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A HASTY PATCHING UP . . .
AN EXAMINATION OF UNEMPLOYMENT
AND RELIEF PROGRAMS AS THEY AFFECTED
CANADA'S TRANSIENT AND SINGLE JOBLESS
1935-1940

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ABSTRACT

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A HASTY PATCHING UP . . . AN EXAMINATION OF UNEMPLOYMENT AND
RELIEF PROGRAMS AS THEY AFFECTED CANADA'S TRANSIENT AND SINGLE
JOBLESS, 1935-1940

In 1935 Mackenzie King regained political power and inherited a theoretical threat to existing social and political institutions posed by an estimated 100,000 single, homeless, unemployed adults. This group of unemployed, hardest hit by the depression, were looked upon by governments and police as possible troops for a revolution led by communist and anarchist agitators.

This group of unemployed also posed another problem for governments. They required social welfare and medical aid, but no level of government was willing to assume the added financial burden of providing this growing number of jobless Canadians with assistance.

The King government drew upon and modified several programs begun by the Bennett government to "solve" the two problems. A flurry of widely publicized studies, conferences, commissions, and committees and programs merely masked the extent of unemployment and the government's inability to cope with the problems endured by transients and the single unemployed.

A laissez-faire approach to economics and the depression itself lay at the heart of the government's ineffectiveness in dealing with the human element. Liberal policies and programs did provide answers to the problems posed by the unemployed for governments, but did little to help jobless men and women get through the depression on anything more than a mere subsistence level.

Because unemployment never became an election issue, the most widely held popular view today is that somehow King, without fanfare, ended unemployment and relief. That myth does not stand up to scrutiny. The flurry of government programs merely scratched the surface of Canada's unemployment problems, but those programs have never been examined. War, which overtook the depression and its problems, and the passage of time added to the impression that King's programs were far more effective than they really were.

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CHAPTER I

THE TRANSIENTS

Throughout the depression years, Canadian governments were haunted by an ever-present reminder of their failure to find a solution to the twin evils of unemployment and relief. That reminder stood on downtown street corners, clung to the tops of freight trains, lined up twice a day at local soup kitchens, and always bothered the more prosperous citizens with requests for a job, food or a few pennies. Transients only had time and the freedom to move--they were young, homeless and unemployed. They were Canada's outcasts.

Once such transient described his feelings upon being told to leave an Ontario town sometime in 1932.

"Quite evidently there is no use for a penniless person in this land of opportunity; a person without work is considered an outcast, no town or city wants him but he can usually get two meals a day and exist because even Canadians do not usually let dogs starve. When a person has lost all his money and cannot get work he can either take to the road and become a bum or stop in his home town and get a free bed and two meals a day from the city for relief for which he has to do as many hours of work per week. I estimate that this scheme breaks the spirit of the average man within a year; hence I chose the road. My spirit is by no means broken, I just feel angry and the harder Canada kicks me the more I will retaliate. I do not consider myself an ordinary 'bum'. If there is any work to be done I'll do it providing I receive what I

consider to be a decent living wage. I will certainly not work for my board and I will not work for the pittance many are receiving today."¹

In expressing such bitterness and disillusion, that young Canadian was by no means unique; most transients had similar feelings during the ten long years when they were abandoned by Canada's social, industrial and political leaders. Governments did not seem to recognize the problems that transients faced--the lack of a job, food, a home, adequate clothing and the need to be accepted as part of the Canadian social milieu. Governments saw only the end products of the lack of these basic needs--the bitterness towards the status quo.

The "transient problem" had not existed before the depression. In more prosperous times, large numbers of migrant workers were essential to maintain Canada's primary industry economy. These workers, for the most part labourers or semi-skilled workers, moved freely across the country seeking seasonal employment. Migration patterns followed a movement into the isolated forest, mining or agricultural industries in one season and a movement back to urban centres in the next. There was also a movement across interprovincial borders to new job markets. Even though this employment pattern had little to offer in terms of permanent social security, the

¹ Horn, M. éd. The Dirty Thirties, Copp Clark, Toronto, 1972; page 319.

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drifting pool of labour was essential to Canadian industrial out-put and future economic development. It was looked upon as a remedy to distribution during times of economic stability.²

But with a serious recession or such a devastating long-term depression the economic benefit of mobility became a grave liability.

"Transiency is the trouble function of mobility and a transient is distinguished from his fellow being by the circumstances that his movement from one place to another has created a social problem (homelessness). The problem of the transient is primarily one of employment, and the wise use of labour at an adequate wage, rather than a problem of relief."³

Prior to the depression, migrant workers could save enough money to tide themselves over to the next period of seasonal employment or until they met residency requirements for local relief. Normally they relied on local relief only until seasonal employment picked up again. It did not take long for the depression to wipe out those savings and the resources of local relief agencies. The number of single homeless persons increased dramatically in 1930 and 1931 putting a severe strain on the urban relief systems. Transiency became an acute problem in Western Canada.

² "Revised Draft--Organization of Aid to Persons in Distress", Charlotte Whitton, Department of Labour, March 1937; RG 27, Accession 70/382, Box 75, pages 154-75.

³ Department of Labour; "Dominion Unemployment Relief, Relief Since 1930"; RG 27, Accession 70/382, Box 75.

A study made in 1937 for the National Employment Commission by Charlotte Whitton estimated that there were nearly 100,000 unemployed wage earners with no homes of their own but who were receiving some form of aid. Only 10,000 of these transients could be traced back to the pre-depression migrant labour pools.⁴ Probably thousands more had never applied or received any form of direct material aid. They just relied on the many soup kitchens and municipal flop houses for a few days respite, before moving on again. They had no other choice. They could not meet the residence requirements for local relief.

When on the road, transients headed for the larger cities where relief handouts were more generous and job openings more probable. Almost every city had a 'transient problem', but for different reasons. Transients deported from the United States were sent to Sarnia, Windsor and Niagara Falls. Montreal and Vancouver had an influx of the jobless not only from the hinterland, but also from the sea, as they were major ports of call. Calgary, Regina, Saskatoon and Winnipeg were identified as gathering centres during the winter. Kenora, Fort

⁴ "Summarized Report on Coordination of Aid", Charlotte Whitton, Department of Labour, March 20, 1937, RG 27, Vol. 211, File 613, page 28.

William and North Bay were on the trans-Canada rail lines and were used as stop-over points for the 'rod-riders'. With its higher relief allowances, Ottawa attracted a number of transients from Quebec.⁵

A tide of human raw material, one of Canada's greatest natural resources, ebbed and flooded over Canada. Thousands of men were gathering, staying, leaving, and moving on again, back and forth across the country through centers from Port Alberni to Sydney. While politicians and the daily press reinforced the distorted concept that transients were mere free-loaders and trying to get something for nothing, many transients were constantly on the look out for jobs.⁶ Many Canadians forgot that the migrant worker had been essential to Canada's economic prosperity during better times. The search for jobs to fulfill an ingrained work ethic was not easily abandoned, as the Montreal Protestant Bureau for Homeless Men noted in its 1936 annual report.

"It is just as true today as it was a year ago that the majority of men who call at our office are anxious to work. Comparatively few are satisfied to live on the dole. This is both an encouragement and a challenge.

⁵ Department of Labour; H.S. Relph memorandum to National Employment Commission, 1 October 1936; RG 27 Accession 70/382, Box 64, File: Transients

⁶ Whitton, "Revised Draft . . .", pages 129-131.

"It is this urge to find work that accounts for much of the travelling about the country of the unemployed single men . . . in most cases their work record is a broken or a casual one. Each year more men are being added to the ranks of the unskilled and semi-skilled workers, with the results that do not promise well for the future."⁷

Through daily contact with transients, the Bureau was also able to determine that a second major cause for young men leaving home was the desire to reduce the number of mouths to feed. Another factor was that the enforced idleness and just sitting around for long periods increased friction in the family. Of course for many a change seemed a challenge for the better.⁸

That challenge prompted Hugh Garner to leave home, hop freights, hitch-hike, and walk across Canada and the United States.

"During the years between 1930 and 1939, I travelled across Canada from Montreal to Vancouver and from Massachusetts to Mexico, with shorter serendipity trips here and there through the Canadian West, the U.S. South and damndest places you ever heard of in search of work--'they're taking on tomato pickers in Santa Barbara!--in search of change, for adventure or just for the fun of it . . .

⁷ Montreal Protestant Bureau for Homeless Men, Annual Report, December 31, 1936; Department of Labour, RG 27, Accession 70/382, Box 82, File: Single Homeless Men, Montreal.

Ibid.

"When I'm asked why I rode the freights and beat my way through much of Canada and the United States instead of working at the terrible jobs I had between trips in Toronto, my best answer is that when I was at home I was poor, but when I was on the road I was merely broke. And there's a lot of difference between the two."⁹

Many of the same reasons were given by the men who were interviewed by Barry Broadfoot 35 years later. The futility of it all was sharply etched in their memories.

"Usually they were coming from nowhere and going nowhere. Why did they do it? Some left home because their belly was just another one to feed in a home without enough food for the little ones. Some fathers just quit because they could no longer take the shame of hanging around the house any more. Some, usually the younger ones, sought adventure, to see the Rockies or the Pacific Ocean or Montreal. Others just found their natural bent in wandering. . . . Of course, the rationale for most was that they wanted to find jobs, but they quickly learned that there were no jobs. So they just kept travelling around, hoping for something."¹⁰

One of the men Broadfoot interviewed, a graduate of the University of Alberta, Class of '30, started riding the rods that year and went on to make a career on skid row.

"I've seen a train passing through Headingly (Manitoba) going west and it would be black with men, hundreds of them, all heading west looking for work, just heading west looking for a dollar

⁹ Hugh Garner; "On the Road Through the Thirties", Weekend Magazine, February 27, 1971, page 4.

¹⁰ Barry Broadfoot, Ten Lost Years, Doubleday Canada Ltd., Toronto, 1973, page 130.

a day, and that train would pass another going east, you understand, and it would be black with men heading into Winnipeg and on out the other side, and guess what they were doing. Heading east looking for work. A dollar a day. Aimless. Just wandering. Going nowhere."¹¹

Almost all travelled by railroad, hopping a freight. They were harassed but not stopped either by railroad security men or police. They were going nowhere and getting nothing when they arrived. In the 1930s, the responsibility to provide relief and assistance to local residents, as well as transients, rested with local authority, a legacy from the Elizabethan poor law system. The transient was an outsider and came at the bottom of local relief agencies' priorities.¹²

The very essence of a transient, his lack of a permanent residence, automatically disqualified him from normal assistance. Applicants for local aid had to meet various but stringent residency requirements, which were arbitrarily set at three, six or 12 months. Municipalities used their residency requirements to try to shift the responsibility for the transients on to the provincial authorities. Few municipalities accepted transients as bonafide relief cases because they would simply add to their relief burden. Relief officials and local

¹¹ Ibid, pages 131-132.

¹² H.M. Cassidy, "The Program of Relief, Health and Welfare Services for Interprovincial Transients, 1936"; Department of Labour, RG 27, Accession 70/382, Box 68, File: Transients.

governments feared that if they provided more relief, the word would soon spread and their community would be overwhelmed with transients.

Homeless unemployed Canadians would have found little sympathy or assistance from the provincial governments. In 1936, Saskatchewan provided transients with provincial aid but tried to send them back to their province of origin. Alberta registered intra-provincial transients and then sent them back to their home municipalities; interprovincial transients were encouraged to move on by attempts to send them to relief work camps or farm work projects. Manitoba also gave out-of-province transients provincial relief, sent Manitobans home or tried to send them on during the warmer summer months.

Quebec and Montreal, in particular, simply washed their hands of transients and turned the homeless men over to the swamped religious and private agencies. British Columbia tried to give transients some relief and encouraged them to go back east or to an isolated work camp. The Pacific province complained that the great influx of transients was primarily due to the harsh treatment meted out by other provinces, but the balmy winter climate was another major factor. Nova Scotia was one of the few provinces to report that it did not have a major transient problem, with only 300 or so known transients in the province.¹³

¹³ Department of Labour; Federal-Provincial Conference on Transients, 1936, Report; RG 27, Accession 70/382; Box 68, File: Transients.

Transients did not find much more than soup kitchens or an overnight pogy courtesy of the provinces for many of the same reasons municipalities could not provide more aid--residency requirements, strained provincial relief resources and a fear of becoming a provincial haven for Canada's unwanted transients. Health insurance was only available to residents of Alberta and Saskatchewan. Workmen's Compensation was available in eight provinces, but one had to have a job to become eligible. Even if Bennett's 1935 unemployment and social assistance act had not been tied up in the courts, a transient would have needed a job to qualify. Old age pensions were miniscule and limited to those over 70 in only seven provinces.

The only level of government left was the Dominion administration. Even though the constitutional responsibility for social assistance and relief lay with the provinces, as early as 1931, under the provisions of the Unemployment and Relief Act, the Dominion contributed 50 per cent of relief costs for transients (food and shelter) while the provinces assumed the remainder.

Such cost-sharing programs did not help the bulk of the transients, apart from ensuring the availability of the traditional meal ticket and flop house bed. Federal monies for these programs went directly to provincial or local authorities, who disbursed aid without any federal input to the programs or their coverage. This federally financed system still left transients at the mercy of local relief authorities.

By contrast, the United States opted for complete federal responsibility for transients. By January 1934, 261 federal transient centres and transient camps were in operation south of the border.¹⁴

At least two prominent Canadians were aware of the problems that transients faced. Professor H. M. Cassidy and Charlotte Whitton were employed by the federal government in 1936 to make separate studies of the transient relief problem. Cassidy, a well-known sociologist at the University of British Columbia, lay the blame for discriminatory relief policies at the feet of the Dominion, even though the federal government was jurisdictionally limited in dealing directly with transient relief. It was simply a lack of leadership in a situation that demanded it.

"The Dominion Government has done little to deal with this situation beyond granting work relief to transient single men in the Western provinces and there has not been much progress as yet in the way of voluntary interprovincial agreements to obtain uniform methods of procedure and care. The existing situation makes for injustice to the transient."¹⁵

¹⁴ "Rigg Committee Report", Department of Labour, February 21, 1936; RG 27, Vol. 65, File: 000.01:9

¹⁵ Cassidy, "The problem of relief . . .", page 3.

In Cassidy's view, the Dominion Government could withdraw from the transient relief field if King would take the initiative and bring about a series of reciprocal inter-provincial agreements to care for all transients and continue to provide funds to local authorities. Such agreements would eliminate the discrimination transients faced when seeking health, welfare, or social assistance reserved for provincial residents.

Under Cassidy's proposal, each transient would be required to claim one of the provinces as his residence. Credit or funds for providing each transient's relief would be transferred or charged to the 'home' province. This would allow the transient to continue to search for jobs while ensuring assistance would be available. Cassidy's reciprocal agreement proposal was similar to some aspects in the Alberta and Saskatchewan health insurance schemes. Responsibility for those transients who could not claim any provincial residency would lie with the Dominion.¹⁶

Cassidy's interprovincial reciprocal agreements, backed with increased federal funding, would put the transients on the same footing as other Canadians. The proposal would eliminate the rigid residency requirements; it would go a long way in calming provincial and municipal fears that their

¹⁶ Ibid, page 8.

relief systems would be swamped or their jurisdictions over-run with transients; and the proposal would tend to lessen suspicion of outsiders like the transient. Cassidy foresaw that such reciprocal arrangements could become a fixture in a permanent Canadian social assistance system.

He noted that criticism had been made of his proposal that reciprocal agreements might have the effect of encouraging transients to stay on relief indefinitely. Cassidy realized that ending disadvantages of the transients would not magically end unemployment and relief or the huge drain on finances. The unemployed had to be drawn back into the work force either directly or by re-instituting a work project system that could be less expensive than direct relief and would give a tangible return.¹⁷

Cassidy must have been disheartened by the provincial response to his proposal--only British Columbia and Alberta formally reviewed his proposals. British Columbia had some constructive criticism while the new Social Credit government in Alberta rejected the concept as impractical! The other provinces did not reply to the Dominion request for comments on the Cassidy study.¹⁸

¹⁷ Ibid, page 15.

¹⁸ Relph Memo to National Employment Commission, October 1, 1936, re: Interprovincial Transiency.

The approach taken by Cassidy focused on the problems faced by transients and recommended government programs to alleviate or eliminate their discriminated position. It was one of the few reports in the files of the National Employment Commission that had the interests of transients in mind. All other reports, studies, and recommendations dealt with the problems transients posed to government and relief agencies. The basic recommendations of these papers focused on improved administrative procedures to eliminate the 'transient problem'.

In 1936 while Cassidy was completing his study, Charlotte Whitton was just beginning her review of relief aid administration across Canada. As chairman of the Canadian Welfare Council, Miss Whitton was hired by the National Employment Commission as a consultant to recommend a coordinated relief system and future Dominion involvement in what was still considered to be a strictly provincial matter. Characteristically, the study which concentrated on administrative procedures, definitions and bureaucratic options reflected the convoluted language of civil service documents.

"Your commission is satisfied of the need for development of a policy and program looking toward the re-establishment of persons ordinarily self-supporting and for provision of 'social assistance' for those ordinarily in need thereof, with the respective responsibilities for the care of each category clarified, defined, and equitably distributed between the government units participating (municipal, provincial, and Dominion)."¹⁹

¹⁹ Whitton, "Summarized Report . . .", pages 4-5.

"The problem now is to re-align the administration of this 'Dominion Aid' to assure that the Dominion shall only contribute for persons who are ordinarily self-supporting, which Aid would, therefore diminish with improved economic and agricultural conditions."²⁰

The Whitton study outlined federal responsibilities and recommended funding relief programs which would decrease annually. An administrative house-cleaning was needed for the chaotic and ad hoc nature of federal relief aid. Provincial authorities had approached the Bennett administration for relief assistance and the Conservative government had approved federal funding on the basis of each individual request by order-in-council. However, Dominion relief authorities had no input in the planning or operation of relief programs. Loose auditing procedures made it even more difficult to obtain an overall picture of unemployment and relief programs across the country.

The ultimate aim of Dominion relief programs according to Whitton should be "steps designed to alleviate unemployment, loss of occupation and agricultural distress, including re-training, re-conditioning, and rehabilitation measures."²¹ She also recommended that Dominion aid be limited to three categories--work aid for those in need of assistance alone; special projects aid, to increase the chances for re-employment; and material aid, to contribute to the necessities of life.²²

²⁰ Ibid, page 9. ²¹ Ibid, page 14. ²² Ibid, page 15.

As the first steps in the coordination of all Dominion, Provincial and municipal relief programs, Miss Whitton took up Cassidy's suggestion for uniform national residency requirements and reciprocal agreements. These would be combined with a national registration for all unemployed men and their families. She proposed four residency statuses-- local; provincial, for those who could not claim one municipality as home; interprovincial, for those who had equal claims for more than one province as home; and migrant, for those who could claim Dominion citizenship with any degree of certainty. The Dominion would shoulder total responsibility and relief costs for the latter two categories (at \$12 per month for 30 days of unit care) until they could meet provincial residency standards. Once this had been achieved, transients would then be transferred to provincial responsibility and shared funding.²³

The Whitton report reasoned that fewer persons would have to turn to the Dominion for direct relief assistance and that transients would become eligible for the normal range of health, social and welfare benefits. Dominion efforts could also be concentrated on:

"better application of employment projects, for this class of Aid recipient and lead up to a situation which would permit of the discouragement--through railway and highway regulations and through legislation--of roaming without risk and injustice to persons who are bone fide in search of work, or destitute and in need of Aid."²⁴

Despite the rather bureaucratic tone, Miss Whitton's recommendations for administrative reorganization seemed likely to help solve some of the problems faced by both the transient and various relief organizations. Still, while the report dealt with some problems faced by transients, it was typical of many government reports and studies in concentrating on the problems that transients posed to governments.

Governments of the day seldom saw anything but that side of the situation--a drain on the finances committed to relief, an everyday nuisance and eyesore, and a potential threat to the existing social and political institutions. Governments recognized and tried to deal with these symptoms rather than the basic causes of the problems.

CHARTER II

THE TRANSIENT PROBLEM

Canadian governments, including that of Mackenzie King's, did not view unemployment and relief from the view point of a man or woman who had been on relief and out of a job for seven years, or a young Canadian fresh out of school and unable to find a job, or one of the tens of thousands of homeless, unemployed Canadians who were on the road.

Unemployment and relief were regarded as constitutional, political and administrative problems. There seemed to be little compassion in government activities, but rather a pre-occupation with statistics, paper solutions and semantics. For example, to be counted amongst Canada's official unemployed, the jobless had to show proof of previous employment and be in receipt of relief. Or he must have voluntarily registered as an unemployed wage earner with a relief or employment agency. That definition automatically excluded all recent school graduates who had never held jobs, those Canadians too proud to accept socially demeaning relief, and those able to live off private savings or family earnings.

