

Chapter 5.7/5.8 Dealing with The Great Depression

At the time the Great Depression happened there was no government programs to help citizens in need of food and shelter. All people were responsible for their own well being. The great depression, however, showed everyone that even hard working people aren't able to succeed all of the time. Many people were vulnerable to the business cycle and world trade. There needed to be some form of help available.

Prime Minister King (Liberal) refused to see the depression as being a long term thing at first and left it for the provincial governments to deal with. He refused to deal with meet with delegates from the western provinces when they came looking for help, thinking they were a Conservative plot to embarrass his government. He stated that he would not give any money to help out the Conservative led provinces, "I would not give them a five-cent piece."

In response to other countries doing the same, King did try to protect Canadian businesses by raising tariffs on trade goods from anywhere except Britain. This tended to reduce trade rather than increase it.

In 1930, R.B.Bennett and the Conservatives defeated King in the election.

Charitable and Private Relief

Charitable organization began to:

- Supply food supplies
- Organize soup kitchens
- Gather clothes and provided shelter for unemployment
- Supplied milk to women with babies
- Municipalities began providing assistance for the bare necessities: people on this relief were said to be on **the dole**
- Applicants for relief had to prove they were poor. They were not allowed to own cars, radios, or telephones.
- They were also given food vouchers which made them stand out while shopping.
- Made it very unattractive to encourage people to look for work.

** most municipal governments had also borrowed money to build roads and other public works during the booming 20's. Many towns were on the verge of bankruptcy now and didn't have much to spend on relief during the depression.

Relief Camps

- Desperate for some way to control the growing army of young men without homes or jobs, and with the fears of a Communist revolt still in their minds, the Federal Government set up relief camps.
- The camps were run by the Department of Defense and were military in set up. They housed as many as 20 000 men at a time, far away from the cities.
- Men would be given food and housing and more importantly some sort of work to do. Some of the work was useful, other times it was “Make work projects”. Either way, the work was supposed to give the men a sense of purpose and a feeling of achieving something; to help lift the sense of depression.
- Men in the camp cleared land, did logging, build roads, created public buildings and planted trees. Mostly jobs that built an infrastructure for our growing country.
- Although they were supposed to help deal with the problems of unrest, the camps only exaggerated the problems, as young men got more frustrated with being shipped off to isolated areas and paid 1/10th of the wages for the job being done.



On to Ottawa Trek

- Workers in relief camps planned a peaceful trek to Ottawa.
- They intended to present their demands for improvements in the living and working conditions of the camp.
- The trekkers were stopped in Regina by the RCMP. Violence broke out and hundreds were injured. One officer was killed and 130 marchers were arrested. Only the leaders were allowed to continue on to present their demands to Prime Minister Bennett.
- After the trek, conditions were improved in the camps. The Department of National Defence turned the camps over to the provinces, who organized the camps as Public Works, rather than relief camps, while improving pay rates.



Newfoundland and the Great Depression

- In 1930, Newfoundland was its own country, just like Canada.
- They had a booming trade based on fish with many other countries.
- During the 1920's the country had borrowed money to build public works within many of the small communities.
- During the depression, markets for their fish had almost disappeared and they could not repay their loans.
- In 1933 the Newfoundland government declared the country bankrupt. Britain stepped in and helped pay off the interest on the loans and provide some relief for the unemployed. As part of this move, they also took over the running of the country again.

The Bennett Government

When the Bennett Conservatives came to power they tried to deal with the depression by passing a number of bills. They first funded public works programs, thinking that the workers would benefit from getting pay. Later they got more direct and funded relief programs that gave money and necessities directly to those in need. The government just didn't have enough to take care of all the needy.

Bennett created the Bank of Canada in 1934 to help regulate currency and credit use in the country. This still exists and is in charge of setting the value of currency and the interest rates for borrowing money in Canada.

Bennett's government also proposed unemployment insurance, a minimum wage law and a shortened work week. However, it seemed like too little too late, and they lost power to King's Liberals again in the 1935 election.