Local Responsibility in Decline

The story of urban relief following the winter of 1932–33 is about the gradual decline of municipal influence in creating and implementing relief policy. At the heart of this decline was the fact that local responsibility became increasingly untenable. The idea that cities were in any position to provide relief for their resident jobless strained credulity even at the beginning of the Depression; only three years later, it had become an obvious fiction. By that point, no major urban centre on the Canadian Prairies was able to provide any relief at all without relying on federal and/or provincial grants or loans or on debenture sales to a steadily falling number of interested buyers.1

During the Depression’s early years, as we have seen, municipal administration of work relief programs gave city governments a measure
of control and real responsibility. True, Prime Minister R. B. Bennett’s plan of financing urban relief work that employed married men a mere one week out of six (at best) hardly mimicked the normal capitalist labour market. But many of the urban public works relief projects carried out between the autumn of 1930 and the spring of 1933 offered cities first-rate infrastructure at cut-rate costs, and, to some extent, they also sheltered construction-related businesses from the economic storm. Although they did not solve the unemployment crisis or even alleviate it to any serious degree, they did set the cities at the centre of urban unemployment relief policy-making. The municipal governments retained important decision-making powers over relief-related public works projects, from project selection, to the purchasing of materials, to labour distribution policies.

Bennett’s subsequent move to the cheaper direct relief in 1933 pleased no one at the municipal or provincial levels. Commentators from nearly every quarter decried “doles” as a surefire way of destroying industry, the work ethic, and especially married men’s manhood. But the move away from federally sponsored public works relief, in favour of direct relief, had another significant effect: it represented the first step toward marginalizing the influence of city governments in determining relief policy. While the early insistence that cities accept local responsibility for their resident jobless had certainly not been welcomed by urban policy-makers, that insistence had, at the very least, allowed for a measure of local control. In the spring of 1933, as the last of the urban work relief projects wound down, cities were reduced to mere custodians of their own relief systems.

The federal government’s establishment of relief camps to house thousands of single unemployed men further undermined local control over unemployment relief. The move, of course, was not unpopular among city policy-makers, who generally looked with apprehension upon the jobless single men congregating in their cities in search of work. After all, in their eyes, the single unemployed man represented disorder, real or imagined—the opposite of healthy productivity. Bennett’s decision to establish a system of relief camps well outside of city limits eased
local concerns considerably, but, at the same time, it removed responsibility for unemployed single men from the hands of city authorities. The national relief camp system thus contributed to a much broader pattern of reducing the influence—and relevance—of local responsibility.

Other important policy changes continued this pattern, but the shift away from the local would not lead smoothly toward national responsibility. Indeed, the development of a modern national welfare state remained years away, its progress subject to fits and starts and sometimes surprising turns. But although the trend toward a national welfare system was not a carefully planned affair, marked by a grand vision and clear foresight, dismantling local responsibility played a critical role in the process. In short, the cities mattered less after the Depression than they had before it began.

“RELIEF FROM RELIEF”: THE MAYORS TAKE ON OTTAWA

In many ways, it was the city policy-makers and politicians themselves who helped author this important shift. Civic authorities, especially in the West, had long been calling for “relief from relief.” In fact, this was the conclusion of a western delegation to Ottawa led by Ralph Webb, mayor of Winnipeg, in February 1930. “We believe that the Government will recognize the nature of the problem,” Webb told Prime Minister Mackenzie King. “We do not want investigations, commissions, and the like, but assistance.” The unmoved prime minister responded that “with the possible exception of France, actual figures, if available, would show that the unemployment situation in Canada was better than that of any country in the world.” He went on to suggest that the level of unemployment was comparable to any other winter, observing that “at no time was any country without unemployment” and maintaining that unemployment was, in any case, a purely local responsibility. Moreover, Mayor Webb’s active Conservative Party membership helped convince King, a Liberal, that the “alleged” unemployment
condition was little more than a “Tory device to stir up propaganda against the government.”