Officially unemployed or not, jobless Canadians came face to face with more than 2000 relief agencies and their administrative and bureaucratic attempts to deal with the plight of the unemployed. Governments were criticized for putting most of their effort into trying to resolve the constitutional problems of relief and avoiding the responsibility and costs for relief recipients.¹ Bureaucratic and administrative difficulties overshadowed the real needs of the jobless.

When King regained office in 1935 on the basis of doing something about unemployment and relief, his government faced the problems of unemployed Canadians in a tried and true manner: "The government are convinced that a re-definition of constitutional responsibilities in the light of modern conditions must precede a permanent solution of these difficult problems."²

However, those constitutional difficulties remained unresolved throughout the depression, resulting in remedial, expedient programs and policies to paper over the many re-occurring emergencies. Governments' actions were just like the depression itself, just temporary. The suffering, privation and despair were also temporary--for ten years.

¹ Canadian Welfare Council; "Wayfarers Perforce", Ottawa, 1939, pages 8-10.

² King Papers; "Unemployment Policy", MG 26 J 4, Vol. 222, File 2118; C-151302.

In 1935 there was a public reaction against such a temporary, piece-meal approach to unemployment and relief taken by the Conservative government of Richard B. Bennett. King mobilized the sentiment for visible action to deal with the problems of the depression in an orderly manner. It helped his Liberals to win the 1935 election. King's general employment plank called for a thorough study of unemployment and relief problems faced by governments prior to taking any hasty action. The second plank was a promise to bring relief and unemployment expenditures back under the control of Parliament. His party's third promise was to close the system of unemployment relief camps administered by the Department of National Defence.

The three short-term election promises were cautiously implemented in 1936. A National Employment Commission was created to study unemployment and relief; financing of relief was done more openly but with just as much political control; and the camps, a spawning ground for agitation against social and political institutions, were closed.

King's election promises were made and implemented against the background of an overall policy towards physically fit, homeless adults and unemployed Canadians, in general. The policy was put on public record by King in 1935 and remained unchanged from the remainder of the decade. The key

to the policy was that the Dominion was willing to cooperate with the provinces in programs that would absorb physically fit unemployed adults into primary industries. Such programs were to give maximum employment at minimum cost.³

This policy seems to have stemmed from a number of sources. Involvement in such primary industries as forestry, tourism, mining, and agriculture and the occasionally provincially-sponsored public works project would enable the King government to skirt a recommendation by the NEC that public works expenditures be curtailed. It would also allow additional relief funds to be distributed on a work-for-wages basis rather than in the form of direct relief. Work projects would also draw the willing unemployed out of urban relief centres throughout the year. Additionally, the various federal departments could continue various work projects with relative budget security.

A policy of increasing employment in primary industries was also the most cost-effective method of employing the large surplus of unskilled and semi-skilled labour. It also happened to be the most realistic open to King's government, or so it seemed, judging by a long memorandum prepared for King. The 1936 paper suggested the first option available was to double the number of 1931 jobs without increasing either the numbers looking for work or the population. That option was, of course, impossible.

³ Ibid, C-151643.

The second option seemed much more plausible--limit the number of wage earners to keep pace with the volume of employment by channelling candidates for wage-earning jobs into other occupations,

"by arresting or deflecting certain trends, particularly immigration, female labour and the trek from own accounts (self-employed businessmen). These three sources are the main reason why the number of wage earners always keeps ahead of the number of jobs.

"It is here suggested that this remedy is worth examining. To find it and administer it will be a Herculean task, but this task is not exactly an attempt to push back the tide; it is rather an attempt to divert a river into other channels."⁴

Other suggested channels were pensions at age 60 to open jobs to the unemployed, limiting future immigration to match immigration of capital, encouraging more early marriages to free 30,000 jobs held by females, and trying to halt the growing movement of independent small entrepreneurs to the wage-earning categories.⁵ Other options dealt with creating new jobs in the primary industries--harnessing Fundy tides, conserving fisheries, reforestation, homesteading, water conservation and boy colonization plans to take jobs from orientals on British Columbia fruit farms. The North, defence and scholarships were also suggested.

⁴ King Papers; "Unemployment Policy"; MG 26 J 4, Vol. 222, File 2118, C-151322.

⁵ Ibid; C-151324-7.

⁶ Ibid, C-151334-5.

In the fall of 1936, the only action the King government decided it could take was to begin channelling Canada's surplus labour into primary industries. Charlotte Whitton noted, in her report for the NEC, that "unemployment is overwhelmingly an urban problem. . . . It arises chiefly in the lines of secondary rather than primary production."⁷ But the King government recognized that private industry could not expand to absorb the unemployed and it was not about to interfere with the normal forces in the market place. The solution was to create new jobs in the primary rather than secondary industries.

Creating jobs, which gave men a work-for-wages type of relief assistance, took some of the edge off the political disturbances that plagued Bennett during the first half of the depression. Since the beginning of the depression the unemployed had been demanding a program of work for decent wages. . . But such demands by the unemployed, and particularly transients, had been looked upon by governments as a pre-cursor to a red revolution. Politicians, civil servants, police and Canada's social and political leaders looked upon the unemployed as the only source of revolutionary manpower.

⁷ Whitton, "Revised Draft . . . , 1936", handwritten insert, page 37.

Transients were considered a very fertile ground for sowing the seeds of discontent by both authorities and agitators. Authorities regarded transients as men without social conscience or social responsibilities; without any real adherence to the work ethic, the old political structure or social institutions; and men who felt that the country owed them something. It was argued that men in this state of mind could easily fall under the influence of anarchists or Communists and would be turned against the existing Canadian political and social institutions. This view was constantly re-inforced by the popular press, which was controlled by the same people who feared the potential power of the unemployed. These same politicians, bureaucrats, business men and church leaders seemed to ignore the cause of the discontent. Rather than try to eliminate the cause, they championed efforts to bottle up and suppress that discontent.

The most fertile areas for dissent and agitation were the growing urban centres, which were havens for large numbers of often bitter, disillusioned, jobless men ^{King} and others feared these large numbers of men would be mobilized by agitators over local issues and then channelled into wider-spread, perhaps even national issues, questioning the structure of Canada's social system. Lines of men at the soup kitchens could be soon turned into lines of men in a demonstration, a riot, behind barricades, and in control of the streets.

By October 1935, examples of such discontent could be found all over Canada--protests and strikes in Montreal, Toronto, Winnipeg, and Edmonton; demonstrations and marches in Vancouver; petitions by the score; and the growing organization of unemployed unions and committees presenting those petitions. The discontent culminated in the 1935 relief camp strikes in Western Canada, the Vancouver marches, the On-To-Ottawa-Trek and finally the bloody Regina Riot. Every demonstration met with increasing police violence. Professed Communists were at the forefront of many demonstrations giving credence to the red scare campaign in the press. It was, in the minds of many Canadians, a small step from grumbling in the bread lines to revolution.

The unemployed, who received direct relief aid, were not considered to pose the main threat to the State. They had to pick up their monthly or weekly food, clothing, heating, and shelter vouchers at relief offices; they relied on the State for their subsistence. Most had families, a strong connection with the work ethic, and ties with many social institutions, such as the churches. A relief recipient might bolt at the ballot box, but he was generally regarded as a stable influence as long as the status quo was maintained. He even had the alternative of expressing his discontent in a socially approved manner by voting for the socialist Cooperative Commonwealth Federation.

However, should that status quo be upset or even seriously threatened, there was just the chance the relief recipient might also turn against a system which kept him on a mere subsistence level, was demeaning, filled with frustration and marked him as a social failure. The State had the mechanisms and social institutions to watch and exert some form of control over the direct relief recipient. But the transient was a different case, in the eyes of the government.

The transient had no stake in the community; he had no ties with social institutions; he wandered at will; he could not be kept track of; nor could he be readily identified. Transients, if mobilized by a strong political movement dedicated to the overthrow of the status quo, represented a mobile strike force or a ready-made urban guerrilla force.

The Dominion tried throughout the depression to watch and control this hypothetical threat. Known agitators were kept under surveillance by the Royal Canadian Mounted Police, provincial, and municipal police forces. Police agents easily infiltrated various organizations ranging from straight labour unions and ethnic organizations to fronts for the Communist Party, Party cells and other would-be sources of subversive agitation.⁸

⁸ Department of National Defence; "Secret, 1936, A Survey of Subversive Activities in Relief Camps", Department of Labour, RG 27 Accession 70/303 File, "Relief Camps, 1936" and secret RCMP reports, Department of Labour, RG 27, Vol. 211, File 617:45, Both files contain reports of subversive activities in urban centres and relief camps and of planned disturbances for 1936 and a second march on Ottawa.

Even though organizations dedicated to political agitation could be infiltrated and their every plan discovered, infiltration could not prevent the agitation from taking place. Dominion authorities tried to keep agitators and their would-be converts apart or tried to place the susceptible audience under some form of observation. By 1932 agitation in large centres was directed at the floating population of young unemployed transients and was reaching worrisome proportions. Somehow the majority of transients had to be diverted from the cities, the only place where they could find a modicum of relief.

The Bennett administration adopted the use of isolated work camps, administered by the Department of National Defence, to take the transient out of urban centres and away from the influence of anarchist and communist agitators. The system of 1,944 relief camps was functioning in 1933 giving transients food, shelter, and a 20 cent per diem allowance. Up to 25,000 men were put to work at labour intensive projects such as road building, air strip clearance, reservoir construction, forestry projects and construction and maintenance of military and historic sites.

Camp regulations barred entry of known agitators or, if the subversives were caught preaching their gospel in the camps, provided for immediate discharge and blacklisting.

In effect the men were put in quarantine until the infectious virus of agitation died out. "The policy of the Department was to protect the men against themselves."⁹

The policy and relief camp system did not work as expected.

"They turned out to be national universities for the Communist Party--a chain of hotels for young people who had had the urge to travel. Relief camps, instead of muting the problem of unemployed transients had intensified it . . ."¹⁰

A number of disturbances took place in the camps during the winter of 1934-35 leading to the On-To-Ottawa-Trek and Regina Riot. Norman Rogers, the Liberal Minister of Labour, looking back at the camps in 1937, told the Canadian Club in Toronto:

"they were even more costly in terms of dissatisfaction, bitterness, and human frustration. They may have been necessary to meet an emergency, but the On-To-Ottawa-Trek and the Regina Riots showed the danger of maintaining them on their existing basis.

"They were not work camps in the proper sense of that term. They were not training camps in the proper sense of that term: For the single unemployed they were a blind alley--a dead end street. For Communist agitators they provided a ready-made forum for the propagation of subversive doctrines where teachers and pupils were given shelter, food, and clothing at the expense of the Government."¹¹

⁹ Garth M. LeFresne, "The Royal Twenty-Centres", Honours History Thesis, Royal Military College, 1961, page 98.

¹⁰ Humphrey Mitchell, Director of Labour Transference Branch, quoted in Winnipeg Tribune January 12, 1939.

¹¹ Labour Gazette, Department of Labour, Ottawa, 1937, page 27.

The camps and the almost constant trouble in them focussed the attention of the government, agitators, and the public on the transient unemployed. If there was any other trouble caused by the remaining 75,000 transients still traveling about the country uncontrolled, unwatched and coming into contact with agitators in the cities, it was over-shadowed by the relief camp disturbances.

This then was the general situation which Mackenzie King's new government faced in the fall and winter of 1935. He had won the general election partially due to the failures of the Bennett government to tackle unemployment and relief in an organized manner. With the memories of the Dominion Day riot in Regina still fresh, the campaign slogan "King or Chaos", combined with Liberal campaign pledges on unemployment, relief and the camps, proved very popular.

In the short-term, following his election victory, public attention was focused on King's campaign promises, particularly the one to close the politically embarrassing and troublesome relief camps. King delivered on his election pledges, but in doing so, he left all of his options for future action open.

King only promised action without any long-term goals or commitments to measure that action against. Consequently a flurry of programs, conferences, studies, and policies, supported by an effective public relations program, looked as if they achieved far more than they really did. Superficially

King's government looked good in its efforts to end unemployment and relief, but those efforts were never scrutinized in public. A war, an election fought over King's war effort, and the passage of time have blurred King's unemployment programs and their effects. King has been given far more credit than he deserves for what he achieved on the unemployment and relief front.

CHAPTER III

THE RIGG COMMITTEE FINDINGS

During the 1935 election campaign, the Honourable Peter Heenan and "other prominent Liberals" were quoted as denouncing the relief camps as "slave camps".¹ Mackenzie King's campaign speeches were much milder. He called for the transfer of the camps from National Defence as the first step leading to their complete closure. Three weeks after the Liberal victory the election pledge was being implemented.

In a memo to their new Minister, Norman Rogers, Department of Labour officials urged a meeting with National Defence officials as soon as possible to ensure "without prejudice to the public interest (that the camps) be transferred, if possible before December 31st next".² The transfer was negotiated without any opposition from the Department of National Defence. The transfer to Labour's jurisdiction was effected December 19, 1935 by order-in-Council PC 3906.³

¹ Montreal Gazette, November 29, 1935.

² Department of Labour; Unsigned memo, November 5, 1935; RG 27, Vol: 65, File: 000.01:9.

³ Department of Labour, RG 27, Vol. 211, File: 617:45.

Even though the Liberals made election promises to close the camps, King was cautious not to make such a move look overtly political. Transfer of the camps from one Department to another could be affected by civil servants, but the decision to close the camps could not be made without a full study of the situation in the camps and alternatives. King would still make the final decision, but not before an 'independent' study would make it clear that closure of the camps was not politically motivated. There would be sound economic and social reasons for doing so.

A committee of three was appointed by Rogers, November 28th. R. A. Rigg, Director of the Employment Service of Canada Branch, Department of Labour, chaired the investigative committee. He was joined by Humphrey Mitchell, a defeated Liberal MP and union executive for 22 years from Hamilton. The third member was Dr. E. W. Bradwin, the Principal of Frontier College, which was largely supported by Defence and Labour funds during the depression. The make-up of the committee by men of strong Liberal ties guaranteed King would get the advice he required.

The Rigg Committee, as it became known, was to advise on continuing the relief camp system in its current or any other form; allowance or wage policies for the camps; measures to prepare men to move back into normal industrial or agricultural employment; camp facilities; and any other camp matter.⁴

⁴ Department of Labour; "Rigg Committee Final Report", February 21, 1936; RG 27, Vol. 165, File: 000.01:9 page 1

National Defence personnel still in charge of the camps were instructed to give the Committee complete freedom and to assist in any way possible.

Before beginning their tour of Canadian camps, the Committee made a visit to Washington and a number of United States Civilian Conservation Corps camps. Rigg's Committee reported striking differences between the CCC camps and the Canadian relief camps, not only in the manner in which the camps were run but also in the philosophy behind the United States relief aid project.

For example, only young Americans between 18 and 28, drawn from rural and urban families on relief, were eligible for the CCC camps, and then only for six-month periods. The U.S. Labour and Veteran's Administration initially selected the recruits while the War Department made final selections and enrolled the men. Camps were run on a strict military basis and the Department of the Interior and Agriculture supervised the actual work projects carried out in the 2,000 CCC camps. The 450,000 young inmates apparently had no objections to military discipline, uniforms, or conditions in the camps. They were paid \$30 monthly, \$25 of which was sent directly to their families to supplement existing relief aid. The \$5 retained by men was similar to the allowance paid men in the Canadian camps. But that was about the only point in similarity.

"In a broad way the scheme is popular and is generally acclaimed by the people of the United States as a constructive effort to meet the problem of employment affecting the youth of the country . . . a bold effort at reforestation and protection of timber resources . . . membership in the CCC camps is considered a privilege . . . it will be seen that this policy not only cares for the men in the camps, but helps to relieve the relief burdens of the cities and rural communities."⁵

Prior to the Rigg Committee's investigations, the Vancouver Daily Province had conducted its own comparison between relief camps in the lower Fraser valley and CCC camps 60 miles away in Washington. Men in both camps were engaged in the same type of forestry work. The reporter concluded that the main differences appeared in the "the grub, recreation, and pay . . ."⁶ Food was about the same quality, but the CCC camp daily rations were nearly twice Canadian standards. Recreation presented another sharp contrast. CCC camps had a library, camp radio, piano, occasional movies, plus a \$3 education and welfare allowance per man to purchase magazines and sports equipment. Each camp also had proper educational facilities. Canadian camps had none of these facilities and they were more isolated. Even though CCC camp men only retained

⁵ Ibid, page 18.

⁶ Vancouver Daily Province, May 23, 1935.

\$5 a month, they were earning \$30 for working six-hour days, five days a week. Canadians got a 20-cent daily gratuity for working eight-hour days, six days a week. Each CCC camp had a medical officer; Canadian camps had first aid kits.⁷

The differences were directly attributable to government spending. It cost the Dominion an average of \$469.50 to keep one man in its camps for one year; \$1,020 was expended on each man in the U.S. camps.

Rigg and his Committee also studied a camp system much closer to the Canadian relief camps, the United States Transient Camps. To care for migratory men of all ages, 360 camps were set up for 50,000 men. Local officials sent transients to the camps, for the most part located close to communities. As the camps were run by civilians, work carried out was tied to local needs. When the camps were first set up in 1933, confirmed drifters were provided with an allowance of \$1 per week, food, shelter, and medical services; the men provided their own clothing. In 1935 a system of work for wages was introduced with unskilled men receiving \$15 monthly, semi-skilled \$20 and skilled \$25.

The Rigg Committee noted a "close cooperation between the camps and the public employment agencies so as to facilitate rehabilitation". Also since work and wages had been introduced,

⁷ Ibid, "Rigg Committee Report" and LaFresne used as general sources.

there was "improved morale amongst the men and a better disposition to work".⁸ It also noted that the transient camps had experienced little difficulty with agitators and social disruption. Any military trappings were done away with to eliminate any possible friction. "It has been found that the transient type resents military administration. Very little trouble has been experienced from Communists, but agitators are summarily dismissed from the camps."⁹ It would seem that the maxim for operating both the CCC and the transient camps was that a tightly run ship was indeed a happy ship.

The Rigg Committee returned to Canada December 12, 1935, and began visiting 50 camps in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Quebec.

"With practical unanimity, objection was voiced against the present system of supplying food, clothing, etc., and twenty cents a day. From the testimony advanced by the men it is apparent that the overwhelming majority would welcome the adoption of a policy under which an hourly rate of pay for food, clothing, lodging, etc., and leave them a little more money than they have been accustomed to possessing after these needs have been met. This policy is supported not only by the men in the camps, but also by officers of the Department of National Defence and superintendants and foremen of camps.

⁸ "Rigg Committee, Final Report," page 23.

⁹ "Rigg Committee, Interim Report," January 31, 1936, Department of Labour, RG 27, Vol. 65, File: 000.01:9, page 2.

Many men have also complained about the isolation, inability to lead a normal life, and the lack of legitimate employment opportunities while a small minority have complained about food and general conditions in the camps . . . Practically all camps visited have experienced in varying degrees, troubles which in a large measure have had their origin in the subtle dissemination of the gospel of discontent by experienced agitators. Evidence was not lacking to indicate that where discretion and firmness were exercised in dealing with the agents of discord, camps have been less liable to disturbance and a spirit of more general contentment has been maintained."¹⁰

Men in the camps were classified into four categories.

Type A consisted of young men who wished to occupy a useful place on society and to find a job. Type B were the more mature men, who were not as keen as Type A, but longed for an opportunity to maintain themselves without relief aid. Young men, from 18-25, who had not yet acquired the habits of work or of the sense of social responsibility were grouped in Type C. Older men, from 41 to over 60 who did not have very much hope of competing for steady jobs, were in Type D. The Rigg Committee recommended that the men in Types A, B, and D be brought back into the work force as fast as conditions would allow, but it was very worried about the young men in Type C¹¹ who accounted for nearly a quarter of the camp population.

¹⁰ "Rigg Committee, Final Report", pages 5-6.

¹¹ "Rigg Committee, Interim Report", page 4.

"Lack of hope for the future . . . easy prey to subversive influences of Communistic or Anarchistic philosophy, . . . they constitute a real menace to the maintenance of our existing institutions. They are viciously rebellious against and defiant to authority; they shirk work . . . they assert that society owes them a living and are oblivious of the obligations they owe society, and they acquire undesirable habits (drifting and selling government issue clothing on a black market), they disturb and irritate more reasonable-minded men and are a constant source of trouble."¹²

Not unexpectedly Rigg's Committee found little wrong with the way the camps were run by the Department of National Defence. The administration seemed to be both efficient and fair to the men. Strangely, perhaps significantly, it had little to say of the practice of continually readmitting known agitators, who had been summarily dismissed from other camps. This one practice had more influence on problems and agitation in the camps than any other. Directives to blacklist known agitators were disregarded by camp commandants, District Officers Commanding and even Headquarters when public pressure or sympathy was brought to bear for readmission. The Department of National Defence became an unwitting accomplice in sowing the seeds for the ending of the relief camp experiment.

