



Growth, Decline AND Upheaval

November 11, 1918. Victory should have been sweeter. For four years, the big guns had hammered away in Europe. The youthful Dominion of Canada had acquitted herself nobly, sustaining enormous casualties and earning a reputation among friend and foe as a force to be respected and feared. Now it was over. The “Hun” had been vanquished. The Allies had prevailed. But oh, the cost.

As the Great War ended and the weary survivors headed home, Canadians struggled to comprehend the numbers: 60,661 of their youngest and strongest killed in action; another 172,000 wounded, many severely. For a country of barely eight million people, it was no small sacrifice.

Even the able-bodied had sustained their share of wounds. The bloody years in the trenches had been filled with mind-numbing horror. With help, as well as considerable time and effort, most of the hundreds of thousands of returning veterans would eventually re-establish themselves. But their lives would never be the same.

Within months of the armistice, as if to add insult to injury, a flu epidemic began to circle the globe. Carried by soldiers returning to their homes throughout the British Empire, the virus took millions upon millions of lives worldwide, as many as 50,000 of them in Canada. The war

City of Toronto Archives, Fonds 1244, Item 904



1919: Families are reunited with their loved ones as troops return home, lucky to have survived a bloody war.

may have been over, but the shadow of death still loomed.

And then there was the plight of Canada's working people. Organized labour had emerged from the war stronger, its membership having more than tripled in the space of four years. It was also bitterly resentful. During the war, across the country, workers had sacrificed, motivated by official rhetoric about the war leading to a better world. Now they wanted their rewards. Little was forthcoming.

The fruits of the war had gone largely to a select few—businessmen and speculators mostly—who had earned huge profits from war contracts. Little of this windfall had found its way into the pockets of workers. Wages might have increased on paper, but inflation running as high

as 54 percent, had cancelled out any actual gains. Nor had there been a legitimate way to protest the inequities. Legislation of 1918 had given some workers the right to organize and bargain collectively but, for the duration of the war, strikes had been banned.

The only profit for most Canadians was measured in vague feelings of national pride. The obscure colony in the west with its hodgepodge collection of regions and nationalities had acquired—with the significant exception of francophone Quebec—a new,

unified identity. As one Canadian veteran put it, “We went up Vimy Ridge as Albertans and Nova Scotians. We came down as Canadians.”

Beyond the valour of her soldiers, Canada's shift in stature abroad was due in no small part to her prime minister. It was Robert Borden's insistence, during the war and following it, that Canada and other British Dominions be treated as sovereign powers. Borden was present at the Paris Peace Conference in 1919 and Canada signed the Treaty of Versailles in her own right.

The nation's economic prospects had been greatly enhanced by the war. The export market for Canadian products had surged. British munitions orders had created a billion dollar manufacturing boom. And the working population, which now included some thirty thousand women who had been mobilized to join the civilian workforce, was far better skilled.

There was more than enough fuel in place, in other words, to fire the economy, had Ottawa's management of the situation been more competent. Instead, the Union government Borden had forged as a way to sell conscription to the country found itself overwhelmed by massive reconstruction problems. Borden lingered overseas even after the peace treaty had been signed and there was a general resentment among his colleagues about his absence when there were so many domestic problems demanding attention.

“Grass will grow, the river will reach the sea, the boy will become a man, and labour will come into its own.”

Fred J. Dixon, 1919,
one of the leaders of the Winnipeg Strike.

Post-war employment downturns

Immediately following the armistice, Canada's munitions factories were closed and put up for sale, leaving two hundred thousand or so workers to join the rest of the unemployed. Some of the half million returning soldiers managed to find their way into jobs. Often they replaced women who had taken on the better paying jobs during



wartime but who were now expected to give them up to make room for returning soldiers. Thousands upon thousands of men failed to find work, however, and the large numbers of displaced soldiers hanging about at loose ends exacerbated the mood of growing social unrest.

As crisis after crisis hit the country, there was a tremendous need for a strong hand at the helm to manage the transition from war to peace. For the most part, the government's pre-war laissez-faire attitude prevailed, however the government did create a Department of Soldiers Civil Re-establishment and, in 1919, a new federal Department of Health.

