compared to other countries. A refugee is a person who leaves her or his home country because of a threat of persecution.

In the Depression, minority groups frequently faced racism and discrimination. Recently arrived immigrants were often treated as outsiders who were draining resources away from "real" Canadians: those of British or French origin. In 1931, 83 of the 150 Chinese immigrants who applied for relief in Calgary received \$1.21 per week. Non-Chinese applicants received \$2.50 per week. In 1937, the weekly amount for Chinese people rose to \$2.12 per week.

First Nations and Métis people, although not immigrants, were also given reduced relief payments. The government justified the reductions by saying First

Nations and Métis people could live off the land. Any complaints about unfair treatment were ignored by the government.

Immigrants who applied for relief could face **deportation**, being sent back to their country of origin. Immigrants involved in radical political activities could also be deported. Between 1930 and 1933, 23 000 immigrants were deported for these reasons. Many immigrants did without relief to avoid deportation.

Few people complained about discrimination against immigrants because many Canadians saw immigrants as competition for scarce jobs and relief. Laws did not prevent companies from discrimination, and many companies regularly refused to hire Jewish people, Ukrainians, and people from other ethnic minorities. Some immigrants changed their names in an effort to hide their cultural background.

Figure 11-15 Countries Admitting Jewish Refugees from the Nazis, 1933–1945

Country	Number of Refugees
United States	240 000
Great Britain	85 000
China	25 000
Argentina	25 000
Brazil	25 000
Colombia and Mexico (combined)	40 000
Canada	4000–5000

ED

1. Given the hardships Canadians experienced during the Depression, do you find their acceptance of discrimination against immigrants understandable, even if unethical? Do you think this kind of discrimination could ever happen in Canada today? Explain why or why not.
2. Does a country like Canada have an ethical obligation to accept refugees from other countries, especially if they face persecution or death in their country of origin? What kind of obligation does Canada have toward its own citizens?

NEW POLITICAL PARTIES

Many people were frustrated with how the Liberals and Conservatives responded to the Depression. Some formed new political parties to bring about change. Most of the new parties wanted an increased government role in the Canadian economy. For example, the Reconstruction Party, which ran in the 1935 election, promised to start a national housing program and initiate public works projects, such as a trans-Canada highway.

In Québec, the provincial Union Nationale Party was formed in 1935 to bring about social and economic change. Led by Maurice Duplessis, the Union Nationale won the 1936 provincial election, but was defeated in 1939. It came back to power in 1944, with a new focus on preserving French language, culture, religion, and institutions. The party dominated Québec politics until 1970, when the Parti Québécois gained much of the Union Nationale's vote.

CHECK FORWARD

You will learn more about Québec and the Union Nationale Party in Chapter 14.

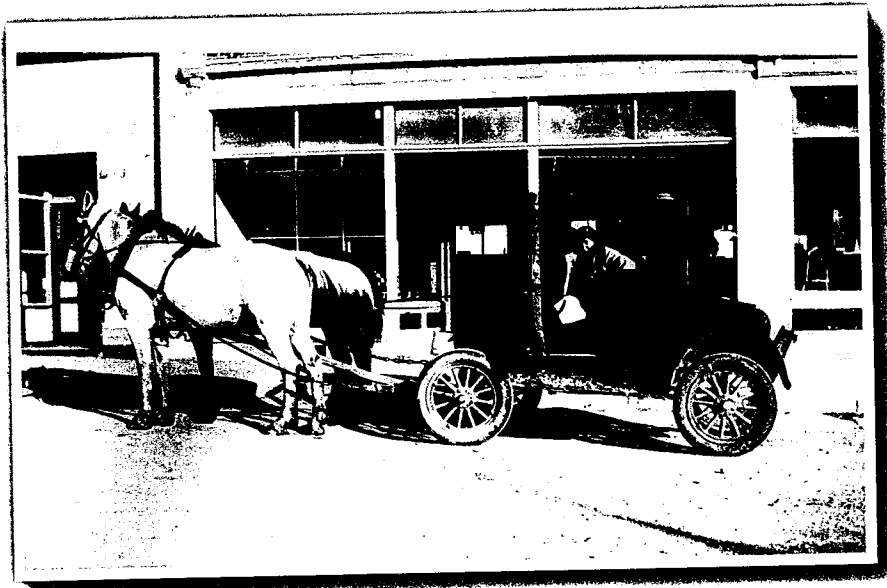


Figure 11-16 People with no money for gasoline sometimes created “Bennett Buggies” by pulling the engines out of their vehicles and hitching the vehicles to horses. There were also Bennett blankets (newspapers used as blankets), Bennett barnyards (abandoned farms), and Bennett coffee (brewed roasted wheat). Based on these inventions, how would you describe people's feelings about Prime Minister Bennett's government?

policies were halted by the federal government. Many Albertans began to believe that central Canada and the federal government worked against their province's interests. The Socreds survived the Depression and became a dominant political force in Alberta and British Columbia provincial politics until the 1970s.