By failing to put some of the blame on the Army, Rigg's Committee focused all of the blame on the agitators, particularly the Communists and the Worker's Unity League.

¹² "Rigg Committee, Interim Report", pages 3-4.

The agitators, "experts in inoculating the minds of the men with the virus of discontent"¹³ had ideal captive and susceptible audiences in the camps. The camps were ideal for their operations.

With up to 1,600 men in the isolated Dundurn, Saskatchewan, camp agitators submerged themselves in a sea of workers. Camp officials had neither authority nor the manpower to enforce the law or camp regulations. The Rigg Committee noted that police forces in the area were inadequate for such large concentrations of "virile" men susceptible to "subversive" doctrines. "The menace of such a situation is too obvious to need further comment".¹⁴ To eliminate such problems if the camps were to be maintained, the Rigg Committee recommended their size should be restricted to 140 men, an 'ideal' number for efficient administration and disciplinary action.

The camps also had a serious effect on the work ethic. People were beginning to look upon these three-year old camps as institutions. To the members of the Commission this situation was almost as frightening as Communist subversion:

¹³ Ibid, page 5.

¹⁴ Ibid, page 5.

"They constitute a serious danger, since the tendency must inevitably be that they will be accepted as a fixed, national institution akin to the Poor Law Work Houses of Europe, if their existence is long perpetuated."¹⁵ Under the relief system, the men were:

"Wards of the State, creating a condition that is in direct contradiction to established Canadian practices an in opposition to the mental make-up of the Canadian people. It is inevitable that such a policy in its practical application would bring into being difficulties of a grave insurmountable character."¹⁶

Public dissatisfaction with other features of the camps was noted by the Rigg Committee, including a 20 cent daily allowance for an eight-hour work day; an estimated 35 per cent efficiency of a normal work project; a frequent lack of authority over workers; and a black market in government issue clothing that sprang up around the camps.¹⁷

The Rigg Committee carefully documented these and other objectionable features of the camps in coming to its expected major recommendation that the camps be closed. This recommendation, backed by economic, social, moral and political

¹⁵ Ibid, page 5.

¹⁶ Ibid, page 7.

¹⁷ Ibid, pages 7-8.

reasons, was precisely the result King needed to justify his election promise. No one within the existing social and political institutions could find fault with the 'independent' study and its logical, factual justifications.

"Relief camp conditions cannot be regarded other than as exercising a baneful mental and moral influence. . . . The camps operating on the present basis or any other relief basis should be closed as soon as possible in the best interests of the State and for the sound, healthy development of the men in the camps."¹⁸

While confirming validity of King's election promise, the Rigg Committee proposed a vague work and wages system to replace the camps. In the opinion of the Committee, a work for wages in relief camps would create self-respect and a spirit of individualism and initiative; public opinion would be reversed; the black market in clothing would be stopped; men would meet their daily obligations to society; more work would be accomplished; and, overall, there would be long-term savings for governments.¹⁹ If a work and wages program were adopted, the Committee recommended men be limited to a six-month stay in camp every 12 months and that a deferred payment system be implemented. The latter, a forced savings plan, would mean

¹⁸ Ibid, page 7.

¹⁹ Ibid, pages 8-9.

that men fresh from the camps would have to support themselves while looking for regular employment. A name change for the camps was even suggested, as "the term relief camps has a bad psychological effect. . . ."20

Rigg's Committee was more specific, however, in recommending a short-term replacement for the relief camps. It noted "the continuance of the camps for a temporary period is necessary. The facilities for employment in private industry and agriculture are insufficient to absorb any considerable number of those in the camps at the present time."²¹ If the government could not close the relief camp system immediately, the Committee recommended they be put on a work and wages basis. Men would earn \$15 monthly but would receive only \$7.50. The remainder would be deferred for monthly payments through the post office. Under this modification of the relief camp system, the men would be responsible for paying for food, clothing, shelter and medical assistance. Superintendants and foremen would be given the legal authority to maintain effective control and order.²²

20 Ibid, page 9.

21 Ibid, page 2.

22. "Rigg Committee, Final Report", pages 22-25.

Among the other major recommendations, the Rigg Committee urged a federal-provincial study to find a longer-term replacement for the camps. Significantly it commended a farm employment scheme for single homeless men, which was in effect on the Prairies. Other than suggest that the farm employment scheme merely be extended, the Rigg Committee did not recommend a replacement program. It still pinned its hopes on private industry, but admitted, "unfortunately the requirements of industry for steadily employed labour are inadequate to meet the situation."²³

The Rigg Committee achieved its purpose in justifying King's prior decision to close the relief camp system. The close ties of its members to the Liberal party and the government ensured it would produce the desired recommendations while providing enough logical reasons for not making the camp closure look too blatantly political.

Closing the camps would eliminate a focal point for the highly visible, embarrassing agitation and the public's attention. In the short-term it ended a potentially dangerous political situation, but simply closing the camps was no long-term answer. In the summer of 1936, 25,000 men from the camps would join their fellow 75,000 transients on the road and would come into contact with agitators in 90 or so cities and towns.

²³ "Rigg Committee, Interim Report", page 11.

Those involved with the transients, like Cassidy, were quick to react to the Rigg Committee's recommendation. Cassidy saw the closure of the camps as an attempt to shift responsibility for the transients back to the provinces.

"Now that the Dominion relief camp is being discontinued, the problem of caring for transient single men who are destitute must be returned to the provincial authorities, unless the Dominion is prepared to set up special relief services for them in key cities. . . . However, it obviously does not meet the problem of other transients nor does it touch the problem of service to other single men other than direct relief, so that it is only a partial solution to the problem of interprovincial transiency."²⁴

²⁴ Cassidy, "The problem of relief . . .", pages 9-14.

CHAPTER IV

FINDING A REPLACEMENT

The Rigg Committee did not recommend a replacement for the relief camps leaving King's government with a free hand. Over the next three years the Department of Labour, a number of Dominion-Provincial conferences, civil service committees, a full-scale National Employment Commission and eventually a secret Cabinet sub-committee concentrated on finding that replacement.

All these various bureaucratic groupings, to be examined in this chapter, could recommend only temporary replacements. Civil servants and politicians still clung to the hope that the depression was a short-lived phenomena and that better times were just around the corner. The Conservatives had based their unemployment and relief policies on this hope, designing temporary, expedient programs for the emergency situation. The policies and programs of King's administration for the next four years was to follow the same line of reasoning.

Each year the temporary, expedient policies and programs were revived to meet the continuing emergency. That emergency would last only as long as the depression lasted,

and everyone knew, or hoped, it was going to end soon. Because the end seemed always in sight, King was reluctant to commit his government to anything more than temporary programs, especially in areas assigned to the provinces by the British North America Act. Governments, conferences, committees, studies and commissions lost sight of the fact that the depression had a terrible effect on ordinary people. But these studies and meetings provided the King government with an outward show of public activity.

The first step in finding a replacement was to do away with the Conservative creation. Rogers, the Minister of Labour, did not wait for the Rigg Committee's final report before announcing the camps would be closed. The same day he received the final report, February 6, 1936, Rogers picked July 1 as the day of closure. Instead of announcing a replacement for the relief camps, Rogers adopted the Committee's short-term recommendation that the camps be put on a work and wages basis.¹ Starting March 1, men would get \$15 monthly and free room and board. However half the monthly salary would be deferred until men left the camps, giving them income for another five weeks.

¹ Labour Gazette, April Supplement, 1936, pages 5-6.

To close the camps, the Labour Transference Branch was created in the Department of Labour. Humphrey Mitchell, fresh from his duties on the Rigg Committee, was appointed Branch Director.² Mitchell, who was to become the Liberal Minister of Labour in December 1941, had an assistant and a clerk to help him close the 144 camps, dispose of all materials and camp assets, and try to find jobs for the 20,467 men in the camps as of March 1, 1936. Mitchell's most important task was to finalize negotiations between the government and the two railways to provide six months employment for up to 10,000 men as extra track labour gangs.³ The remaining 10,000 men were to fend for themselves.

In return for providing the 10,000 men with jobs from April to November 1936, the Canadian National and Canadian Pacific received \$554,700 in loans to prepare for the work of the extra gang labour. The government also agreed to reimburse each railway up to \$1,502,450 for the men's wages and to assist in transporting the men to the work sites.

Men from the camps were to carry out unplanned work so that the railways' regular employees would remain on the job. But the men were to be regarded as regular employees in

² Labour Gazette, 1936, page 305.

³ Labour Gazette, April Supplement, 1936, pages 5-6.

all other respects--they got the prevailing wages, worked an eight-hour day under regular routines and discipline, paid the going rates for board and room; and were covered by Workmen's Compensation. At the end of their six months as regular employees, the men were given free rides to the nearest division point and a discount on tickets home from there.⁴

While the 10,000 jobs were widely advertised in the camps, only 8,125 men applied. Many transients were either physically unfit as gang labourers or refused to take the jobs. Another 1,343 unemployed, mostly from the Atlantic region, were hired locally by the railways when pressure was brought to bear on the government against importing workers into an area which desperately needed employment. A total of 9,468 men were employed for 25 cents an hour, 44 hours a week at rock and gravel blasting, ditching, weeding, brush cutting, embankment widening, slope cuts and rip-rap erosion work. Monthly salaries, before the railways made their deductions, averaged between \$22 and \$25.⁵ L. R. LaFleche, Deputy Minister, National Defence, pointed out that "any man offered railway

⁴ Department of Labour, "Confidential--Demobilization of Relief Camps, 1936"; Labour Transference Branch, RG 27, Vol. 65, File: 00.01:9.

⁵ LaFresne, "The Royal Twenty-Centers", pages 135-139.

employment or farm placement will have been offered something at least equal to what he received in unemployment relief projects".⁶

The railway employment agreement cost the government more money than it would have spent keeping the camps open for 9,468 men another six months. The plan cost the government \$3,190,632--\$2,635,932 in salaries and \$554,700 in loans.⁷ The cost for keeping the men in the camps for six months (at \$1.05 per capita) would have been \$1,789,452 and new camp salaries at \$15 monthly would have added another \$752,120. The total relief camp cost would have been \$2,541,572. Had the camps remained open, the government would have saved more than \$500,000.

Mitchell attempted to place other men from the camps in a summer farm placement program. A winter farm placement plan had been operating on the Prairies since 1931 with the federal and provincial governments sharing the costs of paying a farm worker \$5 a month. Mitchell offered men in the camps a guaranteed summer job at \$15-20 a month. He enlisted the aid of his former committee member R. A. Rigg, who had returned to his job as head of the federal Employment Service of Canada.

⁶ Department of National Defence; Deputy Minister memo to Chief of General Staff, April 7, 1936; RG 24; Vol. 3034, File: UER Transfer to Farm Placement Scheme.

⁷ Department of Labour, "The Railway Scheme"; RG 27, Vol. 211, File: 617:51, Report from the Railway Auditors' Office, March, 1937.

Mitchell even went so far as to provide the Employment Service and camp superintendants with a complete list of all men in the camps who had farming experience. Mitchell hoped that at least 4000 men could be given temporary summer jobs on farms.⁸

Even with the assistance of the Soldier Settlement and Land Settlement Branch,⁹ camp superintendants,¹⁰ and the Employment Service, the farm job scheme failed. Only 641 men took farm jobs. Administrative delays helped to limit the number of job opportunities¹¹ but such delays were a minor factor compared to the resistance the men themselves put up.

Nevertheless, the government closed the camps by the July 1 deadline. Of the 20,467 men in the camps in March, Mitchell's Labour Transference Branch actually transferred only 8,766 men to short-term seasonal employment. Official Department of Labour statistics claim that 504 men were discharged as medically unfit, 3,367 were reported to have left for jobs they had somehow found themselves and another 7,821 left for "other reasons".¹²

⁸ Department of Labour; "Confidential-Demobilization of Relief Camps, 1936", RG 27, Vol. 65, File: 00.01:9.

⁹ Department of National Defence, RG 24, Vol. 3034, File: UER Transfer to Farm Placement Scheme.

¹⁰ Department of National Defence, Circular to D.O.C., April 9, 1936, Ibid.

¹¹ Department of National Defence; Letter J. M. Varey, Edmonton Superintendent to T. M. Magaldery, Director of Soldier Settlement and Land Settlement, April 18, 1936; Letter from Magaldery to Mitchell, April 23, 1936.

¹² LeFresne, page 149.

Once the farm and railway work ended, the 8,766 men were paid off and left to their own devices. They would have to hit the open road along with 12,000 men from the relief camps and the 70-80,000 single, homeless unemployed men and women who had never been touched by the government's programs. The problem of finding work or relief for the large numbers of transients was passed on to a new administrative creation.

THE NATIONAL EMPLOYMENT COMMISSION

Even while the Rigg Committee was investigating the relief camps, the King government was taking steps to implement another of its election promises--a commission to study unemployment and relief. King had made a similar proposal in the 1930 election but it had fallen on deaf ears when the Conservatives promised action not studies. By 1935, after five years of un-coordinated reaction, lack of planning, wasteful duplication, competition between relief agencies, and massive snarls of red tape such a proposal for a federal study made more sense.

King resurrected the idea for the 1935 election, setting out three main tasks for a commission--providing work, affording relief and conducting research. He coupled the proposal with a work for wages plan and a system of labour exchanges.¹³

¹³ King Papers, "Notes on a Commission", 1935, MG 26 J 4, Vol. 197, C-137464-69.

The Liberal's unemployment plank for the 1935 election called for Canada's most urgent problem to be solved by long-range policies, measures for trade recovery, revival of confidence and unemployment insurance. Emergency measures would be handled by a national commission, which would coordinate provincial and federal relief efforts, oversee the transfer of the relief camps, coordinate rural relief, provide work, administer relief, study the various works programs, examine unemployment among youths and recommend suitable proposals to Parliament for implementation.¹⁴

The solid mandate the Liberals won in 1935 was not a sufficient endorsement for the idea of a national commission in King's cautious eyes. He called a full-scale Dominion-Provincial conference on unemployment and relief for December 1935 to obtain another vote of confidence for his proposal. Norman Rogers chaired a conference committee on unemployment and relief, which resolved that the Dominion restrict its relief services for employable persons by assisting provincial and municipal agencies; unemployables should be considered a municipal charge; a Dominion relief commission be set up; commerce and industry should be requisitioned to assist in plans for maintaining and

¹⁴ King Papers, "Unemployment Policy", MG 26 J 4, Vol. 222, C-151615-18.

increasing employment; a government system to train youths in the habits and techniques of work was necessary; and Dominion grants should increase.¹⁵

To give the appearance the new government was willing to consider all points of view, the Worker's Unity League, a Communist front group, was invited to submit a "Workers Bill for Social and Unemployment Insurance". The bill called for a comprehensive national works program and a social and unemployment insurance program to provide adequate benefits immediately to all unemployed. King and the provincial governments were also urged to raise a billion dollars by taxing big interests and taking out loans on national resources to finance the bill's proposals.¹⁶ Conference delegates politely listened to the Worker's Unity League proposal and ignored it.

The only concrete decision to come out of the committee Rogers chaired and the conference was to conduct a national registration for all types of relief through the relief agencies themselves.¹⁷ Overall the conference endorsed King's approach to unemployment and relief. As long as the Dominion was willing

¹⁵ Department of Labour, "A record of the Dominion-Provincial Conference, December 9-13, 1935"; RG 27; Vol. 119, File: 600.02:179.

¹⁶ Ibid, File: 600.02:179

¹⁷ Ibid, File: 600.02:179

to continue to finance a large share of relief and unemployment aid, the provinces seemed to be willing to go along with a degree of Dominion coordination and a study of the problem.

The government's approach was characteristically cautious and the public was warned not to expect too much too quickly from the proposed commission. A month after the conference Rogers told the Kingston Chamber of Commerce that the government's duty was "to give coherence and direction to the scattered forces of economic recovery".¹⁸ The first step was to get the facts on unemployment through the National Employment Commission.

The National Commission Act, part of the King government's three-pronged attack on unemployment, was introduced in the House of Commons in March 1936. The Commission would provide coordination, gather facts and propose solutions. Secondly, the Unemployment Relief and Assistance Act for 1936 would provide the legal authority to apply money voted for specific NEC projects. Thirdly, Parliament would be asked for its approval for precise funding on each project.

It was hardly a different or novel approach to the problems. The Liberals' much trumpeted attack on unemployment and relief turned out to be but another cosmetic administrative change for the bureaucracy. The problems that Canada's unemployed

¹⁸ Labour Gazette, 1936, page 106, Rogers speech, January 30; 1936.

faced did not play a large part in the government's decision. They seemed to be taken for granted by Rogers, who when speaking to his bill in the Commons, did not lay all of the blame for unemployment on the shoulders of the Bennett government. He conceded that "the experience of the past five years has also proved beyond a question that it is not with the power of the government to end unemployment by its own unaided efforts."¹⁹

The National Employment Commission would prove to be a very useful aid to the Dominion's efforts, Rogers reasoned. While the Department of Labour had its hands full with day-to-day activities, the situation demanded a calm appraisal and a long perspective that could be more effectively given by a non-governmental body.

Mackenzie King followed a similar pattern of logic in the House of Commons debates.

"What I want to bring out at the moment is that anyone who understands the problem will realize that, no matter how able and efficient his staff may be, no single department of government can begin to grapple with this question as it has to be grappled with in the light of its magnitude at the present time."²⁰

¹⁹ Labour Gazette, April Supplement, 1936, pages 7-8.

²⁰ Ibid, page 20.

Prime Minister King also claimed that the Canadians would never find out what the cost of relief ever was unless such an agency was created to bring all the relief and unemployment information together:

"That is the main purpose of this commission, and I venture to say that no agency other than a body such as we suggest can possibly carry it out. . . . Above all the plan developed is one which we believe will solve the problem of unemployment and meet the needs of relief . . . and I believe as a plan of effecting nation-wide cooperative effort in providing employment and administering relief, is as practical as anything which could possibly be suggested . . . "21

King gave the National Employment Commission a very high priority and it was swiftly passed. It got second reading on April 3, third reading a short time later, passed through the Senate and became law prior to a Parliamentary recess April 8. The Easter recess gave Rogers time to pick the membership of the Commission from a large number of names submitted by Cabinet colleagues, members of all parties, public and private organizations and even individuals offering their own services. By an Order-in-Council the National Employment Commission was appointed May 13, 1936, with Arthur B. Purvis as its chairman.

Purvis was the president of the Montreal-based Canadian Industries Limited and held directorships on the boards of the Bank of Montreal, General Motors of Canada,

21 Ibid, pages 30-31:

British American Oil, Sun Life, Consolidated Paper Company, Bell Telephone, and at least a dozen or more well-known companies.

Tom Moore, of Ottawa, was labour's representative on the Commission and its vice-chairman. The other five members were Professor W. A. Mackintosh, a former colleague of Roger's at Queen's University; Alfred E. Marois, a Quebec City shoe manufacturer; A. M. McLean, a New Brunswick Liberal who would be appointed to the Senate in 1945; Mrs. Mary Sutherland of Wells, British Columbia and E. J. Young, a free-trading former Liberal MP from Dummer, Saskatchewan.

The Governor-in-Council named a National Advisory Committee to assist the Commission. A broadly-based Committee was never fully appointed; its only members were the five-member Women's Employment Committee and a five-member Youth Employment Committee. Major H. Spencer Relph, was appointed Secretary to the Commission and the three Committees. There were 22 employees on the Commission's payroll.²²

The Commission was instructed to carry out a national registration of persons on relief and make recommendations to the Minister on conditions for relief grants to provinces; coordinating relief agencies and auditing procedures; public

²² National Employment Commission Interim Report", July 21, 1937, Kings Printer, Ottawa, Appendices, page 1.

works proposals and work relief plans; cooperative measures with commerce and industry to increase or maintain employment; an apprenticeship system in industry; proposals for employing disabled persons and ex-soldiers; and comprehensive long-term plans for national development. It was also empowered to supervise the expenditure of funds voted by Parliament for relief and providing employment,²³ but it never carried out this role. King saw the Commission as an advisory body, nothing more. He kept firm control over the administrative and policy making apparatus.

At its first meeting in June 1936, the Commission began considering a long list of proposals and solutions to end Canada's unemployment and relief problems. As a matter of record, during its nineteen-month existence, the Commission reviewed over 500 proposals. To properly study all facets of the depression, the Commission divided itself into 12 study committees. The Commission held no public meetings, but its members travelled a good deal. Only those persons who personally presented briefs in Ottawa were interviewed.

The Commission adopted the position that the depression was world-wide and there was little Canada could have done about it. The same view was held by King and Rogers.²⁴

²³ Ibid, page 5.

²⁴ Labour Gazette, Special Supplement, April, 1936.