The help available couldn't begin to meet the need, however. Re-establishment land grants and pensions were only offered to veterans who weren't able to work. And although the new national system of Employment Bureaus matched some workers with jobs, there was little assistance for those who were unsuccessful in their search.

Frustrated by the apparent indifference of the government that had courted them so assiduously to meet their wartime "manpower quotas," veterans' groups organized. They believed they hadn't been adequately compensated for the years in which they had earned about \$1.10 a day. Some 250,000 veterans and their supporters demanded a "re-establishment bonus" of \$2,000, suggesting that the businessmen who had so richly profited from the war should pay for it.

1919: Just after the war, unemployment is high and people are desperate to find jobs. Reading the want ads is a daily occupation.

Not surprisingly, business resisted the idea. And upon learning that the price tag for such a scheme would be one billion dollars, federal politicians and even some of the veterans' leaders followed suit. Ultimately, the veterans' voices fell silent. The government took the opportunity to trim back even further on its previous offerings.¹

Workers unite

Some veterans, however, linked up with a force that was far less docile: Canada's workers. Their built-up frustration found an outlet in May, 1919. Reacting to a dispute over wages and collective bargaining rights in the building and metal trades, the Winnipeg Trades and Labour Council called a general strike and thirty thousand workers from fifty different unions walked out. Countless businesses from manufacturing companies to restaurants were affected and the city was all but shut down.

The unrest spread quickly, as sympathy strikes sprang up in Toronto, Vancouver, Edmonton and Calgary. In consultation with provincial and federal officials, Winnipeg's business and civic leaders feared that labour was staging a Bolshevik-like revolution. A Citizens' Committee was formed, with a mandate to break the strike. A force of "special police" was established to replace regular police officers, who were themselves unionized.

Civic officials, convinced that they were dealing with "enemy alien,"² arrested the strike's leaders. They also banned the frequent parades and demonstrations led by pro-strike veterans who denounced politicians and businessmen unwilling to create lasting jobs with decent pay.

On June 21, 1919, or "Bloody Saturday" as it came to be known, workers and labour supporters defied the ban on public meetings and gathered at Winnipeg's market square to protest the arrests. Mounted police, assisted by the special forces armed with clubs, beat back the crowd. Thirty-four were injured, two killed.

It was a classic moment in Canadian workforce history: the key agencies of power were squared off against the discontented mob. For Canada's fledgling industrial union movement, it was a decisive blow from a united front of unenlightened employers and unyielding governments.

Employers were focused on the full "utilization of manpower" at the lowest possible cost and resolute in their opposition to any action that interrupted production. Craft-based unions were threatened that their position in the workplace was being undermined by the unskilled. Governments, for their part, tended to view industrial unions as a communist threat. Nor was the upstart industrial labour movement adequately prepared to assert itself. Its various different organizations were fragmented and often bitterly divided. Its needs were not always clearly articulated.

There's little question that all parties involved had their own compelling reasons for reacting as they did. It is conceivable, however, that insightful and visionary leadership from any of these factions at this critical moment might have initiated some form of creative response and seen through the clamour of protest, recognizing the validity of the need at its core.



Bloody Saturday
June 21, 1919:
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in Canadian political
history.



The pent-up frustration of the workers had spilled out, and the best response of the powers assembled was to protect their vested interests. To fit comfortably into the dramatically changed post-war workplace, workers needed certain things: a strong collective voice in their negotiations with employers; better working conditions; and more consideration of their concerns in the workplace.

They received none. Instead, in an atmosphere of alarmist and even prejudicial hysteria, business, government and labour defined their interests narrowly in terms of short-term objectives. And the moment was lost.

