

1930

CHAPTER THREE

1939

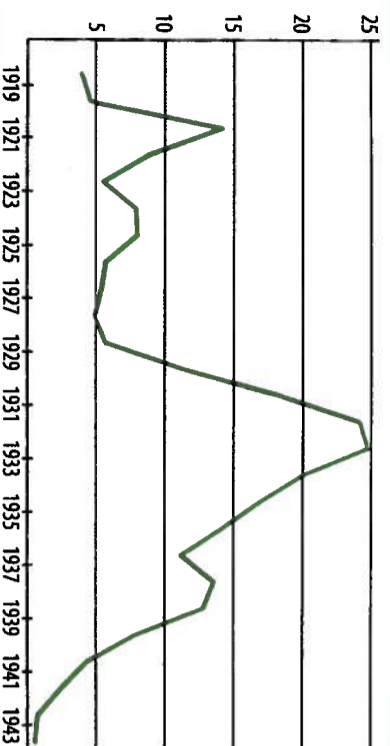
Introduction

Evidence 3.1

Source: Statistics Canada Catalogue no. 71F0030XIE

Canadian Unemployment Rates 1919–1943

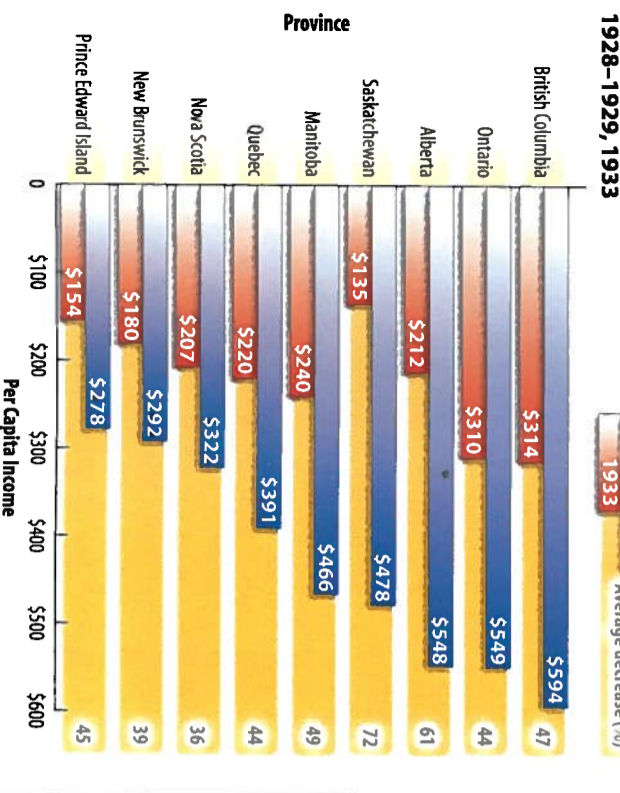
Unemployment rates peaked in 1933, with over half a million unemployed.



Note: Excludes Newfoundland.

Evidence 3.2

Per Capita Income by Province, 1928–1929, 1933



Source: Data from Report of the Royal Commission on Dominion–Provincial Relations (Rowell–Sirois Report), 1940.

R.B. Bennett and Conservatives formed the government.

1930

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CANADA'S
POPULATION
10 208 000

The 1930s are often described as the Great Depression, and during those years the economy dominated politics in Canada and abroad. At the height of the Depression, millions of people around the world were out of work.

- As you learn about the Depression, sort the causes and consequences into short-term and long-term, and then rank them with respect to their impact on various historical persons/groups.
- As you read, select evidence that explains the values and beliefs of some Canadians during the 1930s.

In response to a Royal Commission report on the Depression's financial challenges, the federal government introduced the *Bank of Canada Act* in 1934, which created a central bank "to regulate credit and currency in the best interests of the economic life of the nation." Before 1934, chartered banks had regulated their own credit and set their own lending rates.

Governments tried a variety of strategies to help unemployed people survive, including such new ideas as welfare payments, relief camps, and Prime Minister R.B. Bennett's "New Deal," which included a minimum wage and employment insurance. Workers tried to organize for better conditions and wages, but the surplus of labour made achieving this goal a struggle.

The Great Depression had a profound effect on Canadian attitudes toward people who were unemployed and the role that governments should play in people's lives. By

As the Depression spread across the world, the effects in Canada were felt particularly deeply by provinces that depended on exporting primary goods (such as wheat, lumber, fish, potatoes) to foreign markets. The Depression was further deepened in the US and Canadian West by drought, massive dust storms, and plagues of grasshoppers that could destroy a field of wheat in minutes.

Statute of Westminster came into effect.

1931

Foster Hewitt broadcast the first hockey game on radio from Maple Leaf Gardens in Toronto.

Seven-month miners' strike in Crownst Pass, BC.

1932

Dr. Elizabeth Bagshaw set up an illegal family planning clinic in Hamilton, Ontario.

Relief Act passed create relief camps

the end of the 1930s, many Canadians had concluded that unemployment was not the fault of those who were unemployed, and that governments should intervene where necessary to improve the lives of those who were suffering. New political parties, including the Social Credit Party, the Communist Party of Canada, the Union Nationale, the Reconstruction Party, and the CCF (which you will read about in Section One), were created in an attempt to provide new solutions to the economic challenges of the Depression (Evidence 3.3, 3.4, 3.5, and 3.6).

At the beginning of the Depression, the Communist Party of Canada, led by **Tim Buck**, grew in strength because it offered practical help. For example, it advocated for the right of destitute Canadians of Chinese descent to receive social assistance and organized workers in relief camps to fight for better conditions. However, Prime Minister Bennett, like many Canadians, feared communism and the threat it posed to government. In 1931, he declared the Communist Party illegal. Seven of its members, including Buck, were sent to jail. The party was legalized in 1936, only to be banned again in 1940.



Evidence 3.3

William "Bible Bill" Aberhart, a Calgary school teacher, broadcaster, and founder of the Social Credit Party, believed Canada's economic problems were the result of under-consumption and could be solved by giving citizens "social dividend." Aberhart promised every adult in Alberta \$25 per month. In 1935, he was elected premier of Alberta. In that same year, the Social Credit Party won 15 of Alberta's 17 seats in the federal election.

Evidence 3.4



Evidence 3.5

Maurice Duplessis, one of the founders in 1935 of the Union Nationale. In 1936, Duplessis, running as a reformer with support from rural communities, small businesses, and francophone Catholics, led the Union Nationale to victory in the Quebec election. Duplessis blamed the Depression on English-speaking owner businesses in Quebec and promised to defend the French language, religion, and culture against English Canada.

Evidence 3.6

Henry Herbert Stevens was leader of the Reconstruction Party, which he created in 1934. A former Conservative MP and cabinet minister, Stevens argued for significant government intervention in the economy and for economic reform. Other ideas included public works such as completing the Trans-Canada Highway and the establishment of national housing. The Reconstruction Party nominated 174 candidates in the 1935 election, but only Stevens won a seat. The party was soon disbanded, and Stevens returned to the Conservative Party.



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At the beginning of the 1930s, there were two major political parties: the Liberals and the Conservatives. In the federal election of 1935, along with 173 Liberals and 39 Conservatives, 17 Social Credit, seven CCF, and one Reconstruction members were elected. By the end of the 1930s, "third parties" had become a fact of Canadian political life.

W.L. Mackenzie King and Liberals formed the government.

1935

Germany invaded the Rhineland.

Trans-Canada Airlines (TCA) founded by an Act of Parliament.

1937

Germany invaded Czechoslovakia; Canada declared war on Germany.

1939

National Film Board created.

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