The Commission also noted that the stage for recovery had been set by 1936; and therefore, it limited its role to providing an impetus to the stalled forces of recovery, in other words, private industry.²⁵

However, before it could assist the normal economic forces, the Commission had to define the problems and extent of unemployment and relief in Canada. Professor H. M. Cassidy, the influential University of British Columbia sociologist, was hired to study the problems faced by transients. Miss Charlotte Whitton, chairman of the Canadian Welfare Council, was taken on as a consultant to prepare a report on the reorganization and coordination of relief agencies. The Women's and Youth Employment Committees began investigations of the problems faced by their 'groups'.

The Commission's major activity during the summer of 1936 was focussed on the theoretically explosive threat posed by the large number of single, homeless adults who could not obtain relief either in camps or urban areas. The problem was described as an "emergency winter problem of single homeless adults for whom seasonal employment had not improved sufficiently and who tended to concentrate, as a result in the urban areas".²⁶

²⁵ Ibid, page 6.

²⁶ "National Employment Commission, Final Report", January 26, 1938, Department of Labour, RG 27, Accession 70/382, Box 76, File: NEC-Progress Report Re-Proposals, page 2.

This group was composed largely of those same men the Rigg Committee had pointed out as being highly susceptible to inflammatory propaganda and potential revolutionaries. The Commission estimated nearly 100,000 single men and transients would be eligible for relief at an average cost of \$20 per month during the coming winter.²⁷

This emergency situation was met with an old standby, the farm placement plan. It had been functioning with moderate success since 1931. The Rigg Committee had commended it as an alternative to relief camps and Humphrey Mitchell tried to use a version of it to provide summer employment for men from the relief camps. The Commission's version was, as in all previous cases, merely a holding measure.

"As a temporary expedient, a farm placement plan or supplementary plans operating in connection with the primary industries, as a means of relieving the emergency winter problem of the single, homeless adults in the urban areas."²⁸

Once it had temporarily "solved" the thorny transient problem, the Commission turned to other aspects of the unemployment and relief dilemma. Its scope of activities is evident from the Commission's Interim Report of 27 July 1937. The public report was very unusual in that it documented every recommendation made to the Minister and the government's actions.

²⁷ Department of Labour, Memo from Mitchell to Rogers, no date, 1936, RG 27, Vol. 213, File: 617.

²⁸ "NEC Final Report" page 3.

Within a year of beginning its study, the Commission was able to recommend action to deal with parts of the overall employment and relief problems, as they affected the Dominion government. A national relief registration was begun in September 1936 and was up-dated monthly. Farm placement and supplementary plans were implemented to get transients out of cities during the winter of 1936-37 and cooperative Dominion-provincial youth training plans were partially adopted by the government. Other schemes, which only marginally or very indirectly affected transients, were also put into action by the Dominion government.

In addition to its programs, such as the farm placement and supplementary plans, to meet short-term employment needs, the Commission was able to start looking for long-range programs and solutions. It was evident that the longer a relief recipient had been out of a job, the harder it would be to get a new one. Most new openings were being taken up by the estimated 130,000 annual newcomers to the labour market.²⁹ To increase chances of the older unemployed to find work and to increase the market skills of new high school graduates, the Commission recommended broad plans to increase the "employability" for the jobless. Programs, originally suggested by the Youth Employment Committee, would be aimed at improving the skills,

²⁹ King Papers, "Unemployment Policy", MG 26 J 4, Vol. 222, File: 2118; Note to King, 1937, C-151318.

physique, and morale of the needy unemployed. They were to be designed along the lines of short-term occupational training, 'learnership' courses, works projects for reconditioning and training, rural extension courses and physical training to restore health and morale. Plans were being formulated for a National Volunteer Forestry Service, urban training centres, rural agricultural courses and household science courses.

A Youth Training Program was adopted by the Dominion government in the spring of 1937 and a budget of \$1,000,000 was voted for shared cost agreements under the program. Rogers, when introducing the measure in the House, said, "I hope it is large enough to give us a clear sense of direction, if we find the problem is a continuing one."³¹

The Commission was very hesitant, however, to endorse any back-to-the-land schemes. But it cautiously ventured that local programs, which were well thought out and well organized, might work. All previous land settlement plans merely transferred the relief problems from an urban to a rural setting.

³⁰ Learnership courses were to widen the job horizons of those unemployed who could lay claim to a specific trade. Trainees would become familiar with more than one step in a vertical industrial operation.

³¹ Labour Gazette, 1937, page 415.

Possibly the most unusual recommendation was the Commission's proposal that the Dominion make drastic cut-backs in public works programs. The Commission claimed that the public works projects merely competed with private industry for very scarce skilled labour, detracted from the need to stimulate non-government construction work, were very inefficient, and as a general rule, public works ventures never achieved one of their major aims--taking relief recipients off rolls and providing them with jobs. Instead, such projects drew the majority of workers from the construction industry rather than relief rolls. Public works also promoted a feeling of dependance on the government.

The King government probably accepted the Commission's strong recommendation to cut expenses rather than for any of the reasons advanced by the Commission. In any case public works projects were cut back drastically in the 1937 budget and for the remainder of the decade. In their five years of office, the Conservatives spent more than \$29,000,000 directly on Dominion public works projects, including the relief camp system. In their half of the decade, the Liberals spent slightly more than \$9,000,000.³²

³² "Dominion Commissioner of Unemployment Relief, The Unemployment and Agricultural Assistance Act, 1940", Ottawa, 1941, page 40.

In the Commission's eyes a necessary step was the centralization and modernization of the Employment Service of Canada. Even though the Service was staffed by provincial officials, it seemed to operate in parallel with local relief agencies rather than work with them. The Commission felt that the Dominion's assumption of all costs for the Service would be more than out-weighed by the resulting efficiency. But this was one of the recommendations that the Liberal administration and bureaucracy took no action on.

During its last eight months of existence, until it was dissolved February 2, 1938, the Commission brought few new ideas to bear on the problems of relief and unemployment. It could not find a better solution for the transient 'problem' than the farm placement and supplementary plans. It again recommended the plans for operation during the winter of 1937-38, as the emergency which had appeared in 1936 rematerialized. The same emergency could be countered with the same temporary expediency once again.

The youth training and rehabilitation programs were refined and expanded to include programs for those older unemployed relief recipients. Registration of relief recipients shed some light on the magnitude of the problem, but it did not clear up the confusion which surrounded the twin problems. New and tighter auditing and administrative methods were introduced at the urging of the Commission, but any solutions to the relief and unemployment problems escaped the Commission.

Just as the Commission's youth and women's committees had disappeared by the time their recommendations were made public, the Commission, too, suffered the same fate. Its final report was still at the printers when Rogers received a type-written copy February 2, 1938.³³ That same day he rose in the House and announced the dissolution of the Commission. Although the official date of the final report was 26 January, it was not available for two weeks.

Even the recommended solutions for short-term problems had few specifics. The Commission left it up to the Liberal government and civil servants to fill out its proposed solutions. For example, it recommended continuance of the farm placement and supplementary plans for the transient as "an effective and relatively inexpensive instrument for meeting a real need",³⁴ and the continued use of the two plans and a series of programs for a coordinated national effort to boost tourism and, incidentally, create more employment.³⁵ The Commission seems to have accepted that the single homeless adult and employment problems were no longer emergencies, but a hard fact of the depression.

³³ Department of Labour, Letter of Transmittal to Rogers, February 2, 1938; RG 27, Vol. 211, File: 617:55.

³⁴ Department of Labour, "NEC-Progress Report, Re-Proposals", NEC Final Report, page 2, RG 27, Accession 70/382, Box 76.

³⁵ Ibid., page 10.

There was no short or long term solution as the problems the unemployed posed and faced were temporary only, as long as the depression lasted. The Commission failed to come to grips with the problems faced by the unemployed transient. But it did provide a partial answer to the problems these two groups posed for relief agencies and governments.

Far more important, in the eyes of the Commission, were the plans to increase employability. Training of youth, restoration, and rehabilitation programs, a modernized and efficient employment service and Dominion-provincial funding were "to be the spear-head of any well-planned effort to dissolve the bare core of those receiving unemployment aid. Without any adequate action along this line the Commission feels any effort . . . if bound to fail."³⁶

"It cannot be too strongly stated that such rehabilitation efforts must be directed towards the absorption of trainees in due course into private industry or into occupations on their own, in contrast to methods which result in increasing dependance upon governmental bodies for the provision of gainful employment."³⁷

Support of employers was essential to keep the nature of the training project practical and confined to the needy jobless, "so permitting of the liquidation of the residual problems arising from the depression relief measures."³⁸

³⁶ Ibid, page 11. ³⁷ Ibid, page 12. ³⁸ Ibid, page 13.

The Commission did not put too much blame on industry for letting its apprenticeship system lapse and causing a marked shortage of skilled workers. Industry could not tell that the depression was going to be anything more than a temporary emergency. Most of the blame was placed on the educational system with its heavy emphasis on academic subjects:

"In the past too little attention has been paid to ensure that the educational facilities provided prepare the young citizen for practical working opportunities . . . one of the most urgent and vital problems affecting employment opportunity."³⁹

The Commission gave the impression that a hard core of unemployed, who were losing more and more of their employability each year, would be a visible reminder of the depression for some years to come. It's short-term programs were aimed at reducing the number of relief recipients by providing them with work in lieu of relief or with training so industry would eventually absorb them into the mainstream of working life. The Commission, with the benefit of hind sight, proposed a general strategy direction for the government and industry to be adopted before the onset of another serious recession or depression.

Governments were advised to be prudent and courageous in curbing expenditures and reducing debts in periods of rising revenues. The Commission called for intelligent and informed

39. Ibid., page 27.

credit control by the Bank of Canada and for a modernized and reorganized Employment Service of Canada. Once the current period of readjustment had been completed, government was advised to restrict spending to unnamed essentials. Both government and industry were urged to establish programs to maintain and increase the employability and resourcefulness of workers.⁴⁰

Unemployment insurance and supplementary systems for aid were vital elements to combat any future depressions. The Commission believed that unemployment insurance and aid should be structured to bear the brunt of the initial shock of a sharp employment crisis. Once an adjustment had been made to such a crisis, the government should then only consider expanding public spending with public works projects. These should be directed toward providing work for relief recipients and should be strictly a relief measure, not a stimulant to recovery.

" . . . in any future periods of extended unemployment; it will be of the greatest importance that the projects instituted to take care of the conditions herein outlined should come into existence sufficiently early to prevent necessitous young people from losing their morale and to ensure as far as possible the maintenance of the skill, physique, and morale of the older group.

"The second and more permanent phase of the training work involves the provision of opportunities for youth to be fitted into industrial life . . . that apprenticeship and learnership courses should be available at all times to meet the requirements of industry."⁴¹

⁴⁰ Ibid, page 38. ⁴¹ Ibid, pages 53-54.

The Commission warned that depression would occur again and that governments should be prepared to act rather than try to wait it out. But, rather than recommend any specific advice for future government action, the Commission merely suggested a direction for policy to take. A government's primary task was to accelerate recovery and adjustments made by the normal market forces.

AFTER THE COMMISSION

Meanwhile, in 1938, the private market forces were not recovering but were reeling from a recession. The unemployed still rode the rods or stood in soup kitchen line-ups and more than 1,000,000 Canadians were depending on the humiliation of relief assistance for survival. The Commission had no recommendations to ease their continuing plight.

That responsibility was left in the hands of King's government. To guide his government through the remaining years of the depression, however long they may have lasted, King chose the anonymity and secrecy of a Cabinet sub-committee. The Unemployment Coordination Committee, consisting of the Ministers of Labour, Public Works, Transport, Mines and Resources, and Agriculture, came into being April 1, 1938. It was to prepare a broad program of national development based on Cabinet agreements to:

- discontinue grants-in-aid and joint work projects;
- use federal funds primarily for federal and not joint works;
- provide a form of work and payment, not relief works;
- ensure that any projects would benefit the nation and not be undertaken solely from providing relief work; and
- recognize the different aspects of the problem in older and newer parts of the Dominion (urban work projects in the east vs rural work in the west "so as to facilitate moving people from urban to rural areas").⁴²

The new Cabinet Committee did not pursue any new initiatives, rather it was content to follow some of the general, short-term policy directions suggested by the National Employment Commission. The farm placement and supplementary plans were retained as were the various youth training and rehabilitation schemes. The Liberals were to expand the latter plans from a one-year experiment to a relatively well-financed three-year plan. But even this move was undertaken with caution and only after a January, 1939, Dominion-provincial youth training conference.

Rogers used the conference, attended by provincial, federal, and private agencies, as a sounding board for a three-year youth training plan.⁴³ His announced intention of such a

⁴² King Papers, "Unemployment Policy", MG 26 J 4, Vol. 222, File: 2188, C-151674, April 1, 1938, memorandum.

⁴³ Department of Labour; "Dominion-Provincial Youth Training Conference, 1939"; RG 27, Vol. 162, File: 600.2.186.

plan received a favourable response, despite statistical evidence that the youth training projects were not providing very many youths with jobs. In 1938-39, the second year of operation, the plans kept 55,457 young, jobless, needy Canadians busy in 1,474 classes or projects. Only 14,560 were enrolled in any courses to fit them for particular training, and of those, only 3,284 'graduates' found steady work.

Even though these results were well known to the delegates, it did not dampen their enthusiasm as they plunged into a series of workshops on rural training, urban training, works projects, and women's courses. Work shop chairmen recommended that rural training opportunities be extended to interested urban youth; a permanent urban youth training plan be created; more cooperation with employers and coordination of national works projects; and women's courses should be planned and executed in consultation with women.

A proposal for post-graduate scholarships for further training before employment was turned down as was a suggested Canadian Corps Association. The proffered plan, consisting of 10 camps, each to hold 5,000 young men for national development works, was dropped because of its military overtones. The conference did approve dropping the "necessitous" requirement for applicants under the program. Deserving transients were now to be considered as applicants.

As far as providing general guidance for governments, the Conference recommended a national and provincial advisory councils or committees; extended physical training programs; and a national publicity campaign.⁴⁴ The King government adopted the latter two proposals but took no action on a national advisory council.

The response of the conference was enough to convince King to carry out the three-year program. The Youth Training Act, which became law May 19, 1939, provided for a budget of \$4,500,000; a special vote of \$1,000,000 for a national forestry program and monthly assistance grants of \$25 for university students during their academic year.⁴⁵ By August, seven provinces agreed to match the Dominion's \$550,000 for rehabilitating the older employed. This program covered projects in mining, farm chore, forestry, and furniture making, land settlement and agricultural short courses.

The menacing war in Europe and its out-break in September 1939 provided the Dominion with another means of reducing youth unemployment. The Royal Canadian Air Force needed

⁴⁴ Ibid.

⁴⁵ Ibid.

up to 1,000 trained ground crewmen. Trades training to meet RCAF requirements was conducted in conjunction with urban youth training projects.⁴⁶ But even war could not enable the government and private industry to eradicate the effects of a 10-year depression.

In a speech to the House of Commons, the new Minister of Labour, Norman McLarty, noted the loss of incentive to work and skills.⁴⁷ The depression caused a shortage of some skilled labour and a declining reserve of available skilled and semi-skilled workers. A full year after the war began, Canada still had 52,500 fully employable men and women on the relief rolls and more than twice as many estimated unemployed:

"This paradox of unwilling idleness of many citizens in the midst of the great demands in war is surprising but it is a definite fact . . . But the cure of unemployment in war is not as easy as the statement that it exists. It raises technical problems of great complexity."⁴⁸

Every one of the various committees, commissions, and conferences the King administration brought into being said the same thing--unemployment and relief solutions were not going to be easy ones, that the problems were complex and difficult. Still they proposed a number of programs, expanded

⁴⁶ Department of Labour; "Dominion-Provincial Youth Training, General", RG 27, Vol. 212, File: 617-57.

⁴⁷ Labour Gazette, 1940, page 1248.

⁴⁸ Ibid, page 1248.

existing ones, and enthusiastically tried to find solutions within very narrow terms of reference. The mechanisms the King government used, including the civil service, could not find the answers, despite their programs to ease the problems posed by unemployment and relief. This is borne out by a closer examination of the two principle programs to employ young, single, homeless adults--the Farm Placement and Supplementary Plan and the Youth Training Plan.

CHAPTER V

THE FARM PLACEMENT AND SUPPLEMENTARY PLANS

The King government's decision to close the unemployment relief camps in the summer of 1936 did nothing to rectify the potential social and political problems the 100,000 or so transients posed. Without a system of camps for single, homeless unemployed men during the winter of 1936-37, transients were reported heading for large urban centers. Provincial and civic officials were very concerned about such an influx of potentially dangerous transients. Memories of the Regina Riot were still fresh and secret RCMP reports¹ indicated agitators and communists were working towards another march on Ottawa for the spring of 1937.

Even if the single, homeless unemployed did not cause trouble in the cities, their very presence would strain the still inadequate relief organizations. But, even more important, politically, they would be a very visible reminder of an unsolved problem as Purvis, Chairman of the National Employment Commission cautioned Rogers, the Minister of Labour.

¹ Department of Labour, Lacelle Files, RG 27, Volume 211, File: 617:45 and Accession 70/303, File: "Relief Camps, 1936"; classified and secret RCMP and DND Reports; and memorandum to the Minister of Labour and Defense.

"The Canadian public and the press . . . will this winter almost certainly measure the success of the government's unemployment policy in general, and of its policy in closing the National Relief Camps . . . by the extent to which this single homeless adult difficulty . . . is taken care of this winter. But more concretely, any outbreak this winter in the big cities, particularly Vancouver or Prairie Province Centres, caused by agitators working on this easily influenced mass, or even visual evidence that large bodies of such men are still in the cities will be used to prove to the public as a whole that the government's policy is non-existent or ineffectual."²

Purvis also warned Rogers that such an occurrence would place the work of his Commission in jeopardy. Increased problems caused by the larger number of freely moving transients would also engender new animosities among the provinces and between the provinces and the Dominion. As a short-term solution, Purvis recommended a program that had only been a marginal success³ for five years under the Conservative government, but a scheme that had been resoundingly rejected by the men in the camps that summer--a farm placement or settlement program.

The farm placement plan and its federal-provincial cost-sharing and administrative arrangements were already in place when Purvis made his recommendation. Purvis knew it stood a good chance of acceptance. Rogers, in speaking to the NEC Act during the February 1936 debate had proposed a more inten-

² Department of Labour, Memo from Purvis to Rogers, August 24, 1936; RG 27, Accession 30/384, Box A.

³ "Dominion Unemployed Relief, Relief Since 1930"; pages 64-66.

sive application of the Conservative measure. However, Rogers also expressed the hope⁴ that the Commission would be able to find alternative plans. The Minister's hope was never realized.

Purvis seemed to rule out any other options when he called upon a committee of six civil servants to examine the farm placement plan. In July and early August, Harry Baldwin, Superintendent of the Relief Division, Rigg, W. M. Jones, Harry Hereford, and Mitchell, all of Labour, H. R. Hare, Agriculture, and M. J. Scobie, Immigration, drafted a revised farm placement plan and presented it to Purvis.⁵

Even before he had officially received the draft plan, Purvis wrote to Rogers:

"The Committee is not so concerned with an attempt to justify the principle of subsidy or bonus to agriculture as it is with facing squarely the alternative. The alternative--pending completion of the Commission's long-range plans--appears to be increased unemployment, direct relief and congestion in the urban centres this winter particularly among single men in view of the extensive crop failure, cessation of railway maintenance work and closing of relief camps. . . . The winter farm placement plan affords a means of useful employment and distribution of many men pending development of the Commission's plans."⁶

⁴ Labour Gazette, 1936, page 220.

⁵ Department of Labour; "Progress Reports, Mr. Baldwin", August 11, 1936, Third Report; RG 27, Accession 70/382, Box 68.

⁶ Department of Labour; "Farm Settlement and Single Unemployed, Calgary, 1936-38", Memo from Purvis to Rogers, August 10, 1936, RG 27, Accession 70/303.

Hereford, Jones, Rigg and Mitchell formed a special committee to refine the proposal and present it to an August Dominion-provincial meeting.⁷ The one-day Conference was inconclusive. Provincial representatives were undecided about proposed registration of transients; agreed that transients could not be prevented from riding the roads without a bloody confrontation; and were in general sympathy with the proposed farm placement plan, despite doubts as to its possible success.

What the provinces did seem to agree on was the degree of Dominion responsibility for transients:

"It was hoped that in the fall of this year the provinces would make arrangements for the care of these homeless adults. But it was the definite opinion of the Provincial officials that the problem was a Dominion responsibility, at least so far as those who had been residents of the National Relief Camps are concerned."⁸

Nevertheless, provincial sympathy for such a plan indicated a willingness to enter into shared-cost agreements. Purvis also advised Rogers that such a federally-initiated program would meet most of the objections from the press and the public on the lack of a policy on the single homeless adults.

⁷ Op.cit., August 24, 1936, Fourth Report.

⁸ King Papers, "Unemployment Policy", MG 24 J 4, Vol. 197, C-137646.