A resurgent economy: The country's only priority

Ironically, at that time the “non-interventionist” federal government was exploring a wide range of rather visionary labour market policies. The new Employment Service of Canada for which Etta St. John Wileman had campaigned so tirelessly had been established a year earlier. The service's first director, Bryce Stewart, was an economist and teacher with a comprehensive vision of how an employment service could support the labour force, including Unemployment Insurance. Had policies like these been in effect at the time, they might have gone some distance to stem the tide of opposition. But the wheels of change move slowly and it would be years before Stewart's vision crystallized into comprehensive government action.

BRYCE STEWART

“Some of you will smile at all this,” said the young economist, as he faced a skeptical audience of municipal authorities. The year was 1916. And Bryce Stewart was a public servant working in Canada's infant Ministry of Labour.

Many of the people listening may well have been amused by Stewart's zealous and optimistic view of the role government could play in the labour market. A considerable number of his suggestions would soon be enshrined in employment policy nonetheless, although it would be more than sixty years before the full sweep of his vision would be realized.

Like Etta St. John Wileman, Bryce Stewart had become convinced that the solution to Canada's employment problems was a nation-wide linkage of free labour exchanges. Not only would these offices match workers with jobs, said Stewart, they would also ensure an appropriate distribution of labour and attempt to match individuals with the jobs most suited to them.

In an era in which labour was viewed in official circles as “manpower” to be effectively utilized, Stewart recognized the importance of developing what would later be called human capital. A practical visionary, he saw labour as an essential component in the creation of the nation's wealth. Like Mackenzie King, Stewart believed that labour was composed of individuals, most of whom needed help if they were to become, not just employed, but employed at work which suited them and for which there was demand.

This was radical thinking in the early part of the century.

Born in 1883 near Brockville, Ontario, Stewart began his career as a schoolteacher. He had gained a sharp sense of the futility felt by the typical fourteen-year-old who left school with no particular skills, no sense of the sort of work to which he might best turn his hand, and an overall

Ultimately it was business, more than any other sector, which got what it wanted in post-war Canada. Tariffs were safeguarded, government controls were loosened and the rampant inflation that had characterized the final years of the war was brought under control. Interest rates rose dramatically, of course, as banks moved against inflation. Speculative trading activity on the Montreal Exchange more than tripled in a year.

In terms of Canada's export trade, most parts of the country had benefited from wartime demand. Agricultural goods and natural resources remained the country's main exports. But in central and eastern Canada, the manufacturing sector had gathered strength as new products like pulp and paper, farm machinery, lumber, rolling mills and steel furnaces had all found markets outside of Canadian borders.

When it came to employee relations, factory owners and managers in industry remained as hard-nosed as ever. The business philosophy of "scientific management" put forward by one of America's first management consultants, Frederick Winslow Taylor, had captured the imagination of industrial capitalists around the world. "Taylorism," as it became known, was a highly logical but rather harsh workplace discipline that valued productivity above humanity or ethics.

Like the character in Charlie Chaplin's classic film *Modern Times*, individual workers were seen as little more than cogs in the wheel. And the industrial employers of the day had the luxury of believing that their interests and the interests of their workers were two separate things.

sense of futility. "He commands only a casual labourer's wage," said Stewart, and at the age of twenty, "is no better equipped than when he entered the work world at fourteen."

Government could play a vital role in helping to shape the working lives of such people, Stewart believed. A trained economist, he saw the situation not merely in terms of the difficulties faced by unguided and untrained workers but also in terms of what this pool of untrained potential meant to the nation's commerce.

It was a broad and sweeping vision.

Governments could and should take a direct hand in reducing or eliminating unemployment through research, vocational guidance, work initiatives, active work with industry, public works projects and finally through an unemployment insurance scheme. Labour exchanges could also "work with the parents and teachers of young people about to leave school," he suggested, "and help them select occupations which they would enjoy, which are not in decline and for which they have the necessary aptitudes."

Stewart served as the first director of the Employment Service of Canada from 1918 until 1922. When the fledgling service was effectively halved by Mackenzie King's incoming Labour government, Stewart left his position. He moved to Chicago and began to work for the Rockefeller Foundation and for the Amalgamated Clothing Workers Union. He remained in the U.S. for eighteen years, earning a Ph.D. from Columbia in 1926.