*The Conference of Western Mayors, January 1935*

Much had changed five years later. As we have seen, the unrelenting nature of the economic depression, the haphazard and inadequate federal and provincial aid, and the tenacious insistence on the part of senior levels of government that urban unemployment relief was principally a local responsibility had all taken their toll on city finances. And, of course, city bureaucrats could not have known that the economic downturn would last so long or be so devastating. By mid-decade, city officials had had enough. No longer would mere “assistance” do. On 30 November 1934, Mayor Joe Clarke of Edmonton travelled to Calgary for a meeting with that city’s mayor, Andrew Davison, and the two hatched a plan to hold a conference early in 1935 to be attended by representatives from the larger centres of the four western provinces. In presenting the plan to Calgary’s city council for approval, Davison explained the necessity of such a conference: “In the past, we have contented ourselves with making representations to the senior governments and then accepting whatever was offered. While we have gained some concessions, we are of the opinion that more direct action is necessary, if the senior governments are to be convinced of the necessity of their assuming a greater proportion of the heavy costs of civic government.” No fewer than twenty-five western mayors agreed that a conference that would enable them to discuss common municipal problems—including interest rate reductions, unemployment relief costs, and municipal revenue generation—was in order.

In late January 1935, the mayors assembled in Calgary and agreed to call on the federal government to assume full responsibility for relief, to reimburse all municipal relief expenditures to that point, and to take on all municipal capital indebtedness at an interest rate not exceeding 3 percent. Clarke, however, had earlier appeared willing to play fast and loose on the issue of interest payments. On 7 December 1934, Davison wrote to Clarke to voice his concern about a report in the *Edmonton
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Journal, noting that, two days earlier, the paper had quoted Clarke as warning that both he and Davison were planning to urge the conference of western mayors to “put our foot down solid and tell the bond holders we are not paying any interest after July 1st, 1935.” Such talk, implicating both Alberta mayors in dangerous collusion to purposefully renege on municipal debts and thus threaten their cities’ credit standing, clearly made Davison uneasy. “As I recollect it,” he wrote to Clarke, “we agreed that in preparation of our 1935 budget, whether or not we liked it, we would be called upon to levy for our interest charges at the rates presently prevailing, but with the hope that it might be possible to get a reduction in such rates to an amount not greater than 3%. To suggest that on and after July 1st, 1935, we will refuse to pay interest of any kind, is certainly something with which I do not agree.”

Clarifying what he called a “scare headline,” Clarke replied to Davison, “I did say that I thought the conference would be advised to put their foot down on or about July 1st, 1935, and announce that they would not pay excessive interest, that is, interest greater than we think we are entitled to pay, and that such decision would be laid before the proper authorities, Provincial and Dominion.” Like Davison, Saskatoon’s mayor, J. S. Mills, was not prepared to undermine his city’s credit standing in any way. He did, however, evince some sympathy for Clarke’s position, commenting in a letter to him that the federal government could intervene in the matter directly through its “control over interest rates” and its ability to “undoubtedly arbitrarily reduce same if it is considered in the public interest to do so.”

In the end, the western conference of mayors limited their demand on the interest rate question to urging the federal government to reduce rates to 3 percent. The delegates also insisted that the federal government reinstitute the work-for-wages programs that had been in operation earlier in the Depression and introduce a cash relief program for all jobless not covered by the work-for-wages program. It was a far-reaching set of demands, to be sure, but, in the view of Vancouver’s Alderman George Miller, the demands were not inappropriate. “Unemployment relief should never have been a municipal matter,” he told the conference attendees. “It has nothing to do with the policies of municipal government and in consequence we should in no way be responsible for the
unemployment situation.” Nor were the cities’ demands based on exaggerated claims of municipal hardship, according to Mayor Joe Clarke of Edmonton. “We, as a conference, are ‘on the spot,’ individually and collectively,” he stated. “I think we should organize here together to try and do something for ourselves to help the four Western provinces, do it definitely, and fight with our backs to the wall. Every municipality in Western Canada has been crowded to the wall and there is one thing to do and that is fight and not give up.”

The western cities were clearly seeking a good deal more than the assistance that Mayor Webb of Winnipeg had sought five years before. Nor were the western mayors alone. On the conference’s second day, Montréal’s mayor, Camillien Houde, wired Mayor Davison of Calgary inviting the western mayors to attend a much larger conference on relief that would include delegates from municipalities all across the nation. The mood in cities east of the Lakehead, Houde assured Davison, was much the same as that in the West. Already, thirteen Québec mayors and forty-four mayors from Ontario had unanimously passed resolutions calling on the provinces and the federal government to assume full responsibility for urban unemployment relief. With the mayors representing some five million Canadians and 75 percent of the nation’s taxes, Houde felt certain that their demands would be difficult for the federal government to ignore.