"In addition the improved outlook and cooperation which would result with the Provinces from the feeling that the Dominion has a definite policy for sharing in the solution of a specially dangerous and difficult problem would have a definite value . . . Further, enough employment would result from the policy to permit a concerted effort to gain public support for the elimination of relief to physically fit single, homeless adults who are unwilling to accept work under a reasonable choice of plans"⁹

Neither Purvis, his special committee of civil servants, the Commission, nor the government had drawn up any other plans to give the unemployed a choice. It was to go to the farms or no relief during the winter. That was the only clear-cut aspect of the plan when Purvis urged that Rogers adopt it.

"We have very little time to work out the policy successfully if adopted and I hope, therefore, you can give it early consideration . . . The object is to put as many as possible of this transient class out on the farms as it is less expensive to do so than maintain them on relief in the cities and less dangerous."¹⁰

The need to keep transients out of urban centres, out of public view, and away from agitators determined the final details of the revised plan. A farm worker would receive \$5 monthly plus board and room and a \$3 clothing allowance. A deferred payment of \$2.50 a month bonus would be available

⁹ Department of Labour; Memo from Purvis to Rogers, August 24, 1936; RG 27, Accession 30/384, Box A.

¹⁰ Department of Labour, Memo from Purvis to Rogers, August 27, 1936; RG 27, Accession 70/382; File: "Transients".

only if the worker stayed on the farm until March. If he left before then, any accumulated bonus would be forfeited.

"In other words, the purpose of this deferred payment should clearly be to keep the men from drifting back into the cities during the winter months."¹¹

The deferred payment also had the advantage of helping to tide the workers over until seasonal employment could be found in the summer months. If that failed to materialize, the worker would not be eligible for relief until his deferred payments ran out. It would simply keep farm workers off the relief rolls a little longer and save more money.

Once the other details were completed, there was little doubt that Rogers would accept the plan. The main differences between it and the Conservative version were that the plan was extended for two months; transients would get preference, although the plan was open to all over 16; the bonus and deferred payment was new; all provinces were given the option of joining the program; and, lastly, the \$5 monthly bonus to the farmer was re-introduced.

Purvis reminded Rogers that:

"There is an appreciable hard core amongst them of 'won't works'. The total homeless adults and the number of 'won't works' under the existing conditions

¹¹ Department of Labour, "Farm Placement", Memo from Moore to Purvis, August 22, 1936; RG 27, Accession 70/382, Box 84.

tends to increase each year, and further, the group is the prime available material for subversive elements seeking to stir up trouble."¹²

The Chairman of the National Employment Commission also reasoned that:

"... even if this policy were not entirely successful in its practical application it should be possible to get enough men of this type out of the cities under various plans to ease the situation very materially."¹³

To add more weight to Purvis' recommendations, T. W. Molloy, the Saskatchewan Commissioner of Labour and Public Welfare, was writing to the Dominion Deputy Minister of Labour, W. M. Dickson, concerning police reports on transients. The reports indicated communist and activist leaders were heading into the harvest fields to recruit the unemployed for confrontation in the cities during the coming winter. Molloy urged "the early operation of the farm bonus plan in order that we may induce as many as possible of these new recruits to remain in the country."¹⁴

¹² Department of Labour; "Recommendations to the Minister"; Memo Purvis to Rogers, August 24, 1936; RG 27, Accession 70/384, Box A.

¹³ Department of Labour; "Single Homeless Adults", Memo from Purvis to Rogers, August 27, 1936; RG 27, Accession 70/382, Box 87.

¹⁴ Ibid, Molloy to Dickson, letter dated August 25, 1936.

The revised farm placement plan that was presented to Rogers had six official benefits. It would offer employment in a home atmosphere at or near normal seasonal working wages; there was the probability of permanent placement for an appreciable portion of the workers; it would eliminate those who did not want to work from the relief rolls; run-down farm properties would be improved; it was another measure of relief for the drought-stricken West; and it created a situation aimed at abolishing relief for physically fit homeless adults.¹⁵

Publicly the plan seemed to contain measures which would ease some of the problems faced by the single, homeless unemployed, but its administrative benefits were not publicized outside of the relief agencies involved. Firstly, the plan would greatly lessen the strain on local relief agencies caused by a large influx of transients. It would also give urban centers a chance to reduce their relief rolls by offering transients a choice--farm employment or no relief.

Thirdly, the plan would serve as a very visible example of the new Liberal administration's attempts to solve Canada's unemployment problems. If the expected 45,000 jobless could be placed under the plan, it could be singled out as an example of positive efforts to reduce unemployment. True, it was still a form of relief, but it was a work and wages subsidy, a far lesser evil.

¹⁵ Department of Labour; "Single Homeless Adults"; unsigned memo, September 8, 1936; RG 27, Accession 70/384, Box A.

One of the most important effects of the plan would be a solution to the ever present threat of social and political unrest in Western Canada. Bennett's experiment in isolating large numbers of men from subversive agitators had failed. The long winters provided the perfect incubation period when agitators and their ready-made, "captive" audiences met in the isolated relief camps.

The farm placement plan was a variation on the theme of isolating men from the virus of discontent. Instead of grouping the men in a camp system, the Liberal experiment would isolate them singly. Stuck on farms during the winters, the men would truly be cut off from agitators. No watchman was necessary, the Canadian winter sufficed. A travelling agitator would be much too obvious. By placing men in a normal home environment during the long, lonely winter, an individual would come into contact with the status quo political and social institutions. An individual would have to react on his own without the comfort and anonymity of a sympathetic crowd.

All in all, the Commission's plan was an appealing, temporary, short-term solution to what dominion civil servants and politicians saw as a pressing and politically dangerous situation. Rogers telegraphed an invitation to the provincial ministers on September 10, 1936.

"In order to assist in handling specially difficult single homeless transient problems Dominion government is willing, this winter, to share equally with you and other provinces in cost other than of administration of offering jobs in primary product industries to all physically fit single homeless adults . . . determined effort will be made by you to abolish relief for physically fit homeless adults . . . every effort will be made confine application of plans to homeless class relief recipient in question . . . most important in our view, however, that several alternative plans be developed promptly suitable for your provincial conditions in order cover all those physically fit in class in question and so obtain public support if and where jobs are found"¹⁶

The response was somewhat less than enthusiastic. New Brunswick and Prince Edward Island replied that they were not ready to implement such a plan. Nova Scotia had only 350 transients and did not deem it worth the expense. Ontario felt its own increasing employment in industry, mining, and lumbering would take care of most of its own transients. That left Quebec, Manitoba, Saskatchewan, Alberta, and British Columbia as participants.

Agriculture was the most obvious area for creating short-term jobs, but some provinces, like British Columbia, did not have a sufficiently large farming industry to absorb large numbers of unemployed. Other provinces, including the agricultural-oriented Prairie provinces, indicated they would be willing to participate in supplementary placement projects

¹⁶ Department of Labour; "Farm Employment Plan", Telegram from Rogers to Provincial Ministers, September 10, 1936; RG 27, Accession 70/382, Box 78.

for other primary industries such as mining, forestry, road construction, and some large public works ventures. Supplementary projects would complement the farm placement plan and hopefully would achieve the same results. The Dominion agreed to consider any such projects the provinces had in mind.

Costs of transportation, wages and subsistence would be shared. Preference was to be given to single transients, but there was to be no discrimination or favour by race, religious views, or political affiliations. Fair wages for an eight-hour day and 44-hour week were to prevail and Canadian manufacturers were to be used. The Dominion had the final say in disputed matters.

Provinces were to assume the total costs of administration, land acquisition, damages to real or personal property, injury to persons other than Workmen's Compensation, purchase of machinery and parts, taxes, license fees and permits, legal and consulting fees, office equipment and overhead.¹⁷ The provinces also had to accept responsibility for transients placed in the programs.

Only the four Western provinces and New Brunswick opted for the supplementary plans for the winter of 1936-37. But opting for the farm placement and supplementary plans was

¹⁷ Department of Labour, "B.C. Agreements 1936-38"; RG 27, Vol. 207, File: 617.1:8-3.

an easy matter compared to getting men to accept farm jobs. The jobless had resisted attempts by the Labour Transference Branch to get them in farm work five months earlier. Men were found for railway jobs, but not for the farm jobs, which involved low pay, long hours, isolation and occasionally not very amenable living conditions.

While there were initial out-right instances of hostility¹⁸ against the Dominion-provincial plans, it would seem that they were accepted by the single homeless unemployed as the only alternative to a long, cold, and hungry winter spent on breadlines and in flophouses. There seemed to be just as much reluctance on the part of some provincial officials to apply the programs. They had to convince themselves that transients really did want work and wages rather than handouts and meal tickets.

From the Federal government's point of view, the programs were a success in Western Canada and Quebec in 1936-37. There were complaints that some farmers were firing hired men to get farm placement workers for bonus money and to save on wages.¹⁹ Also some workers were reported leaving farms due to

¹⁸ Department of Labour, RG 27, Accession 70/303, File: "Farm Settlement and Single Unemployed, Calgary, 1936" and Accession 70/384, Box A, File: "Single Homeless Adults--B.C."

¹⁹ Department of Labour; "Farm Placements"; Clipping, Winnipeg Free Press, March 20, 1937; RG 27, Accession 70/382, Box 82.

poor living conditions.²⁰ But there were very few criticisms in the daily press of the farm placement plans from others than transients and members of unemployed organizations. The plans and government publicity were accepted at face value.

The Ottawa Journal recognized that governments would save \$7.50 a month by placing men on farms rather than provide them with relief and would save \$3-4 over the relief camp system. But the newspaper noted:

"The country is saving money through abolition of the labour camps, and that is important, but not less important is the welfare of the men who claim no place as home."²¹

Toronto's Globe and Mail voiced similar sentiments in an editorial which was never repeated.

"Something must be done for this forgotten man before he becomes a helpless hobo, a man discouraged and soured in disposition--or a criminal. Conditions are greatly improved, but not for the transient . . . This is a problem that cannot be passed over . . . He is a human being in distress."²²

The reaction of J. S. Woodsworth, leader of the CCF, was not as dramatically reported, but he did not think the farm placement plans would be effective. While supporting a work

²⁰ Ibid, Winnipeg Free Press, November 11, 1936.

²¹ Department of Labour: "Relief-Special Projects"; Ottawa Journal, December 12, 1936; RG 27, Accession 70/382, Box 80.

²² Ibid, Toronto, Globe and Mail, November 23, 1936.

and wages program, Woodsworth attacked the program because men were being forced by starvation to work for less than decent wages. He also claimed that only some of the transients were suited for the work: Further, he argued if the plans were designed to subsidize the farmer, the government should do it properly; the railways got a better deal in 1936. He also predicted that men would continue to drift and in the end would constitute a menace to society.²³

Woodsworth was wrong in one of his evaluations--the plan was effective in getting large numbers of transients out of urban centres for the winter of 1936-37. A total of 47,765 men and women were placed on farms in five provinces and an additional 7,422 found jobs in the various supplementary programs in Manitoba, Alberta, and British Columbia. Altogether 55,187 were placed in a work and wages atmosphere.²⁴

While the farm placement plans were successful in providing large numbers of unemployed with a work and wages form of relief, they were only marginally successful in taking jobless men and women off urban relief rolls or providing placements with jobs after the plans expired in the spring.

²³ Department of Labour; "Farm Settlement and Single Unemployment, Calgary, 1936"; Winnipeg Free Press clipping, October 17, 1936; RG 27, Accession 70/303.

²⁴ "Dominion Unemployment Relief, Relief Since 1930", page 38.

FARM PLACEMENT PLAN 1936-3725

<u>Province</u>	<u>Total Placed</u>	<u>From Urban Relief</u> ²⁶	<u>Remaining on Farms</u> ²⁷
Quebec	7,239		4,400
Manitoba	10,769	4,300	4,051
Saskatchewan	23,274	10,522	12,000
Alberta	6,183	5,025	1,760
British Columbia	300		55
	<u>47,665</u>	<u>19,847</u>	<u>22,266</u>

²⁵ No statistics are available for determining how many of the placements under the supplementary plans came from urban areas. Manitoba provided 1,148 jobs, Alberta 1,514, and British Columbia 4,724.

²⁶ Department of Labour; "British Columbia Camps, 1936-38", RG 27, Accession 70/303.

²⁷ "Dominion Unemployment Relief, Relief Since 1930", page 113.

The farm placement and supplementary plans were devised as temporary expedients to meet a short-term problem-- caring for a large number of single homeless men over the winter of 1936-37. The plans were operated during the period of highest seasonal unemployment when most of these men would have to apply for relief aid. They were extended one month to April so as to meet the hoped for, but never realized, rise in seasonal employment. During the summer months the men were left to shift for themselves while governments hoped that private industry would employ some of the men. That hope was never realized.

When examined against the overall unemployment picture, the farm placement and supplementary made little more than a dent in the numbers of unemployed, estimated to be nearly 400,000 in the spring of 1937. While priority was given to placing transients, no statistics were kept of the number of single homeless men and women placed. Even if the plans took in solely this class, less than half the estimated number of transients could have been placed.

Presumably those men and women went on as before, keeping on the move until they found a city or town which would give them relief to last out the winter. The visible reminder of the government's failure to end unemployment, the long line-up at the soup kitchens was still there, twice a day. Still, King could point to the fact that Liberal programs took more than 55,000 men and women off the streets and relief rolls and

put them to work in return for relief aid. The National Employment Commission was still hard at work studying relief and unemployment and King was not going to take any further action than necessary while waiting for the study to be completed.

The NEC's study was in mid-stream in the fall of 1937 when governments and the Commission realized they were facing the same problems encountered a year earlier. Indeed, the problems were very similar to those which Bennett first came up against in 1931 and in successive years. The Liberals' temporary expedient would have to be trotted out again to meet another temporary winter relief emergency for transients.

Once again in 1937 farm plan agreements were signed by the four Western provinces but only British Columbia took advantage of a supplementary plan. Quebec dropped out of the farm placement plan to take advantage of the inexpensive new youth training program. The plans were having the desired effect in keeping political unrest at a very low level, according to reports by Humphrey Mitchell.

The situation regarding transients and single unemployed was the best in Manitoba in six years. Only 3,000 were on urban relief, primarily due to the plans and a demand for bush workers in Northern Ontario. Saskatchewan alone could use up the entire Dominion budget with almost 500,000 on relief.

The situation looked grim: "The problem as it presents itself is to keep the single farm workers and the younger persons in the area from drifting in large numbers to other provinces."²⁸

Some of the high demand for placements in Saskatchewan might be met by a lighter demand in Alberta, he reported. There appeared to be no difficulty in getting men to work on farms.

"It would appear that conditions in Alberta as they affect the single homeless unemployed and transients are better than . . . a year ago when the situation was at times serious. This in my opinion is accounted for by the general stiffening of the Provincial Government in meeting the problem."²⁹

British Columbia continued to be a problem. Rumours of winter works intensified the autumn concentration of jobless men in Vancouver. Furthermore, the transients were well organized by the Project Workers Union, a Communist front organization. The British Columbia government refused to budge from its time table of cutting relief off for all transients. A strict relief registration and investigation was being conducted and new arrivals in British Columbia after 21 November were sent back east. While the province was willing to create 2,600 jobs, only pressure on the government increased that to 4,200 jobs. Rather than meeting a need willingly, the province again had to be forced into action.

²⁸ Department of Labour; "Farm Placement"; Memo from Mitchell, December 22, 1937; RG 27, Vol. 212.

²⁹ Ibid.

The confrontation situation was made more explosive by the irregular actions of provincial authorities. As an example, British Columbia arrested 300 "tin-canners" (men collecting money on street corners without permits). Faced with the resulting furor, the Patullo government asked the Dominion to pardon the men, who had been charged under the Criminal Code. Once the men were pardoned, British Columbia found jobs for all 300 in a Powell River forestry camp. Mitchell noted that the men could only get jobs after being forced to tin-can and were arrested. They could not get relief by simply applying for it.³⁰

The situation in British Columbia was met, for the winter months, by the re-application of the supplementary plans. The farm placement plans continued to defuse potential unrest across the Prairies. The programs for 1937-38 were almost completed when the National Employment Commission completed its final report. It noted, better late than never, that:

"The need for similar action this winter will probably be appreciably less than was the case last year but the Commission had recommended utilization of the Plan afresh during the current winter as an effective and relatively inexpensive instrument for meeting a real need . . . supplementary plans may also be necessary this winter to meet the seasonal position."³¹

³⁰ Ibid.

³¹ "National Employment Commission, Final Report", page 9.

Placements on farms were made for 42,733 men and women and another 4,640 men found work on supplementary plan projects in British Columbia during the winter of 1937-38. The bulk of farm placements were in Saskatchewan, where 26,772 applications were accepted, up 4,000 from the previous year. Significantly, only 14,500 remained on farms, 8,000 fewer overall than 1936-37. As in 1936, the plans were again extended to April 31 to meet seasonal employment, which once again failed to materialize.³²

This repeated failure of seasonal unemployment to absorb transients into the labour force was to have dire consequences in British Columbia in the spring of 1938, but the other Western provinces were quiet, according to reports by Mitchell, who was making a second western tour. The majority of his reports back to Ottawa did not concern employment conditions or the lot of transients seeking relief, but stressed the social and political climate in the west.

Manitoba was experiencing less trouble since the onset of the depression and any resistance to farm placements disappeared. No additional men had been added to the rosters of provincial forestry or highway camps. Alberta was also going through its quietest year since 1929 without strikes or protest marches. However, provincial officials and police reports

³² "Dominion Unemployment Relief, Relief Since 1930", page 113.

indicated a possible outbreak of disturbances in the late spring and another march on Ottawa. Saskatchewan seemed to have benefited most from the farm placement plans which "made possible the prevention of a potential exodus from the dried out areas of serious proportions and the consequent disorganization of normal relief machinery in other Provinces."³³

Nearly 39,000 applications were made in Saskatchewan, 12,000 were rejected and another 2,100 placements were cancelled.

Forestry and works projects under supplementary plan agreements were very successful in meeting the needs of some transients and single unemployed in British Columbia. More than 5,500 men applied for jobs in these camps and by March 1, 1938, 4,300 had been placed while another 400 awaited vacancies:

Forestry Development Camps worked very well, from the discipline point of view, as the British Columbia Ranger staffs followed directives concerning union activities and agitation to the letter. Men were not allowed to leave the camps for union activities, nor were union delegates allowed inside the camps. Any men removed from the camps for infractions of camp regulations would forfeit all future benefits under the employment plan and would not be eligible for any provincial unemployment relief.³⁴

³³ Department of Labour: "Report on Unemployment Conditions for Single Men--Western Canada", February, 1938, Humphrey Mitchell; RG 27, Vol. 211, File: 617:51.

³⁴ Department of Labour: "Forest Development Project Annual Report, 1938"; RG 27, Accession 70/303, File: "B.C. Camps, 1936-38".

All 2,809 men accommodated in the forestry camps during the winter were single and unemployed, but only 17% were interprovincial transients. Only 95 men were ever discharged for cause and about 150 left with them in sympathy, but no large-scale demonstrations were ever organized to support the discharged men.³⁵

One regulation was leading to trouble, though. As soon as a man accumulated enough deferred pay to carry him through to May, he was laid off and replaced in the camps, sometimes as soon as February. This regulation enabled the camps to enroll nearly 5,000 men during the winter, but when May came, the deferred pay ran out, no seasonal jobs materialized, nor was there any further relief assistance. Also work projects employing 1,800 men were closed six weeks earlier than scheduled.

The British Columbia Minister of Labour, G. S. Pearson told Mitchell that his colleagues were expecting demonstrations in the spring of 1938 to compel the province to extend the work projects once they expired. But Pearson made it clear that British Columbia was not making any plans to provide additional relief of work for the single unemployed.³⁶

³⁵ Ibid.

³⁶ Ibid.

On May 21 more than 1,500 jobless men occupied the Vancouver Post Office, municipal Art Gallery and Hotel Georgia as a sit-in demonstration. "This is a desperate effort to bring our plight to the attention of authorities", explained a spokesman for the Relief Camp Workers Union. "It is a case of starving to death now."³⁷ The sympathy of Vancouver citizens was with the non-violent demonstrators, who cooperated with building officials and did not disrupt normal services. But the demonstrators did not have the sympathy of either the British Columbia or Dominion governments. Norman Rogers told the House of Commons,

"The demonstration conducted by the relief project workers union in the city of Vancouver has as its object the provision of work for these men . . . this government will not be influenced in the slightest degree by any threats or form of demonstration."³⁸

Provincial authorities took the same attitude. They offered to assist the single, homeless, unemployed to return to their homes, but would not create jobs or provide relief.

The sit-in at the Hotel Georgia ended after a few days when hotel management made a contribution to the strike fund. Tag days, tin-canning, rallies, and soft-ball games raised money to charter a boat to take the demonstration to

³⁷ Ibid; Clipping, Vancouver Province, May 21, 1938.