In 1940, Mackenzie King summoned him back to Canada. The National Employment Service and Unemployment Insurance Commission was being established, and historian John Hunter believes the prime minister probably enticed Stewart back into Canada's public service by appealing to his sense of patriotic responsibility. Stewart served as Deputy Minister of Labour from 1940 until 1942, during the crucial era when the Employment Service Commission and the National Employment Service were established.

Processes became more mechanized. People were ever more closely supervised. Working conditions were as bad or worse than they had ever been. And resentment continued to grow.

Voices in the wilderness

The failure of the 1919 strike dashed the dreams of unskilled or low-skilled workers for a strong and unified voice. It would be thirty years before industrial unions would again gather enough strength to get employers and governments to pay attention to their needs.

On the prairies, the seeds of discontent fell on more fertile ground. Agricultural productivity had fuelled expansion before the war, but the prairie economy had begun to weaken. Wheat and wheat flour continued to be Canada's major export, but there was a glut on the market, and prices dropped sharply, just as farm operating costs increased, thanks in large part to tariffs.

Farmers were already deeply angry. Despite promises their sons would be exempt from conscription, the government had reneged and begun calling them up in the final year of the war. Now, as their pleas to government for tariff reductions went unanswered, Canadian farmers began to consider that the central government could not or would not address their needs. They decided to assert their position in the political arena and the United Farmers Party began to spring up throughout English Canada. In 1920, the National Progressive Party was established.

Labour began to grope its way into the political arena, as well. After the 1919 provincial election in Ontario, the United Farmers combined forces with a small labour party to form the government. And at the federal level, J. S. Woodsworth, social reformer and one of the men arrested in the Winnipeg strike, was elected in 1921, along with William Irvine of Calgary, on a labour platform.

Even within the two traditional parties the political winds were shifting. In the years immediately following the war, both the Conservatives and Liberals changed leaders. Wilfrid Laurier died in 1919, leaving the Liberals without a clear successor. They held their first leadership convention and found a new leader in William Lyon Mackenzie King. He was well educated, shrewd and ambitious and had been the country's first Labour minister.

Shortly afterward, exhausted and disheartened by the lack of appreciation for his achievements overseas, Robert Borden resigned. And the hard-working, inflexible and staunchly conservative Arthur Meighen took over the leadership of the Unionist Government.

An election followed in 1921. King's Liberals won although, for the first time, Canadians elected a minority parliament. Regional differences were clearly evident in the voting patterns. Canada's post-war electorate, under the strains of continuing immigration, urbanization, industrialization and the regional economic disparities, reflected the absence of any unifying direction to Canadian life, so central in the years before.

A consummate political player, King was also a former labour negotiator, chosen as Liberal leader partly on the basis of his apparent under-

standing of the problems inherent in the modern industrial workplace. In his dense and theoretical book, *Industry and Humanity*, King endorsed such revolutionary concepts as the eight-hour day and the forty-eight-hour week. The new prime minister's sentiments notwithstanding, it would be several decades before such notions found their way into legislation.

New tools and changing skills

The Great War had propelled Canada into a new technological era. And in the years that followed, the skills and abilities people needed to assure career and employment success began to change.

On the one hand, for the factory workers of the day, work was being deliberately "de-skilled." In search of ever greater efficiencies, manufacturers and industrial employers had developed complex interconnecting systems of machines and workers, all of which functioned under the close direction of a supervisor or manager. In workplaces such as these, Taylorism continued to define management techniques.

Trained craftspeople no longer plied a whole range of skills to create a finished product. Instead, with certain basic abilities and a little instruction, an unskilled person could be quickly trained to complete a single task, and then pass the product on down the line to the next worker, who would do the same.

Ironically, at the same time, the war had furthered the development of a wide range of highly specialized products, sophisticated machines that ran the gamut from cars to farm equipment to typewriters and adding machines. And for almost every innovation that appeared, whole new industries would follow.