THE SOCIAL CREDIT PARTY

One of the most long-lasting parties that arose during the Depression—the Social Credit Party, or Socreds—originated in Alberta. The man behind the new party was a high school principal and radio preacher named William “Bible Bill” Aberhart. To improve the economy, Aberhart promised to give out dividends of \$25 a month to every Albertan. Though most economists dismissed Aberhart's ideas, his proposal appealed to voters. In 1935, the Social Credit Party won the Alberta provincial election by a landslide. In the years that followed, most of Aberhart's economic



Figure 11-17 William Aberhart's weekly radio program gave him a large audience for his political ideas. During the good times of the 1920s, many Canadians bought radios. During the 1930s and 1940s, people across the country turned to radios as a source of information and entertainment.

THE COOPERATIVE COMMONWEALTH FEDERATION

Capitalism is an economic system based on private or corporate ownership of businesses. Capitalism focuses on profits for business owners and shareholders and, in its purest form, advocates no government involvement in the economy. The Social Credit Party believed capitalism needed some adjustments. However, the Cooperative Commonwealth Federation (CCF)—the other major political party to arise at this time—wanted capitalism completely reformed. In 1932, members of various social reform, farmer, and labour groups created the CCF. The CCF recommended a system of **democratic socialism**, which includes significant government intervention in the economy and government ownership of key industries. In 1933, the CCF adopted the Regina Manifesto, which began with a statement of the party's overall goals:

We aim to replace the present capitalist system, with its inherent injustice and inhumanity, by a social order from which the domination and exploitation of one class by another will be eliminated, in which economic planning will supersede unregulated private enterprise and competition, and in which genuine democratic self-government based upon economic equality will be possible. The present order is marked by glaring inequalities of wealth and opportunity, by chaotic waste and instability; and in an age of plenty it condemns the great mass of the people to poverty and insecurity.

More specifically, the CCF recommended

- government ownership of banks, utilities, communications, natural resources, transportation facilities, and other essential services
- crop insurance for farmers
- government-supplied medical services for all citizens
- programs to help support the unemployed and seniors
- foreign policies promoting peace and cooperation

Many policies were like those of the Communist Party. However, whereas communists were willing to use violence to overthrow the government in a revolution, democratic socialists wanted change by legal, democratic means only. In 1961, the CCF changed its name to the New Democratic Party (NDP), which is still a major Canadian political party today.

Neither the CCF nor the NDP has ever formed a federal government, although they have frequently played a significant role in Parliament as part of the Official Opposition or a **minority government**. A minority government occurs when a party wins the most seats, but not a majority of seats in the House of Commons. At the provincial level, the CCF or NDP has formed the government in British Columbia, Saskatchewan, Manitoba, Ontario, and Nova Scotia.



Figure 11-18 J. S. Woodsworth, sometimes known as the Father of Social Welfare in Canada, was elected the first leader of the CCF. Woodsworth was an ordained minister from Winnipeg. He believed that reforming inequalities in society was as important as working for people's salvation. Woodsworth had been a key figure in the Winnipeg General Strike of 1919.



Figure 11-19 How does this cartoon present the CCF? To whom was the party appealing? How might business owners have seen the party's formation differently?

BENNETT'S NEW DEAL

Fearing he would lose the 1935 election, Prime Minister Bennett took a new approach to the Depression. He delivered a series of radio speeches promising a “New Deal,” which was similar to the “New Deal” being offered by American President Franklin Roosevelt: programs for unemployment insurance, minimum wages, maximum weekly work hours, sick pay, compensation for on-the-job injury, and a marketing board for farmers’ grain. His program was opposed by some provinces, which argued that the Constitution gave them, not the federal government, jurisdiction over social programs. In 1937, the Judicial Committee of the Privy Council agreed that, due to the *British North America Act*, the federal government could not enact most of Bennett’s New Deal programs.

However, two of Bennett’s reforms were adopted. In 1935, the Bank of Canada was created to regulate interest rates and the amount of currency produced in the country. People hoped this central bank would prevent some of the problems that had worsened the Depression.

The second reform was the passage of the *Canadian Wheat Board Act*, also in 1935. The Canadian Wheat Board (CWB), which still exists today, sells farmers’ grain to other countries. Because it controls millions of bushels, the CWB can promise to negotiate better prices than if individual farmers or small agencies tried to do the negotiating. Later the CWB’s mandate was extended by Parliament to cover barley and, for a period, oats and oilseeds.

Bennett’s New Deal was too little too late. Bennett lost the election in 1935 and King was returned to power. King introduced a few programs to alleviate the Depression, but in the end, it was the Second World War that ended the Depression with an increased demand for Canadian manufactured goods and raw materials.

CHECKBACK

In Chapter 6, you learned about the role of the Judicial Committee of the Privy Council in interpreting the *British North America Act*.

Figure 11-20 What perspective does this cartoon, published in the *Vancouver Daily Province* on August 11, 1933, take on the significance of the Cooperative Commonwealth Federation?



RECALL... REFLECT... RESPOND

1. When examining government responses to the Depression, why is it important to take a historical perspective in order to understand the social, economic, and political context of the 1930s? HP
2. Using a graphic organizer, outline and describe the major changes Canadians saw as a result of the Depression. Also include how Canadian life remained the same. C&C