³⁸ Hansard, page 3379, May 23, 1938.

Victoria and the steps of the Legislative Assembly: The reaction of Vancouver police was quiet and firm; arrests of tin-canners stopped but the tin cans and their contents were confiscated. Patullo relented slightly and offered 650 jobs to men with five years provincial residence--over 1,250 applied.

After 30 days of a peaceful sit-in, RCMP and city police suddenly stormed both the Post Office and the Art Gallery in the early hours of 20 June. The brutal police assault smashed heads and the sit-in. The day after the violence, Pearson telephoned Rogers that British Columbia would be willing to provide 5,000 summer jobs, but not for those men who were in the winter relief camps. Neither would the province provide food or shelter for Vancouver's unemployed.³⁹

With more than 800 demonstrators in Victoria and another 1,000 crossing to the Island, British Columbia Premier Patullo announced a joint Dominion-Provincial policy to provide employment and relief to those men who registered with the Employment Service of Canada. Patullo's June 27 statement stressed that the Dominion was ready to halt illegal roq-riding

³⁹ Department of Labour; Transcript of telephone conversation Pearson to Rogers, June 21, 1938; RG 27, Vol. 211, File: 617:51.

to British Columbia, while assisting transients to return 'home'. The tough Provincial stand seemed to be having its effect on transients as 1,039 applied for transportation east.⁴⁰

Patullo's unshakeable stand and the spectre of more unrest in the west forced King into action. He agreed that the Dominion would assume full financial responsibility for relief to non-resident transients formerly employed in work camps, pending their transportation home. King also made reference to a public works and rehabilitation program.⁴¹

The Relief Camp Workers Union, which had organized the sit-ins, also was forced to bow in the face of unyielding provincial policies, leaving it up to the men to accept the government's limited offer of some relief and transportation home.

"... but from the standpoint of the union, they (government offers) were not satisfactory. The policy of our union remains the same as we are asking for a definite solution for unemployment, as a union we are not interested in casual jobs. Why does it not go all the way and recognize the condition as it really exists and lay down a permanent program?"⁴²

40 Department of Labour; Mitchell telegram to Rogers, June 27, 1938, Ibid.

41 Department of Labour; Letter, King to Patullo, July 8, 1938, Ibid.

42 Department of Labour; Clipping, Victoria Times, July 8, 1938, quoting Campbell, a leader of the demonstration; Ibid.

While governments did not have any permanent plans for ending unemployment and relief, they were starting to bring rod-riding to a halt. The Vancouver demonstration marked the first serious attempt by provincial police, the RCMP, and railway "bulls" to halt the movement of transients by rail. In June 1938, all trains at Red Pass Junction, near Jasper, Alberta, and in Jasper itself were checked for transients. At Red Pass Junction, 127 east-bound and 150 west-bound rod riders were removed as were 300 east-bound and 150 west-bound at Jasper. Between 1 May--18 July, 5,104 east-bound and 2,585 west-bound transients were removed from Canadian Pacific trains and 598 east-bound and 397 west-bound from Canadian National.⁴³

1938 brought no positive change to the economic picture. Not only did the expected increase in seasonal employment fail to materialize, but a sharp recession sent unemployment figures climbing to near 1936 proportions--from 387,000 in 1937 to 407,000 in 1938. At the same time, government statistics were showing a decrease in numbers in receipt of relief from 1,162,836 in 1936 to 956,452 in 1938.⁴⁴ Mitchell reported the number of single, homeless persons on relief in Vancouver dropped from 13,805 in May 1936 to 7,000 in May 1938.⁴⁵

⁴³ Department of Labour; Railway letters to C. D. Howe, Minister of Transport, no dates, 1938, Ibid.

⁴⁴ Department of Labour; "Unemployment Conditions 1923-42".

⁴⁵ Op.cit., Mitchell to Rogers, May 5, 1938.

The Dominion claimed that it should be lowering its contributions for relief assistance as the problem was becoming more of caring for unemployables and social welfare cases rather than strictly an unemployment problem.⁴⁶ However, the Trades and Labour Congress objected to the Dominion's numbers game. In a December 1938 memorandum to Rogers, it claimed that the drop in relief recipients was not due to increased employment, but rather to tighter oppressive relief regulations and lower relief standards. The TL&C condemned those practices, but it also commended the government for the farm placement and youth training plans and called for an organization to continue the work of the National Employment Commission. The labour memorandum stressed that unemployment still over-shadowed all other relief problems and it urged the Dominion to take a stronger role and introduce further public works projects.⁴⁷

King's government replied with tried and true measures: Rogers announced that the farm placement and supplementary programs would be operational again for the winter of 1938-39.⁴⁸ Under the 1938 agreements, there was no monthly

⁴⁶ Department of Labour; Rogers to E. W. Cross, Ontario Minister of Public Welfare and Municipal Affairs, February 15, 1938; RG 27, Vol. 614, File: 28-3.

⁴⁷ Labour Gazette, 1939, page 40.

⁴⁸ Labour Gazette, 1938, page 1073.

bonus of \$5 to farmers in Saskatchewan and Manitoba. Nevertheless 31,314 placements were made and an additional 4,558 men were employed through supplementary plan projects in British Columbia. Consistent with other relief statistics, the numbers aided by the plans also showed a drop, as did placements in Saskatchewan which were down nearly 10,000 from 1937-38. Of the farm placements 10,178 remained on farms after the plans were again extended to the end of April and then May to meet the chimerical seasonal employment up-swing.⁴⁹

Dominion officials alerted Rogers to the possibility of demonstrations or more serious agitation in the spring of 1939.⁵⁰ A memo from Mitchell to Rogers was more explicit: the men had to be kept in camps longer to keep them away from the 1939 Royal Tour. He noted that camps were scheduled to close in April, leaving the men to fend for themselves without the prospect of summer jobs or relief. Mitchell recommended the Dominion extend the camps to the end of May and offer to pay 50% of summer relief costs for transients and single men to "avoid the same difficulties as last year".⁵¹ The Vancouver

⁴⁹ "Dominion Unemployment Relief, Relief Since 1930", pages 112-3.

⁵⁰ Department of Labour; Memo from CWEM to A. G. MacLachlan, Roger's private Secretary, July 25, 1938; RG 27, Accession 70/303, File: B.C. Camps 1936-38.

⁵¹ Department of Labour; Mitchell to Rogers, March 9, 1939; RG 27, Vol. 211, File: 61751.

People's Advocate noted that Vancouver Mayor Telfer was pressuring the provincial authorities for work or relief programs to avoid another 1938 confrontation.⁵²

(While the plans were extended until the end of April in Saskatchewan, they were extended another month to the end of May in Manitoba, Alberta and British Columbia. It took a Royal presence to get the men a mere month's extension. The very tough attitude in British Columbia was continuing to have an effect on transients as 2,000 were reported to have picked up their deferred pay vouchers and were leaving Vancouver in March.⁵³

Under the 1939 Unemployment and Agricultural Assistance Act, farm placement agreements were again signed with Manitoba, Alberta, and British Columbia, including supplementary plan projects with the latter. British Columbia farmers received the \$5 monthly bonus while Alberta farmers were eligible for the bonus only if their workers came from Edmonton, Calgary, Lethbridge, Medicine Hat, or Drumheller. Manitoba farmers again did not get the bonus.

52. Ibid, Vancouver People's Advocate, March 17, 1939.

53. Ibid, Griffith to Mitchell, March 20, 1939.

In its peak month, February 1940, the plans only employed 3,639 single, homeless men.⁵⁴ But in Saskatchewan, where no farm placement agreement was signed, a program was in full force, placing 16,350 out of 23,956 applicants.⁵⁵

Precisely how effective the farm placement and supplementary plans were in providing work and relief for the single, jobless and transients is debatable, for the program gave relief aid in return for work to nearly 144,000 men and women over a five-year period. If the National Employment Commission's estimate of 100,000 transients (not including the single, unemployed on relief) for 1937 held constant until the end of the decade, there were 500,000 who needed assistance. Thus the program met less than 30% of the need. Nevertheless, the program was presented as the government's major, successful effort in combatting unemployment for this class of jobless Canadians.

In 1939 and 1940, the program was still being referred to as a temporary expedient to "take care of the worker until normal employment opened up again in the spring".⁵⁶

⁵⁵ Labour Gazette, 1940; page 571.

⁵⁶ Department of Labour; "Implementation of NEC Proposals"; Memo, unsigned, February 2, 1939: RG 27, Vol. 211, File: 617:55.

Despite the fact that the plan had to be revived each fall to meet the same winter employment emergency, it was regarded by government officials as a success. While it did not meet the needs of transients, it did meet the needs of the government.

It was a relatively inexpensive relief measure, which also provided a measure of relief to farmers. It played a major role in defusing the theoretically explosive social and political unrest that existed in Western Canada. The potential for disturbances was greatest in 1935-36-37, but it lurked beneath the surface well into 1939--at least in the minds of officialdom. This fear of political unrest was also a major factor in additional government programs aimed at other categories of the unemployed.

CHAPTER VI

OTHER SHARED COST PROGRAMS

The National Employment Commission readily identified one of the major problems facing governments in terms of relief and unemployment--the transient. It was the most visible and the most pressing problem. The large transient population was the hardest hit by the depression and it posed a potential threat to Canada's social and political institutions. But it was only half of the overall dilemma, the short-term half.

The other half, and perhaps the most important, over the long term, was not as publicly embarrassing. It involved two components which were also present in the transient 'problem'--youth and the loss of, or lack of, job skills. Both of these factors would have a major impact on the future of Canada. The Commission saw it as a far greater problem for the nation than the immediate problems faced by the 100,000 or so transients. The transient problem would last only as long as the depression and lack of seasonal un-skilled and labourer's jobs. In the eyes of the Commission, the young were Canada's future.

Throughout the depression, increases in employment had not been able to keep pace with the large numbers of youth entering the job market. A briefing note¹ to Mackenzie King estimated that each year since 1930 as many as 130,000 young men and women had been entering the competition for jobs. Some found jobs, but more stayed on in school for a year or two longer to no avail. Other continued on relief as dependants and finally went on relief on their own. Still others hit the road and joined the single, homeless unemployed wandering across the country. Or they quietly waited out the depression at home, just waiting, looking, and hoping. Many were not even classified as being unemployed for, according to the national registration of relief recipients, one had to have held a job at one time to be counted among the official jobless.

On the other hand, if one had a job but lost it early in the depression, the probability of getting another job lessened with the amount of time on the relief rolls or as one of the uncounted, but ever-present unemployed. Without a chance to practice their trade, skilled workers gradually lost their skills or, in some cases, even lost their enthusiasm for work. Others lost the physical capacity for labour.

¹ King Papers, MG 26 J 4, Volume 222, File: "Unemployment Policy 2118", C-151318-C-151335.

ers jobs. The National Employment Commission feared that those who were unemployed for any length of time would never be re-absorbed into the job market and would become permanent relief cases.

The depression was slowly gnawing away at one of the basic ingredients of the capitalist system--the work ethic. On one hand, the youth of the nation had to be introduced to work, while others had to be brought back into the mainstream of the economic system. At any given time during the last of the 1930's, at least 200,000 men were looking for work in urban centres and in 1936, 174,071 males between the ages of 18-25 were known to be out of work.²

"... many young people had, as a result of depression conditions, failed to experience the stabilizing influence of working in the early years following their school training, and as a result, had lost in large measure the benefits of that school-training without acquiring any work-experience to help them in earning a livelihood. On the other hand, it was also recognized that the difficulties arising from the severity and length of the depression were not confined to young men and women, but were spread over a broader section of the age groups receiving unemployment aid. It was also recognized that in earlier periods reliance for the necessary 'cadre' of skilled workers had been placed upon immigration, but that in recent years there

² Department of Labour; "Report of the Youth Employment Committee, October, 1936"; RG 27, Accession 70/382, Box 76; Report, page 1.

has been a tendency towards an emigration from rather than an immigration into Canada of skilled workers . . . the experience of this and other countries being that an adequate skilled group is required before the unskilled group can be successfully absorbed into industry."³

The National Employment Commission referred to the two problems as the "youth problem" and "loss of employability". While the young, never-employed and the older jobless, who had given up trying to find steady work, formed a significant portion of the transient category, the total number of transients included in these two problems was small.

Problems that youths faced in finding jobs were not new to the depression. Like the transient problem, this one had also existed prior to 1929. The depression "enlarged and gave definite form and urgency to something which had previously been rather vague and overshadowed by general conditions", reported the Official Handbook, Canada, 1939. It also noted that as numbers of unemployed youth increased, the transient problem also increased, the marriage rate fell off, illegitimate birth rate increased 43% and petty crime also rose.⁴

³ "National Employment Commission, Interim Report", page 12.

⁴ "The Unemployed Youth Problem" Official Handbook, Canada, 1939; RG 27, Vol. 212, File: 617:57, Youth Training, General.

As part of the National Advisory Council to the NEG, a Youth Employment Committee and a Women's Employment Committee were formed to assist the Commission to investigate the situation. The five-man Youth Employment Committee began its survey of the problems faced by youth in the summer of 1936. It reported that:

"Recognition has also been made of the fact that a permanent pool of unemployed youth of the size indicated, (174,000), stagnating in idleness, presents a serious menace to the national well-being . . . a national problem that demands the most serious possible consideration."⁵

The problem, according to the Youth Employment Committee, became not one that youths faced, but rather the problem youths posed to their elders. Those were the problems that members such as 40 year-old Robert F. Thompson, a one-time missionary, teacher, and management relations consultant, could understand and handle.

The notion that plagued youth in schools continued to colour the general view of unemployed young men and women; "Idle hands lead but to mischief". It would seem that idleness was the worst curse that could befall a youth in the depression. The causes of that idleness were looked upon as insignificant compared to the results:

⁵ "Youth Employment Committee, Report", page 2.

"the eventual attitude is one of desperation and despair . . . the frustration of human hopes and ambitions. . . . Finally it is in the mind of the idle man that the seeds of subversive doctrines are most easily sown. Rooted in his discontent, watered by frustration and defeat, nurtured on his lack of confidence in a political order which had denied him the opportunity which he considers to be justly his, these seeds find growth, only to blossom into mature social and political convictions in exact opposition to the ideals of that democracy of which he is part."⁶

The Youth Employment Committee began its investigations of the 'youth problem' when the King government had fears of disturbances breaking out against the existing social and political system. Youths were drifting into or aimlessly wandering around cities. Others:

"Hundreds of young men and even our young women are turning to the road as a palliative to their growing discontent. Our highways, our railways, our hosteleries, and even our jails are cluttered with these youthful wanderers."⁷

School systems, with their emphasis on academic subjects had ill-prepared students for finding a place in the job market, even when employment was increasing. Vocational, technical, agricultural, and even service-oriented courses in curriculums were down-graded in response to public pressure for more academics. Even the industrial apprenticeship system

⁶ H. A. Weir, "Unemployed Youth" in Canada's Unemployment Problem, edited by Ritcher; pages 137 and 147.

⁷ Weir, Ibid, page 140.

had fallen into disuse across Canada. Young people entering the employment market had few if any marketable skills. Even if they had any, they could not have proved those skills-- there were no jobs.

Farm youths also had a great deal of difficulty in finding jobs for wages or establishing themselves as independent farmers. The Youth Employment Committee noted that in the fall of 1936, 31,415 farmers' sons were listed as unemployed. A great many more were assisting their parents as unpaid labour. They were prime candidates for government assistance such as a farm settlement scheme.⁸

Many farm youths, who moved into the cities and became urban unemployed, were willing to return to farms if conditions were sufficiently attractive. The Youth Employment Committee felt that this group could be absorbed by farm placement schemes and would probably remain on farms after the annual plans expired. Urban youth also expressed an interest in taking up farming, but prior to placing this group on farms, the Committee recommended they get practical training through agricultural schools. The Committee found a third

⁸ Department of Labour; "Final Report on Agriculture of the Youth Employment Committee, January 6, 1937"; page 2; RG 27, Accession 70/382, Box 76.

group of urban youths who were willing to work on farms for want of something to do. It recommended the Dominion create and maintain a Volunteer Agricultural Service for these jobless youths.⁹

In its final report to the National Employment Commission, the Youth Employment Committee recommended that the Dominion sponsor work training projects for youth to assist, but not compete with, primary and secondary industries. The projects would give youths the basic skills to move into full-time jobs in forestry, agriculture, mining, and industrial trades, when jobs became available. The recommendations followed King's policy of assisting the normal economic forces of recovery. They contained nothing new and were merely just variations on a theme.

Even the Committee's recommendations for government action to aid the true urban unemployed were rather narrow in scope. The two-stage training programs--reconditioning and rehabilitation--were designed not to lead industry, but to respond to the needs of industry. In the short-term the programs would provide training for youths who never held jobs. It would prepare them for specific occupations as well as give them general courses to increase their chance of finding jobs without particular trades training. For those with jobs,

⁹ Ibid, page 2.

there was learnership training, to widen their knowledge of all aspects of a particular job or trade. Unemployed youths would receive physical training as a morale boost.

Long-term permanent programs would provide opportunities for youths to be fitted into industrial life through vocational education and an apprenticeship system. This training would take longer to complete and would continue after the immediate needs of the depression were met, "available at all times to meet the requirements of industry".¹⁰

Only one major change was made to the recommendations by the National Employment Commission. The scope of the programs were widened to include all unemployed persons, not just youth.¹¹ The Commission then recommended to the King government that the Dominion participate in shared-cost programs with the provinces to solve the short-term "youth unemployment problem".

To tackle the longer-term problem and shortage of skilled workers caused by lack of vocational education facilities and an apprenticeship system, the Commission recommended

10 National Employment Commission, Final Report, page 62.

11. National Employment Commission, Interim Report, page 12.

the Dominion take the lead and fund apprenticeship plans in printing, construction, electrical and metal trades, and in many service and manufacturing industries. The maximum cost to the Dominion for 10,000 apprentices in technical schools and trade shops would be \$500,000.

"An apprenticeship or learnership plan should not be regarded as an emergency stop-gap measure but as a long range programme extending over a period of years. It would not be either possible or desirable immediately to put large masses of unemployed youth to work through the medium of such plans, but an employment project could be provided whereby young men and women could be placed at work and given an opportunity to learn a useful trade."¹²

To undertake such projects, the Commission recommended a \$1,000,000 program, with half the funds devoted to youth training measures, to begin immediately in cooperation with the provinces.

"... with the rapid improvement taking place in general employment conditions it is of the utmost importance--not only for social but for financial reasons--the opportunity for thereby provided for dislodging the relief jam should not be lost. It also feels that there is a very definite danger that it will be lost unless every effort is made to restore the morale and working efficiency of that large group whose adaptability has been undermined by the extent and severity of the depression.

¹² Department of Labour; Memo from Purvis to Rogers, February 23, 1937; RG 27, Accession 70/382, Box 87.

"It therefore, considers that the Dominion should ask the provinces to shape their works projects . . . in such a way as to increase employability as distinct from providing employment over a period of months and that definite priority should be given to those in the former category."¹³

The Commission's recommendations were quickly implemented by the King government. Rogers introduced a special supplementary estimate in the House of Commons for the \$1,000,000 in April, giving it priority over the Unemployment and Agricultural Assistance Act, 1937. Rogers expressed hope that the vote would be "large enough to give us a clear sense of direction, if we find the problem to be a continuing one."¹⁴

The Dominion advised the provinces that it was willing to fund 50% of training projects negotiated with each province. Agreements were duly signed with each province "to train and develop young men and women who were unemployed and in necessitous circumstances . . .

"The selection of trainees rested with the provincial authorities subject to the approval by the Dominion. Applicants were required to be between the ages of 18 and 30 years, inclusive, and where possible to have registered with the Employment Service of Canada. Where there were no branches of

¹³ Department of Labour; Memo from Purvis to Rogers, March 25, 1937; RG 27, Accession 70/382, Box 78.

¹⁴ Labour Gazette, 1937, page 415.

the Employment Service, evidence was required that applicants were unemployed and in need . . . with preference being given to those in greatest need or who have been the longest unemployed."¹⁵

R. F. Thompson, the 40 year-old member of the Youth Employment Committee, was appointed supervisor of the new Youth Employment Program. He was the only new addition to those in the Department of Labour responsible for implementing the program and coping with its mountain of paperwork.

The federal invitation to the provinces to submit projects under the program resulted in a proliferation of training courses to keep idle youths occupied in controlled situations. In British Columbia, the 1937-38 programs for needy youths included four-month forestry work projects, placer mining training and a grub-stake for prospecting, vocational guidance and counselling services, health and hygiene courses, some agricultural extension courses, physical training, extension services for rural women, urban training centres for men and women, and household training courses.¹⁶ Rural extension courses sprang up in almost every province along with radio broadcasting courses, hard rock mining training, some trades training and apprenticeship courses, household science, farm

page 29. ¹⁵ "Dominion Unemployment Relief, Relief Since 1930",

¹⁶ Department of Labour, "B.C. Agreements"; RG 27, Vol. 207, File: 617.1:8-3.

mechanics, commercial and semi-professional courses for urban women, and the ever-present variations of forestry and physical training courses. Those enrolled in the work projects were paid \$1 a day plus board, room, clothing, and medical attention. As there was no pay for physical training courses, they became one of the most popular projects, as far as governments were concerned. In 1937-38, Quebec dropped out of the farm placement plan in favour of the very inexpensive physical training courses. They were the only unemployment projects in Quebec.