Glimpses of the future, and the workplace of the future, were visible in 1919, when Alcock and Brown made the first flight across the Atlantic; in 1922, when Armand Bombardier invented the first practical snowmobile; and in 1923, when baby-faced Foster Hewitt delivered his first hockey broadcast on radio.

Slowly at first, but ever more insistently, the demand grew for a new type of worker, someone with business skills, supervisory skills, engineering expertise, or with the technical and mechanical skills to operate the new technology, as well as to service, maintain and repair it.

Upgrading workplace skills

The Technical Educational Act of 1919 signalled Ottawa's continued interest in developing the skills of Canadian workers. The act created a ten-year, multi-million dollar program of conditional grants to the provinces. The federal government promised to cover up to 50 percent of provincial expenditures for technical and vocational training. Provinces could use the money to build schools, pay staff and train teachers to do the work.

The potential for jurisdictional disputes was carefully contained from the outset. Late in 1920, in a speech at the first annual Conference on Technical Education, the Minister of Labour at the time, Senator

Gideon Robertson, made it very clear that the provinces had full authority over educational matters. He assured delegates that the federal government only wanted to help the provinces provide technical training in an efficient and standardized way. The federal role, he said, was gathering and dispensing information about the labour market as well as providing other printed materials.

Over the following decade, most of the provinces would respond with programs. Across the country, in various ways, technical and vocational schools and courses would be established, as nearly eight million dollars in federal funds flowed into provincial coffers.

Despite advances, however, the early 1920s would prove to be grim for most Canadian workers. Technical skills were of little use in the absence of jobs and, with the post-war collapse of international trade, unemployment was on the rise.

“New materials demand new methods and new methods fling challenges to old conventions.”

Lawren Harris, 1921

Through its Employment Service, the federal government was already involved in the employment needs of Canadian workers. The service was a network of provincial employment bureaus to which the federal government administered financial grants. There were about seventy employment bureaus in operation across the country and, before the decade was out, the Employment Service could boast some 1,900,000 male job placements. However, it says much about the effectiveness of the service and the volatility of the labour market, that many of the jobs were temporary and about a quarter of the people placed in those jobs held them for less than a week.

Initially farm interests in the west opposed the Employment Service. They wanted a pool of cheap labour and did not appreciate the government's efforts to find alternative work for the urban unemployed. Opposition faded, however, once the Employment Service began arranging for workers from B.C. and eastern Canada to work on prairie farms during harvest, a movement that continued until the 1950s.

The not-so-roaring '20s

Seen from the perspective of the present day, the 1920s was a decade of flappers, Mary Pickford, Rudolph Valentino and unbridled growth and prosperity. It is arguable how accurate that image was even in the United States. Canada's experience of growth appeared to be more muted: the pockets of prosperity that did open up proved not to be big enough to meet the needs of all Canadians.

The U.S. was prospering, certainly, and investment dollars were rolling north, building factories to produce rubber, chemicals and clothing in industrial centres around the Great Lakes. Canada's north expanded, as well, as minerals from the Canadian Shield found markets in both this country and the U.S.

By the middle of the decade, the numbers of new immigrants began to rise again and, in western Canada, farming communities had resumed their growth. Although agriculture continued as its mainstay, the western economy diversified to some degree. Hydroelectric plants began to churn in Manitoba and British Columbia and the newly found reserves

in Turner Valley sparked Alberta's oil and gas industry.

What was good for one region in this sprawling nation, however, wasn't necessarily good for another. Industry and influence were becoming increasingly concentrated in the central provinces and the drag was stronger than the Maritime economy could tolerate. The Maritimes' wartime export market had disappeared on the heels of the armistice. Prices for coal and iron dropped and many of Cape Breton's miners were unemployed. The preferential freight rates, lost when the Maritimes' Intercolonial Railway had been integrated into CNR (Canadian National Railway), were not re-established.

Throughout much of the country, in fact even in its most prosperous regions, working people had to struggle to make ends meet. In 1929, the federal Department of Labour estimated that a Canadian family of four required an annual income of \$1,200 to \$1,500 a year just to supply the minimum comforts of life. With the '20s supposedly at full "roar," 60 percent of men and 82 percent of working women earned poverty wages of less than \$1,000 a year.³ The two-income household was a rarity so, in reality, half the working population of Canada was poor as the Roaring '20s ended. For these people, the need was basic survival: to put food on the table and hang onto the roof over their heads.

As if that wasn't bad enough, the situation was about to get much worse. On October 29, 1929, the New York stock market crashed. Canada and the western world had become highly dependent upon U.S. currency and America's economic crisis soon reverberated around the globe. Many people thought the "correction" would be short-lived, but they were to be sorely disappointed. Demand dropped for Canadian lumber, fish, minerals, and pulp and paper. The price of wheat plummeted.

As the Dirty Thirties descended and the economy shrank, the scourge of unemployment was felt as never before. In 1929, Department of Labour figures estimated that approximately 3 percent of Canadian workers were unemployed and looking for work. Within a year, that number had almost quadrupled, to 11 percent, or over half a million people. By the time the Depression hit bottom, more than double that number, roughly 25 percent of the workforce, couldn't find work.

Both manufacturing and agriculture took the hit. About a third of the jobs in the manufacturing sector were lost. Net farm income fell from over \$417 million in 1929 to \$109 million in 1933.

Canadians lucky enough to hold down a job during these brutal



City of Toronto Archives, Fonds 1244, Item 903

1926: Thanksgiving Day, veterans march through the streets of Toronto protesting the lack of jobs.

years fared well enough, as wages remained constant for a time while prices fell. Eventually, however, even wages came down, as most government employees and many in large organizations took a wage cut of 15 percent or more. Some of the craft unions voted to work half time, sharing the other half of their work with other union members.

The arrival of the Dirty Thirties

As the Depression deepened, regional disparities became more evident. No part of the country escaped the economic upheaval, but few were as badly off as those on the Canadian prairies. What the failing economy didn't do to prairie farmers, Mother Nature did. Drought settled in as the decade began and, aside from occasional brief respites, it persisted until 1937. The fragile soils had been ploughed too deeply, the land dried out, the winds picked up and dust storms raged. During those few intervals when the wind dropped and some rain fell, grasshoppers descended. By 1937, two out of every three Canadians living in rural Saskatchewan needed assistance.

In those years, Canada had few social security measures, outside of a small old age pension of \$20 a month for needy seniors. Some provinces had also legislated a Mother's Allowance, which directed a pittance to widows and deserted wives with two or more children.

Other relief or welfare programs did exist and, when the Depression was at its worst, no less than one in ten Canadian families relied on them. "Relief" in this guise was modeled on nineteenth century "poor-relief" systems. Despite the crushing weight of the country's economic problems, it was generally felt that the poor had no one to blame but themselves. Applying for welfare was a humiliating experience and relief benefits were available only after people had given up virtually all possessions of any value, including their clothes and pets.

1931: Mother Nature adds to the nation's grief as the soil dries out and dust storms blow away what had been rich, productive land.



Archives of Manitoba/Drought 16/N17765

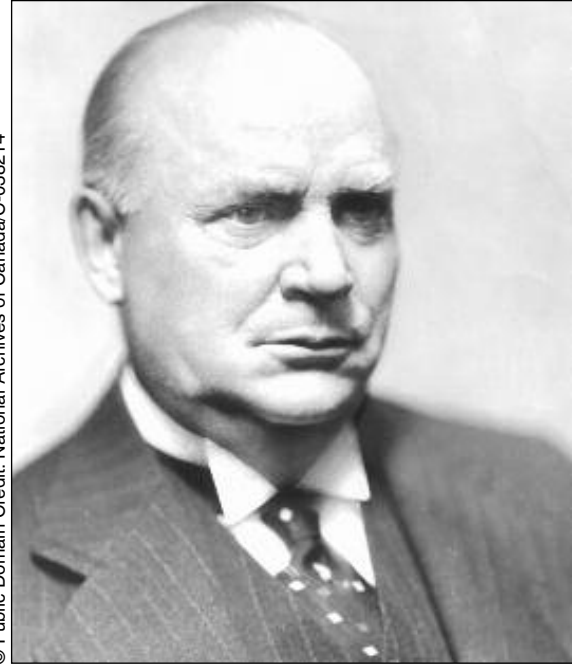
In Nova Scotia and New Brunswick, most poor families were forced to take up residence in the county poorhouses. Relief programs put a tremendous financial burden on civic and provincial governments. In 1930, nationwide, roughly \$18 million was spent on relief expenditures. Five years later, that outlay had ballooned to \$173 million, so stretching the finances of some civic and provincial governments that they faced bankruptcy.