The national statistics were impressive. In 1937-38, 55,457 young Canadians were trained in 1,474 classes. Youth training projects provided 909,609 days of work or instruction for 32,301 men and 23,156 women. More than 6,800 youth who were on relief applied and were placed in courses. But only 14,650 were in courses to train for specific employment and only 3,284 found jobs as a result of training to increase their employability.¹⁷ Despite the \$1,000,000 available in federal funding for joint programs, less than \$600,000 was spent by the Dominion as its share. But the scheme kept nearly 56,000 idle youths busy.

¹⁷ Department of Labour, "NEC--Youth Training"; RG 27, Vol. 162, File: 600.2-186.

The program was proclaimed by the Commission to be the spear-head of a well-planned effort to dissolve the hard core of Canadians on relief. Both the Dominion and provincial officials called upon industry for support to keep the projects practical in nature and focused on increasing marketable job skills. Industry's active involvement was considered essential.

"Unless definite efforts can be made by all agencies concerned--industrial and governmental--to increase the employability of those who have become demoralized by being on relief during such a long depression, the relief jam will not be dislodged by good times and we may find ourselves entering a period which may lead to social unrest. Therefore, we urge the Mining Institute to do everything it can to bring about a greater recognition of this problem amongst bigger mining companies and the industry in general."¹⁸

There is nothing in the files of the National Employment Commission to indicate that industry did cooperate to any great extent with the provinces. Judging from a public plea by E. C. Manning, the Alberta Minister of Trade and Industry, in January 1941, urging employers to train skilled workers in apprenticeship programs,¹⁹ industry did not set up parallel apprenticeship courses.

¹⁸ Department of Labour; "Skilled Labour Shortage", Purvis to C. C. Bateman, Ontario Mining Association, June 4, 1937; RG 27, Accession 70/382, Box-86.

¹⁹ Department of Labour; E. C. Manning to Minister of Labour, January 1941 describing efforts to alleviate skilled labour shortage; RG 27, Vol. 207, File: 617.1:8-5.

Industry's cooperation was also essential, in the Commission's view, to ensure that the unemployed would not become too dependant upon governments for employment and thus might lose the incēntive to find jobs on their own. That possibility evidently was discounted by the Department of Labour, as far as the youth training programs were concerned.

"Many of these young people, formerly discouraged by weeks and months of job seeking without result, have felt the spur of new hope. They welcome the programme as a chance to do something which will benefit their country and themselves."²⁰

Activity was the key to the program's success. Idleness lay very heavy on the hands of unemployed youths and there would have been a certain amount of encouragement from the family to participate in the youth training programs. Despite its poor record in placing people in jobs, applications for the 1938-39 program rolled in. In anticipation of increased enrollments, the Dominion raised its share of available funds to \$1,400,000. A total of 71,812 youths were engaged in numerous projects in all provinces, but only 15,878 were in courses designed to train them for specific jobs. Just 4,747 actually found jobs.²¹

²⁰ "Dominion-Provincial Youth Training--A successful Experiment", Department of Labour, 1939; RG 27, Vol. 207, File: 617.1:8-3; Draft Publicity booklet.

²¹ "Dominion-Provincial Relief, Relief Since 1930", page 116.

The initiative for the various projects lay with the provincial governments. They seemed to favour the least expensive projects, such as physical training, rather than job training courses. The Dominion's offer to spend up to \$1,400,000 was not met by the provinces who put only \$830,000 into the program.²²

Still, the program was considered a success by a Dominion-Provincial Conference on Youth Training held in January 1939. The Liberals considered the program so successful, that Rogers indicated the Dominion intended to change the program from a year-by-year experiment to a three-year, \$4,500,000 program. Positive Conference support for such a move ensured the program would go forward promptly.²³

The Conference accomplished little. It agreed on minor changes in the wording of preamble to the Dominion-Provincial youth training agreements and recognized that deserving transients, if certified eligible by a provincial authority, could apply for enrollment. The Conference called for a permanent national youth training program and suggested that youth training programs be channelled into a growing aircraft industry.²⁴

²² Ibid, page 116.

²³ Ibid.

²⁴ Department of Labour; "Dominion-Provincial Youth Training Conference, 1939"; RG 27, Vol. 162, File: 600.2-186.

The latter recommendation drew the attention of the Royal Canadian Air Force, which required 1,000 trained ground crewmen in various trades to service its aircraft at training bases across the country. The RCAF claimed courses in eight trades based on the standard RCAF training syllabus could be conducted in technical schools over a 10-12 month period. The courses were designed to qualify applicants for enlistment in the RCAF. But even this training did not guarantee a job; enlistment would only be offered if vacancies existed.²⁵

The Department of Labour cooperated with National Defence in finding suitable facilities for the courses by "calling the attention of all Provincial governments to the desirability of establishing classes . . . wherever possible at the earliest moment".²⁶ By May 12, classes were functioning in Halifax, Fredericton, Toronto, Winnipeg, Regina, Edmonton, Victoria, Galt, and several other Ontario centres.

While the Department of Labour supported the RCAF training plan, it did reject a proposal by Lt. Col. C. E. Reynolds, President of the Canadian Corps Association, for a

²⁵ Department of Labour; Letter from L. R. LaFleche, Deputy Minister, National Defence, to Deputy Minister, Labour, March 31, 1939, RG 27, Vol. 212, File: 617:57.

²⁶ Ibid, Letter, W. M. Dickson, Deputy Minister, Labour to LaFleche, April 8, 1939.

National Vocational Corps similar to the jettisoned relief camp scheme. The semi-military, boarding centres would accept youth for two-year enrollment in 10 camps of 5,000 each. The proposal was rejected for its excessive costs, detraction from National Defence's primary role of defence, duplication of vocational facilities, distance from industrial centres and for its regimentation and institutional life.

"... the people of Canada have not yet shown their willingness to submit to employment for all at the price of regimentation. It is the duty of the government, therefore, to devise ways and means of bringing about conditions in Canada which will be favourable to an expansion of employment opportunities in private industry."²⁷

However, as economic conditions in 1939 did not favour an increase in employment via private industry, the government could always turn to the youth training program again. Legislation was passed for the three-year program and all provinces, except Quebec, again signed cost-sharing agreements. In 1939-40, despite the out-break of war, a total of 49,845 enrolled in the familiar projects. Of the 16,000 in job training courses, only 7,379 found employment. As part of the Dominion's activities, a special appropriation of \$1,000,000 was approved by Parliament to establish a National Forestry Program which was modeled somewhat on the United States Civilian Conservation Corps. The Department of Mines and Resources was allotted \$400,000 for its projects while the remaining \$600,000 went into cost-shared

²⁷ Ibid, Memo from Dickson to Rogers, April 5, 1939.

programs. By the end of November 1939, the new program had 4,652 young men on projects and placed another 982 in jobs.

In three years of youth training programs (1937-39) and one year of the National Forestry Program (1939), a total of 181,766 men and women between the ages of 18 and 30 had been enrolled in job training or learnership courses, work projects and busy activities, such as physical training. Less than 30% were enrolled in job-training courses and less than 9% ever found jobs as a result of the program!

The average age of those enrolled in projects was between 19 and 20 and their average education was Grade 9. In 1937-38 youths received an average of 21 days 'training'; in 1938-39, 25 days; and in 1939-40, 40 days.²⁸ And in 1940-41, the first full year of the war, 46,000 youths were kept busy in projects.²⁹

That statistics were far more impressive than the results of the program. While the program did take some unemployed youth off relief rolls, it did not meet its goals of increasing the number of skilled workers to meet the needs of expanding private industry nor did it provide large numbers of youths with jobs of any type. The reasons were obvious; jobs

²⁸ Reports of the Dominion Supervisor of Training; Dominion-Provincial Youth Training Program 1939-40", Ottawa, 1940, page 4.

²⁹ "Dominion-Provincial Youth Training Program, 1940-41", Ottawa, 1941, page 10-11.

were not available, as private industry was not expanding fast enough. Secondly, the emphasis in projects was to keep youths busy, not train them for employment. The program became one of keeping up morale and giving youth a vague sense of purpose.

Criticisms, such as those made by H. S. Weir, about the program were common. "Conspicuously lacking too are progressive measures to prevent the problem of unemployed youth. The remedial nature of the Youth Program is markedly evident."³⁰

But the youth training program was never meant to be anything but a short-term remedial program to try to minimize the probability that large numbers of frustrated young men and women would turn against economic, social, and political institutions. It was very successful in meeting those short-term goals.

The National Employment Commission also drafted a plan of general action to prevent similar circumstances for the country's youth in future depressions. But there was no sign of any Dominion or even any Provincial action on the Commission's long-range recommendations.

³⁰ H.A. Weir, "Unemployed Youth", in Richter, page 158.

Neither were there any signs that Ottawa was taking any significant action for that other large group of the unemployed, those over 40, which included many veterans of the Great War. This group contributed noticeably to the numbers of transients, but they were most often classified as physically unable to participate in the farm placement and supplementary plan projects. The Dominion refused to recognize this state of affairs until nearly two full years after the youth training plans had begun.

It was not until November 1938 that re-training and rehabilitation programs for the unemployed over the youth training age were begun in Ontario, Manitoba, and Alberta. The following year programs were extended to Nova Scotia, New Brunswick, Saskatchewan, and British Columbia.³¹

Some projects under the program were still restricted to those capable of meeting the physical demands of hard rock mining or land settlement in virgin tracts. Less demanding projects included farm chore plans, practical agricultural courses, employment as farm trainees, furniture making, landscaping and work in provincial parks. Only Ontario offered any courses involving retraining for skilled trades. By the end of January, 1940, the rehabilitation program included 8,845 unemployed. As with the two major government plans to reduce

³¹ "Dominion Unemployment Relief, Relief Since 1930", page 118.

the 'unemployment problem', statistics were not available to indicate how many older transients were included in those assisted by the rehabilitation program. Most of the rehabilitation projects were designed to take the unemployed off direct relief assistance and reduce expenditures for direct relief. It amounted to a book keeping exercise. Further rehabilitation programs looked and sounded much better than direct relief aid, but they did not save the government any money.

Various Federal and provincial works programs were also undertaken in the last half of the decade, primarily to provide those on local relief with wages in lieu of relief vouchers or payments. These projects would have drawn transients off the roads, but again no information is available on the origins of the project workers. In 1936-37 a total of \$11,496,000 was paid out in wages on relief works for 3,555,940 man-days of work. In that year, the peak of employment was reached in October 1936 when 48,895 were afforded work.³²

Despite having accepted the National Employment Commission's recommendation to cut back on public works, the King government was still providing ample funds for provincial and municipal relief works projects in 1937-38. The Department of Mines and Resources paid out \$1,260,000 in wages and the Dominion and provincial governments reported wage payments

³² Ibid, page 26.

of \$11,480,000 for 3,365,011 man-days of work. Government employment reached a peak in July 1937 with 23,393 on the job.³³

Under the 1938 Unemployment and Agriculture Assistance Act, the Department of Mines and Resources contributed substantially to provincially sponsored road building projects in mining or tourism areas. The Dominion's share amounted to \$2,578,000. Overall, Federal and provincial governments paid \$11,530,000 for 3,820,607 man-days of work.³⁴ In 1939, the Dominion entered into agreements with all provinces except Ontario for paying 50% of labour costs for material aid and civic improvements.

The 1938, 1937, and 1938 federal-provincial works agreements specified that at least 50% of those so employed had to be drawn from the ranks of those receiving direct relief or who had been certified as being in need. Those employed on 1939 works projects had to be certified as unemployed and needy by a committee of Dominion, provincial, and municipal representatives.³⁵

33 Ibid, page 30.

34 Ibid, page 32.

35 Ibid, page 106.

Between 1930-40 more than 2,000 communities participated in the shared-cost projects. All but 160 miles of the Trans-Canada highway were completed and of the total mileage of 3,820, 1,981 miles were paved. Many more thousands of miles of provincial highways were constructed under the various works programs. The King administration did not look upon the Trans-Canada highway work as wholly a relief project, but admitted that it had been materially advanced through relief financing.³⁶

Everyone of the programs introduced by the Dominion or partially paid for by the Dominion were temporary or remedial in nature. On more than one occasion the Dominion specified that it would offer only limited employment for those without jobs and existing on relief. Norman Rogers summed up the official administration position in a February 1939 letter to the Member of Parliament from Cape Breton, M. MacLean.

"I have noted your anxiety about the plight of young men between the ages of 18 and 25, who had never had steady employment and who must be getting discouraged at the prospect of a continuation of this state of affairs. This is a problem which is of deep concern to me also and it is for the purpose of coping with such problems the Government had brought in certain measures as the National Housing Act, Municipal Improvement Assistance Act, Youth Training, Home Improvement Plan, Farm Placement and Supplementary Plan for single, homeless men, and last, but no means least, the trade agreements with foreign countries designed to develop our industries and afford employment in other than projects carried out at public expense.

³⁶ Ibid, page 107.

"I feel sure you will agree with me that the Government has gone as far as it is possible for any Government to go in the matter of assisting the people of Canada to help themselves and that we can only hope for a satisfactory solution of our employment problem if every individual, both employer and employee, will do his bit in the solving of our greatest national problem. The Government can do and has done a great deal to solve this problem but if as a result of these actions the sense of individual responsibility is being stifled then further Governmental action will aggravate rather than ameliorate the situation."³⁷

Roger's reply indicated the King administration still adhered to the laissez-faire approach to unemployment and relief that King had announced in 1935. The role of government was merely to assist the recovery of the normal market forces of private industry. On the surface the various programs conducted by King's government gave the impression of a vigorous attack on unemployment and relief. But, once past the impressive statistics, there is little to indicate the programs were ever successful in training and retraining the unemployed for a useful role in private industry.

Over this five-year period, the King administration was able to claim that it had reduced government spending on costly relief programs. While some monies were saved, probably due to tighter auditing practices and fiscal control, most of the money which Bennett, for example, would have spent on direct relief, had been transferred by King to pay for his new,

³⁷ Department of Labour; Letter from Rogers to MacLean, February 15, 1939; RG 27, Vol. 614, File: 28-3.

cost-shared programs. The financial book-keeping exercise, the impressive sounding programs and the equally impressive numbers of unemployed Canadians temporarily involved in them helped create the illusion of successful government efforts. Actually the lot of the unemployed Canadians remained the same due to the temporary, holding actions of the King administration.

CHAPTER VII

A RECKONING

In 1937, the Regina Leader-Post, a Liberal newspaper evaluated Mackenzie King's unemployment and relief policies. It was concerned with the effectiveness of the King programs and warned the Prime Minister in an editorial:

"Conceivably this same issue of unemployment and failure or inability to grapple with it effectively ruined the Bennett government in 1935 and yet may make trouble for the present administration when the day of accounting with the electorate comes. Is what the present government has achieved with respect to unemployment good enough in this day and age? Should Canada, a vast country of only 11,000,000 population have half a million employable persons out of work? The situation is not the most cheerful. Is it beyond the power of the present government in this country to make a better showing?"¹

That day of accounting never came. The King administration retained political power in the wartime election of 1940, an election fought on King's war effort, not on his efforts to end unemployment during the depression. Because King never had to publicly defend his unemployment programs,

¹ Department of Labour; RG 27, Accession 70/382, Box 80, File: "Relief Camps"; Regina Leader-Post editorial March 31, 1937.

there was no public scrutiny of them. As a result, the most popularly held view today is that somehow King's government ended unemployment and relief. This popular myth does not bear up to critical examination.

King's programs to reduce unemployment were largely ineffectual. Unemployment and the effects of relief were still very prominent in the spring of 1940, six months after war began. In May, of that year, there were still 160,447 employable men and women on direct urban relief and a total of 703,471 men, women and the children totally dependent on direct relief or on relief work programs.² While the national relief registration for May 1940 showed only 145,560 fully employable men and women on relief, the Dominion Bureau of Statistics estimated 305,000 wage-earning Canadians were out of work.³ The National Relief Registration statistics showed, 21,000 of the registered unemployed never held jobs and the "never gainfully employed" category was the second largest of 15 groupings. Unskilled labourers was the largest category with 48,253 unemployed.⁴

² Report of the Commissioner of Unemployment Relief, "The Unemployment and Agricultural Assistance Act, 1940", pages 38-39.

³ Department of Labour; 1940 DBS Preliminary Report; "Unemployment Conditions 1923-40"; RG 27, Vol. 184, File: 614.05.

⁴ Department of Labour; "Report of the National Relief Registration, May 1940"; RG 27, Vol. 266.

AVERAGE NUMBERS OF UNEMPLOYED, MAY OF YEARS INDICATED⁵

Year	Unemployed Wage-earners	Unemployed on Relief. Aid	Estimated Unemployed	Total Assisted by Relief Aid
1930	341,000	-----	386,000	-----
1931	442,000	-----	440,000	-----
1932	639,000	217,000	568,000	661,000
1933	646,000	387,000	684,000	1,407,000
1934	529,000	422,000	544,000	1,329,000
1935	500,000	385,000	546,000	1,294,000
1936	447,000	329,000	512,000	1,246,000
1937	337,000	302,000	387,000	1,069,000
1938	407,000	280,000	407,000	986,000
1939	395,000	290,000	395,000	966,000
1940	-----	224,000	305,000	702,000

⁵ DBS Estimates, Op.cit., and Report of the Commissioner of Unemployment Relief, 1941, pages 36-39.

From the depths of the depression in 1933 to 1935 during Bennett's administration, the number of unemployed wage-earners decreased by 146,000 and the numbers dependent on relief by 133,000. From May of 1936 until May 1939, under King's government the number of unemployed wage earners declined by 52,000 and the numbers relying on relief by 280,000. The largest reductions in unemployment and the numbers receiving relief assistance came about through the prevailing economic forces--a sharp recovery in 1936-37 and the industrial surge in late 1939 as Canada prepared for the war.

Following King's 1940 election victory, an unpublished Dominion Bureau of Statistics report compared the indices of employment in Canada based on reported numbers of wage earners, employed wage earners and unemployed wage earners for the month of July from 1928 to 1940. In 1930, King left office; in 1935 he was a few months short of re-gaining political power; and in 1940 he won re-election.

EMPLOYMENT INDICES⁶

Year	Total Wage Earners	Employed Wage-earners	Unemployed Wage-earners
1930	2,782,000	2,440,000	342,000
1935	2,555,000	2,082,000	473,000
1939	2,771,000	2,419,000	352,000
1940	2,872,000	2,634,000	238,000

⁶ Dominion Bureau of Statistics Preliminary Report, 1940; RG 27, Vol. 184, File: 614.05.

From 1936 to 1939, King's programs had the effect of bringing the 1939 unemployment levels almost to 1930 levels, in terms of working and unemployed wage-earners. Three years of Liberal government saw the percentage of unemployed wage-earners decline from 19 per cent to 14.1 per cent. Under the Bennett administration the unemployed wage-earner rate declined from 26 per cent in 1933 to the 19 per cent level of 1935, an improvement greater than three years of the King administration. The Dominion Bureau of Statistics cautioned that the very dramatic improvement in the unemployment rate in late 1939 was due to the declaration of war in September 1939 and that comparisons after August 1939 were not valid.⁷ Improvements in the unemployment picture were caused by the largest wheat crop in 11 years, war industries and a reviving United States economy,⁸ not government programs.

Unemployment did not go away with the war, but seemed to have been swept under the rug. Soon after \$100,000,000 in war contracts had been announced for British Columbia in the late summer of 1940, the provincial minister of labour, G. S. Pearson wrote to McLarty, the new dominion minister of labour, of his concern over the presence of 6,500 registered,

⁷ Dominion Bureau of Statistics, "Annual Review of the Employment Situation in Canada during 1939", Ottawa, 1940, page 3.

⁸ Ibid, page 1.

unemployed men and another 6,500 unregistered part-time workers in Vancouver. In Nanaimo, the site of a large Defence construction program, there were 400 registered unemployment labourers.⁹

McLarty was advised by Humphrey Mitchell that:

"In view of the present situation, the Dominion is anxious that no undue agitation should take place in the city of Vancouver this winter, and pending a decision with reference to the training (plan), suggest that the province meet the situation through the agency of existing agreement, namely; the Farm Placement Plan and the provision of the general Relief Agreement . . . assistance to transients."¹⁰

Both the situation that Mitchell was describing and his proposed remedy were very similar to the temporary emergency and the temporary expedient of 1936. Another similarity was that provincial authorities, the civil service and federal politicians were still expecting transients to cause unrest. The 1940 situation warranted a letter from McLarty to James Gardiner, the Minister of National War Services, describing the situation and the proposed remedy.¹¹

Gardiner was probably aware of the Vancouver situation and others like it through a registration of skilled and semi-skilled workers conducted by the Department of Labour in the

⁹ Department of Labour; Pearson letter to McLarty, November 29, 1940; RG 27, Vol. 211, File: 617.51.