In 1930, the Tories took power in Ottawa, with their new leader R. B. Bennett promising to end unemployment or die in the attempt. He did neither but, as the crisis deepened, he did take some action, providing federal grants worth \$20 million to the provinces to help them cover relief expenditures and implement public works programs to create jobs. His efforts barely made a dent in the problem.

Young single men were not eligible for relief outside of workhouses and many took to riding the rails across the country, looking for food or following rumours of work in other centres. In 1932, Bennett's government decided to take control of the problem and used the Department of National Defense to establish work camps, most of them in remote areas.

Run under strict military discipline, the camps put men to work clearing brush and building roads, for which they supposedly earned a dollar a day. Once their "expenses" had been deducted, however, the amount dropped to about twenty cents. Conditions in the camps were often shameful. The food was dreadful, accommodations were rudimentary and services like latrines were inadequate to the numbers of people in residence. Over the next four years, upwards of one hundred thousand young men were sent to live in these camps, which some referred to as slave camps.

By the middle of the decade, a deep discouragement and resentment had built up not only in the relief camps, but also among the million or more people unemployed across the country. It was a time of incredible poverty and destitution. Some families depended completely on bread lines and soup kitchens.



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1930: R. B. Bennett won the election for the Tories promising to end unemployment. But by 1935, he had failed, and lost the election to Mackenzie King.

Communities respond once again

Immediately after the First World War, successful businessman Horace A. Moses founded an organization he called Junior Achievement to interest young people in starting up their own business. Moses saw entrepreneurship as a means for young people to learn the benefits of self-sufficiency. His school-based program was one of the first to understand the holistic nature of career development and hence emphasized both workforce readiness and life skills. Eight years after its inception, Junior Achievement involved young people in many countries, plus thousands of workplace-based mentors who continued to emphasize the principles Moses had laid out at the close of the First World War.



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1935: The trek to Ottawa to meet with Prime Minister R. B. Bennett became known as The Depression Train.

Throughout the post-war period and the Depression, many community service agencies began advocating on behalf of the needy and the disadvantaged. In major urban centres, religious and charitable organizations expanded their missions to provide for transient or homeless men, including veterans. The scope of the demands, however, far exceeded their ability to meet them.

The Great Depression did see the formation of another raft of community agencies concerned with the welfare of Canadians. For instance, Goodwill Industries (1935) and the Woodgreen Community Centre (1937) formed in Toronto and, once again, the Vancouver YWCA found itself providing courses and placing women in jobs throughout the '30s.

And yet, in Canada, there were no professionals trained in the field of career guidance and counselling at the time. And the counselling available from charitable and religious organizations tended to focus on basic survival needs like food and shelter. When assistance of this kind did address working needs, it tended to focus on finding work, any kind of work. Long term vocational goals and a plan to achieve them were generally not a part of the working person's life. During this

time, public policy and opinion converged on one issue and one issue alone: jobs.

As much as the Great War before it, the Great Depression had a deep and lasting impact on Canadian society. As it demonstrated the vagaries of 20th century life, it forged a new political and social awareness. And it amplified the workers' needs for help and direction. In the shattered dreams of people who had once prided themselves on their self-sufficiency and the disappointment of those who had fought valiantly for

"When the Depression came,
our world stopped, and we got off."

James H. Gray, 1929

their country and returned to an indifferent government, there was a dawning realization that Canada's political and social systems were inadequate. And out of this recognition, the political capital of individual Canadians grew.

Recognition of another kind of bridge financing: Between jobs

New political parties were created to offer Canadians choices. From the west came the Cooperative Commonwealth Confederation (CCF) and the Social Credit, both with well-defined social agendas. In Quebec, the Union Nationale emerged to tackle traditional parties and their positions on economics, as well as Quebec's unique cause, cultural preservation.

Pushed by a growing pressure from the left, mainstream government began to provide assistance to people in need. Probably the most important new social program came from Ottawa. Bennett had tabled the Unemployment Insurance bill as part of his 1935 New Deal; however, an election later that year overturned Bennett's Tories and gave the country back to Mackenzie King who referred the UI bill to the judicial committee of the Privy Council of the United Kingdom, then Canada's final court of appeal.

In 1937, the Privy Council ruled that Bennett's bill was unconstitutional because it invaded provincial jurisdiction without the explicit approval of the provinces, and several provinces opposed federal legislation on Unemployment Insurance. Once again, the jurisdictional split between the central government and the provinces stood in the way of decisive action.

Unemployment remained high and government began to direct some of its attention to the worrisome numbers of idle young people who had begun to appear on the streets. The Unemployment and Agricultural Assistance Act of 1937 was its response. While providing funds for the vocational training of jobless men and women between eighteen and thirty who were registered with the National Employment Service, the act also stressed the need for adequate counselling, guidance and placement services.

In 1940, King tabled his own Unemployment Insurance bill. The consultation with the provinces was more agreeable in the context of the war effort. And the Unemployment Insurance Act finally became the law of the land, establishing both a compulsory contributory insurance scheme and a revamped Employment Service with a truly national mandate.

"You referred to us as not wanting work. Give any of us work and see whether we will work."

Arthur (Slim) Evans, 1935
labour organizer
who led a delegation of striking
relief camp workers to Ottawa.

Spending for jobs

Taken together, the Unemployment and Agricultural Assistance Act and the Unemployment Insurance bill were nowhere near sufficient to respond to the swollen need the nation now confronted. But at least

some of the people in power were considering constructive ways to respond. And not a moment too soon.

In the latter half of the '30s, as the national economy shunted slowly toward recovery, it became obvious that average working people were not among those on the gravy train. To some extent, the economy was on the mend, but although the business climate had clearly improved, incomes continued to sag and unemployment remained high.

Hamstrung by the constitutional limitations on their powers and ret-

icent to challenge traditional methods of economic management, both federal and provincial governments seemed stymied by the situation. In 1938, the economy began to slump again and Ottawa policy chiefs began to talk cautiously of a “stimulative deficit.”⁴ If people and businesses weren’t ready to spend the economy back to health, they argued, Ottawa would have to do it for them.

In relatively short order, the government began to fund a variety of work projects and subsidized numerous housing and construction projects.

The youth training program alone would receive nearly \$3.5 million over the next five years.⁵

The staunchly anti-interventionist government had undergone a conversion, at least rhetorically. “The old days of laissez-faire, and the devil-take-the-hindmost have gone for good,” proclaimed the Liberal Finance Minister Charles Dunning in 1939, suggesting that the federal government had recognized that government intervention was necessary to improve the economy and create jobs.

Within months, the spectre of war was upon the nation again and many of the decisions politicians had been afraid to make were made for them. In the end, it was government spending on yet another war effort that finally put Canadians back to work.



1933: Heroes and Bums. Protest scenes like this continued the cry for help from men who felt their war efforts had been largely ignored by an indifferent government.

Glenbow Archives NC-6-13068b

¹ Desmond Morton, *A Short History of Canada* (Toronto: McClelland & Stewart, 1992).

² Ibid.

³ Ibid.

⁴ Ibid.

⁵ “A Review of Federal Legislation Relating to Technical and Vocational Education in Canada” – Donald Glendenning, Programs Branch, Dept. of Manpower and Immigration.

⁶ Craig Brown, editor, *History of Canada* (Toronto: Key Porter, 2000).