¹⁰ Ibid; Mitchell to McLarty, December 5, 1940.

¹¹ Ibid, McLarty to Gardiner, December 31, 1940.

fall of 1939. The Employment Service of Canada expected to find fewer than 10,000 unemployed skilled and semi-skilled workers. But by March 1940, 27,000 jobless skilled workers had registered with the Service. Fewer than 4,700 were placed in regular employment.¹²

If employment was not available for the younger skilled men and women, they could always enlist or fall back upon the multitude of courses still being given under the national Youth Training Plan. From 1 April 1939 to 31 March 1940, a total of 49,845 men and women between the ages of 18 and 30 were enrolled in classes; 16,000 of them taking job-oriented training, which included classes to train the ground crews for the RCAF. Only 7,379 of these in the employment classes found work by the spring of 1940. But more than 20,000 were enrolled in physical training classes.¹³

Youth Training Plans had been in effect since 1937 for thousands of young jobless Canadians. The courses covered everything from physical education to apprenticeship training, rural extension courses, household training, mining, agricultural short courses, radio broadcasting and a National Forestry Program. Yet only 16,390 of the 181,766 enrolled ever found jobs. This record is even more dismal when it is estimated that each year 130,000 young men and women were entering the job markets directly from the educational system.

¹² Labour Gazette, 1940, page 318.

¹³ Ibid., page 757.

The major Dominion-inspired effort to provide aid for single, homeless jobless adults was the farm placement and supplementary plan. Cost-sharing arrangements were signed with the provinces to place large numbers of the estimated 100,000 transients on farms as extra winter help. The plan was devised as a temporary expedient to meet a temporary emergency during the winter of 1936-37. It was designed to ensure that social and political unrest would be kept to a minimum while tiding over transients, ineligible for relief, until normal seasonal employment began in the spring. But normal seasonal employment had never been achieved, not even in 1940. During the four winters of operation, 127,686 transients and single unemployed were given a form of relief for work on farms and another 16,620 were placed in other projects under supplementary plans. Less than 35% of eligible transients could have been assisted by the plans over four years and not all of those assisted would have been placed for the entire winter period. Less than 47,000 remained on the farms after the programs expired--fewer than 12,000 a year. How long these men and women stayed on the farms as hired help is not known.

The Liberal government operated two other programs which took in the transients and single unemployed. Various relief settlement programs to open up new farming areas were attempted by the Bennett, King and many provincial administrations. The relief settlement schemes came into their own under King when the numbers settled annually jumped from 18,000 in 1936 to 41,000 in 1940. Other agreements, under the Unemploy-

ment and Agricultural Assistance Acts of 1938 and 1939, were signed with the western provinces and Ontario to share the costs of restoring the skills, physique and morale of older jobless workers. These rehabilitation programs came into effect nearly two full years after they were recommended to and by the National Employment Commission.

While the Dominion reduced its spending on federal public works, the Liberal administration was not adverse to sharing the costs of any worthy provincial or municipal works projects, which would provide employment as well as develop and improve the nation. Construction of the Trans-Canada highway was almost completed with the heavy infusion of federal funds; but it was not classified as a relief work project. A number of federal departments also conducted works projects in the forestry and tourism sectors to provide work for transients and the single unemployed.

The extent of these various programs, and how many individuals they affected in March of each year, is shown in the following table. The totals seem impressive until matched with estimated unemployment figures, three times as high. The major intent of these Dominion-inspired programs seemed to be the reduction of the numbers directly dependent upon relief aid. The Dominion's own statistics and reports indicate that the programs did little than transfer people from one relief program to another and to keep them from starving. In the end, they were still on relief and still unemployed.

AID TO INDIVIDUALS --- IN MARCH OF YEAR INDICATED¹⁴

YEAR	URBAN	RURAL	TRANSIENTS	FARM PLACEMENT	CARE FOR FORESTRY YOUTH SINGLE HOMELESS	REHABILITATION TRAINING	RELIEF SETTLEMENT	TOTAL ASSISTED*
1933	68,896	95		10,771	53,313		7,925	140,500
1934	47,723	170		16,065	42,709		14,276	120,143
1935	41,242	5,319		12,206	38,356		18,279	116,904
1936	56,082	3,409		14,020	34,376		14,582	121,471
1937	62,620	8,226	5,223	43,087	5,087		18,123	142,367
1938	40,015	9,928	2,690	39,505		32,590	24,331	159,069
1939	49,868	7,573	2,328	27,783		29,026	34,099	150,994
1940	48,076	2,286		2,793		24,321	41,204	131,517

¹⁴ Dominion Commissioner of Unemployment Relief, "The Unemployment and Agricultural Assistance Act, 1940," pages 36-39.

* Does not include individuals assisted through provincial and municipal works projects, highway construction or federal works programs.

In 1939, two years after Charlotte Whitton's recommended reorganization of relief aid, the Canadian Welfare Council was still calling for positive government action. The Council singled out the young transient as suffering most from government pre-occupation with trying to avoid the responsibility and the costs for unemployed transients.

"Surely we cannot continue to suffer in indifference, this shifting movement back and forth across the land, this concentration in the centres of congestion, hundreds of men, many of them young, who now pass the greater time of each year eating the bread of idleness and bitterness and with no more hope than 'two meals and a bed' and 'move on' today, tomorrow and for the duration of life in Canada. That way lies resentment and fierce revolt; for many apathy and despair; for others, something close to mere rotting, and for all, and for Canada, the loss of vigour and much of it in the prime of life."¹⁵

The Council called upon the King government to implement Miss Whitton's suggested changes to benefit the unemployed and those seeking relief. It called for the Dominion and the provinces to reorganize their shared responsibility for the future drifter or migrant; legal provisions for better social and health care, other than public ward care; and better reciprocal inter-provincial agreements for the care of transients and migrants.¹⁶

¹⁵ Canadian Welfare Council, "Wayfarers Perforce", page 17.

¹⁶ Canadian Welfare Council, "The Problem of the Non-Resident and Migrant", Ottawa, 1939, pages 12-18.

The other major study on the lot of transients and the single unemployed, Professor Cassidy's research, had a similar lack of effect on government programs. By 1939, three years after he completed his study of the National Employment Commission, no substantive action had taken place.

"All too frequently the interests of transients have been sacrificed to the desire of the respective provincial administrations to deny responsibility and so to avoid expences for themselves."¹⁷

The unemployed were helpless pawns in the statistical and administrative efforts of governments to pass the buck. Governments did not seem interested in eliminating or easing the shock of unemployment.

War also diverted the government's attention from unemployment, which was to remain a problem, at least in the first years of the war. In March, 1941, 50,000 unemployed men and women under 50 years of age registered at government offices. The persistence of the unemployment problem prompted the Department of Labour to outline three unemployment and relief options for the government--continue current programs, merely contribute to the expences incurred by the needy, or discontinue all assistance.

¹⁷ H. M. Cassidy, "Relief and Other Social Services for the Transient", in Richter, page 217.

"The relief problem is now and will be for a time in a transitional stage, Mass unemployment has disappeared . . . but there still are some 50,000 employable persons in need and about an equal number of unemployable or semi-employable adults. At the middle of January, for instance, the Dominion was assisting in the care of over 2,000 single men in Winnipeg. "18

The Department also recommended that its 1940-41 estimates of more than \$18,000,000 be cut to \$9,700,000 for 1941-42, but that \$7,000,000 be provided for direct relief and provincial projects. In addition it urged that the farm placement, rehabilitation and youth training plans be maintained as a provision for contingencies as "there is always the possibility of a situation arising at the Pacific coast or elsewhere".¹⁹

Even in 1941 government circles feared possible unrest and agitation among the long-term unemployed. At the same time many officials remained convinced that the unemployed and relief recipients really did not want jobs, that they preferred relief instead. In May 1939, 89 men, half of them transients and all single unemployed, were sent from Toronto to work at Camp Borden. The Superintendent of the Toronto Employment Service of Canada office noted with surprise that:

¹⁸ Department of Labour; "Relief Policy, 1941-42", page 1; RG 27; Vol. 614, File: 28-3.

¹⁹ Ibid, page 10.

"during the selection and shipment of the above mentioned men, no untoward incident occurred and the applicants appeared very appreciative of the opportunity for employment".²⁰

The King government's official position on unemployment had not changed either. It regarded unemployment relief and any long-range programs as the proper responsibility of the provinces and industry. Long-term planning and proposals were absent from Dominion policies because of this unchanging federal attitude and its ambivalent approach towards industry's involvement. While publicly calling upon industry to assume part of the burden of retraining the unemployed and providing its own industrial training program, King's government privately passed the buck to the provinces and dampened initiative. For example, all inquirers, individuals as well as industrial associations, were told politely to contact the appropriate provincial authorities with their requests and propositions.²¹

There was a similar lack of Dominion leadership in the area of technical training and apprenticeship programs. In 1936, the Trades and Labour Congress proposed that the

²⁰ Department of Labour; "Employment Conditions 1923-42", J. Fred Marsh to R. A. Rigg, May 12, 1939; RG 27, Vol. 184, File: 614:05.

²¹ Department of Labour; "Youth Placement"; H. S. Reiph reply to the Ontario Retail Lumber Dealers Association, November 23, 1937; RG 27, Accession 70/382, Box 64.

Dominion sponsor apprenticeship training for unemployed youths under the 1931 Vocational Education Act, valid legislation which had never been implemented.²² The National Employment Commission's proposed apprenticeship plan for 10,000 unemployed youths was not acted upon. In 1939, the Urban Training Section of the Dominion-Provincial Youth Training Conference, urged that the King government take the leadership in providing increased vocational education and adoption of the program as permanent national policy.²³

While entire programs such as the farm placement scheme were largely motivated by steps to maintain the status quo, individual federal and provincial actions under such plans were often politically expedient ones. In 1937, William R. Clubb, the Manitoba Minister of Public Works and Labour wrote his federal colleagues concerning federal programs and financing for relief work projects. He requested Rogers, the Minister of Labour, to extend the farm placement plan and highway financing agreements because it would be "a pretty sufficient guarantee against the development of the condition which existed last summer, or large bodies of men congregating in Winnipeg parading the streets and generally causing disturbances and anxiety."²⁴

²² Labour Gazette, 1936, page 154.

²³ Labour Gazette, 1939, page 149.

²⁴ Department of Labour; "Single Homeless Adults", Manitoba Minister of Public Works and Labour to Rogers, January 3, 1937; RG 27, Accession 90/382, Box 87.

The farm placement program was extended, partially to meet such requirements. The same Manitoba minister wrote to T. A. Crerar, the federal Minister of Mines and Interior, who forwarded the March, 1937, letter to Rogers. This time Manitoba wanted assurances that federal funds would be available for summer highway construction to employ 9,000 men then on farms, 1,200 from winter work projects, 3,000 from soup kitchen lines and an expected influx from logging camps. "Otherwise I'm afraid we may have quite a bad situation on our hands in the City of Winnipeg and that at a time when the Legislature will likely be in session."²⁵

In the summer of 1937, 11,000 men were employed across Canada on the Trans-Canada highway and nearly 87,000 were employed on provincial works projects.²⁶ When highway construction was forced to stop by winter, the farm placement scheme was hauled out again to ensure governments would not be embarrassed by demonstrations. The effects of such programs were noted in a 1939 position paper to Rogers. It pointed out that even the recovery of 1936-37 did not reduce the numbers on relief rolls. Despite government programs and busy activities, new jobs were taken by those unemployed who managed to avoid relief; hard core unemployment continued to

²⁵ Ibid, Clubb to Crerar, March 5, 1937.

²⁶ "The Unemployment and Agricultural Assistance Act, 1940", page 39.

grow; shortages of skilled labour increased; adverse effects of demoralization interfered with re-training and added to the problems of derelict industries and depressed areas; and wide-spread social problems persisted.²⁷ It also admitted that the publicly announced unemployment and relief statistics only accounted for one-half or one-third of the total unemployed.²⁸

These admissions were never made public, but Rogers admitted during a House of Commons exchange with J. S. Woodsworth that the government did not know how many Canadians were unemployed.²⁹ Even though the federal government was aware its statistics on unemployment and relief were incorrect and incomplete, the information program on government relief activities was not affected; nor were the programs themselves.

King's administration tightened up relief distribution by adhering to rigid auditing procedures to show Canadians where the money went. Direct relief expenditures in the form of grants-in-aid to the provinces had been arbitrarily cut.

²⁷ Department of Labour, "Dominion Unemployment and Agricultural Aid 1930-1938", by Harry Hereford; RG 27, Vol. 614; File 28-3.

²⁸ Ibid, page 10.

²⁹ Hansard, Debates of the House of Commons, 1937, page 2438.

With less direct relief money available, the numbers relying on direct relief also showed a decline. A sleight-of-hand trick transferred numbers and money from one relief program to another.

Under the 1930 to 1935 Relief acts, the Conservative government spent \$218,562,638.33. In the last half of the decade, King's government spent \$175,407,537.55 on relief and assistance. Overall, King cut \$43,155,100.78 from federal relief expenditures, a saving of only \$8,600,000 a year. But the fact that \$52,000,000 was cut from grants to the provinces for direct material aid was offered as "proof" that government programs were reducing the numbers of Canadians dependent on relief aid. A further saving of \$1,600,000 was made in public works cuts, \$22,000,000 was saved by closing the National Defence-run relief camps, and a further \$4,700,000 was saved from Transportation and Railway expenditures. But King increased the Department of Natural Resources budget by \$6,000,000 and Agriculture by \$32,000,000³⁰ to pay for the farm placement and supplementary plans.

The Dominion government's programs were rooted in a laissez-faire approach to economic policies. The National Employment Commission was carefully chosen to reflect King's approach to relief and unemployment problems--government should

³⁰ The Unemployment and Agricultural Assistance Act, 1940, pages 40-41.

at all times assist the normal economic forces and private industry by meeting the needs of industry. The depression had come about through factors over which Canada had little or no control and its effects would disappear through similar international trade and economic factors. The best Canada could do would be to try and get along until recovery was complete by providing emergency unemployment assistance to minimize the effects of the depression.

King adopted this approach to the depression and the unemployment and relief problems early in the decade. The National Employment Commission mirrored King's position and the civil service, through Department of Labour officials, adopted a similar stance.

"... the final answer to the problem of unemployment, especially in a young country with such resources as Canada possesses must be in the expansion of private industry... it is inconceivable that Canadians are going to accept the principle that the emergency governmental aid of the past eight years to be a permanent condition. Canada is still a land of opportunity... Private enterprise and initiative will finally solve the problem..."³¹

The depression was always looked upon as temporary, one which would end--sometime. Therefore all government programs could not be anything more than temporary expediences or remedial measures. The only problem was, how long was

³¹ Hereford, "Dominion Unemployment and Agricultural Aid, 1930-38.", page 26.

"temporary"? The depression and resulting unemployment lasted ten long years. It was accurate, perhaps, to call it an emergency in terms of large-scale business cycles or long-range government programs. But for a person to live through "an emergency" for 10 years with only adhoc, subsistence level relief aid was another thing. And yet 10 years of expediency was all that was available.

The depression and unemployment bore down most heavily on wage-earners. One of the groups to receive the heaviest blows were the young, often single, men and women who made up the large, mobile unskilled labour force necessary to sustain Canada's primary resource economy. This group, hit earliest by unemployment, were jobless the longest. The migrant nature of this labour force was seen to be vital during times of prosperity, but in time of heavy unemployment, it became one of the worst evils. Almost all of this large labour force, other wage-earners and newcomers to the unemployment market, became transients--Canada's single, homeless adult unemployed.

This category of unemployed became a very visible part of the depression in Canada as early as 1932. It was a part that no one wanted.

"The municipalities steer them off because if they are arrested as vagrants, they become a charge on the municipality and it costs a dollar a day to keep them. So the work is 'Keep them moving'. The CPR police advise the man that it is better traveling CNR and the CNR police return the compliment . . .

Wherever they go they feel they are not wanted. There is no work, no hope, no place for them. They are Canada's Untouchables. They are deteriorating morally, physically and in every other way."³²

The situation had not changed by 1940, eight years later.

This group of transients, estimated to be 100,000 strong in 1936, presented a major problem to the authorities. Because they "belonged" to no jurisdiction, they were considered an unwelcome drain on local relief agencies' resources. Local people in need of relief assistance came first. Some level of government had to take responsibility for them and their relief costs.

Because transients had no homes, no material possessions, no jobs, no allegiances or social ties, they were seen as very unstable influences. Very early in the depression, with another international "red scare" brewing, Canada's transients were looked upon by authorities as potential revolutionaries. As they had severed all visible ties with social and political institutions, they had no social restraints. All they needed was a cause and leaders.

Transients were looked upon in the same light by the Communist Party of Canada and other radical groups and organizations--they would be troops for the revolution. The Royal

³² Reverend Andrew Roddan, Canada's Untouchables, Vancouver, 1932, page 14.

Canadian Mounted Police and other law enforcement agencies infiltrated most of these subversive groups early in the depression and documented agitators' plans to mobilize Canada's unemployed. In the minds of police forces and governments, it was a very easy step from the disgruntlement of a bread line to a protest, a strike, a riot and then a revolution.

The ideal solution to this theoretical revolutionary situation was to keep the highly susceptible transients and unemployed separated from the agitators and under control. The Bennett administration opted for a system of isolated unemployment relief camps administered by the Department of National Defence. This attempt to isolate the virus from an urban-based culture failed. Poorly set up and inefficiently run, the relief camp system actually encouraged and assisted the efforts of agitators. The camp system eventually led to strikes, a riot in Vancouver, the On-to-Ottawa Trek and the bloody police-inspired Dominion Day Regina Riot.

King's administration inherited the transient "problem" in the fall of 1935 and by the spring of 1936 had decided to close the camps. But the isolation technique was not abandoned. Instead of isolating the men in camps, the new farm placement plan isolated them singly, on farms in Western Canada. The program was very successful in this respect. Apart from one major incident in Vancouver, sparked by provincial authorities, the potential threat to social and political institutions never materialized. King only dispersed some of the transients and

provided a type of work and wages program the unemployed demanded. He probably hoped the transients and unemployed would remain out of sight and quiet until good times returned.

To give it its due, King's government never promised to do more than attempt to find orderly solutions to the unemployment and relief problems. Thus Canadians were given a flurry of very visible public activities--Dominion-Provincial conferences, the National Employment Commission's two-year study, a series of annual legislative acts, numerous cost sharing agreements and programs with the provinces, a form of work for wages or relief, direct relief and material aid, a barrage of statistics and an effective public relations program. The effects of this government activity was never seriously questioned at the time or since. With the intervention of war and the passage of time, Canadians have accepted the myth that King's unemployment and relief measures were successful.

Faulty and misleading statistics abetted the creation of that myth. The Dominion government defined unemployed Canadians as those who had held jobs at one time and were registered for relief. The definition eliminated all those unemployed who were not on the dole, all of those who had been self-employed and who had never held jobs. Unemployment statistics were not available from the Employment Service of Canada until late 1939 and even then the data depended on a voluntary registration at city offices.

King's unemployment and relief programs were remedial in nature; temporary expediciencies apparently designed to save the government from political embarrassment, as well as to prevent further politically-inspired unrest, and save money. Neither King, his cabinet or senior civil servants seemed to understand the problems actually faced by the transients in their daily struggle for existence. Perhaps part of the explanation lay in the failure of communications. The following memo from a minor official in the Department of Labour to Roger's private secretary was very much to the point, but the suggestion apparently never reached the Minister.

"The need for some settled policy with regard to the problem of the single homeless unemployed is very great. At present we wait for trouble to break out, and then with the public pressing for the thing to be removed from their doorstep, there is usually a back-down and frustration of all hopes and plans for a solution: a hasty patching up of the affair so that the public will not be annoyed or bothered by it. By such a system we get nowhere with the problem and the homeless unemployed suffer needlessly. I have a plan which would involve the changing of the environment in which the single homeless live . . . It provides for surer individual treatment and personal care and possible rehabilitation of many of those unfortunates; turning them into useful citizens instead of getting into the hands of elements such as at Vancouver recently."³³

33. Department of Labour; "B.C. Camps, 1936-1938", Memo from CWEM to A. G. MacLachlan, private secretary to Rogers, July 25, 1938; RG 27, Accession 70/303..

The memo was written nearly three years after King took office in the fall of 1935. But the same ad hoc approach to the transients' situation continued for at least another three years after the memo had been written. The hasty patching up continued until the clouds of war enveloped the depression and those nameless, troublesome transients.

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