The western premiers, however, were less certain. Manitoba’s John Bracken pointed out in a letter to Richard Reid, premier of Alberta: “Mr. Bennett has consistently refused to deal directly with the Municipalities, and whenever they have met him he has answered them by saying he can deal only with the Provinces.” Duff Pattullo, the BC premier, concurred. “I do not think that anything is to be gained by representations being made by the provinces and the municipalities jointly,” he advised Reid in February 1935. “The Ottawa Government will doubtless point out, as was done last year, that the municipalities are the creatures of the provincial authority, and as such that representations can properly be made [only] by provincial authorities.” The Saskatchewan premier, Jimmy Gardiner, while reminding Reid that municipal representatives seeking an audience with the federal government during the most recent provincial
conference had been refused outright, remained open to the idea of a joint municipal-provincial delegation to Ottawa, provided it “would be recognized by Mr. Bennett.” While the western premiers were generally agreed that unemployment had long become an emergency of national proportions and were happy enough to accept full federal financial responsibility for relief, they would not countenance any federal incursions on provincial authority, jurisdiction, or autonomy.

**The Dominion Conference of Mayors, 1935–37**

With or without provincial support, the nation’s mayors remained determined to make their case. Near the end of March 1935, roughly a hundred mayors from all across Canada convened at the Hotel Mount Royal in Montréal for a Dominion-wide conference. Their demands were similar to those made two months earlier at the western mayors’ conference. Calling themselves the Dominion Conference of Mayors (DCM), the delegates arrived in Montréal armed with the latest unemployment-related figures prepared by McGill University’s director of social research, Leonard Marsh. As a snapshot of the relief situation as of February 1935, the numbers were alarming. In Winnipeg, for instance, nearly 34,000 people, or 15.2 percent of the city’s population, were on relief, and almost 17 percent of the city’s annual revenue went to relief-related costs. Just over 7,500 people in Saskatoon were on relief, representing 15.5 percent of the city’s population and consuming 22.4 percent of annual revenues. Edmontonians on relief numbered 11,000 and cost the city $463,000 per year, or 12.4 percent of the city’s revenues. The figures also revealed that, on the whole, cities in the West were worse off than their counterparts elsewhere in the country. In British Columbia, cities spent an average of 10.3 percent of municipal revenues on relief. The average rose to 13.9 percent in Alberta, and to 16.5 percent in Manitoba. In Saskatchewan, the figure was an even more striking 22.5 percent. Average urban relief spending in Ontario, by contrast, stood at only 8.5 percent of municipal revenues, on the basis of data from forty-one cities. The same figure for twenty-five cities in Québec was higher, at 11.9 percent, whereas in the Maritimes, it dropped to only 5.1 percent.
But the Montréal conference, characterized by Houde as being without parallel since Confederation and tasked with nothing less than “beginning a new page in Canadian history,” was about more than cold numbers. In his opening address to the assembled mayors, Houde declared that “we are here to ascertain once and for all” whether unemployment relief is “really our responsibility.” The conference, he said, would involve “several sessions of arduous work, from which will be banished every trace of party spirit for the substitution of a national, municipal viewpoint.”

Each of the delegates in turn sketched a picture of his city’s situation. Alderman Herbert Andrews of Winnipeg lamented that relief costs were ruining the city’s ability to carry on the business expected by its ratepayers: “We lopped here and pruned there, but with each pruning we found we were reducing our services to a point where we were lowering the standard of services which our citizens are entitled to receive, having in mind the taxes they pay. . . . We must have help to keep the Prairie Schooner moving; just now the axles are squeaking badly.” Saskatoon’s new mayor, Robert Pinder, pointed out that although his city’s finances appeared to be in better shape than the year before, “we are coming to the time when we, like every other municipality in Canada, are finding it impossible to pay the tremendous burden of relief.”

By the evening session of the first day—and, not incidentally, following a Canadian Radio Commission coast-to-coast broadcast by representative mayors from all nine provinces—all delegates had agreed that unemployment was a national problem and that, as such, Ottawa ought to assume full responsibility for it. The “costs of unemployment relief,” the mayors maintained, had been “improperly imposed upon municipalities throughout the Dominion of Canada,” resulting in a breakdown of the “financial structures of many urban centres, and others are in like peril.” Nothing less than the “Peace, Order, and Good Government of all Canada is imperiled by reason of the conditions which exist,” the mayors asserted.

Their cities were simply no longer able to bear any of the burden.

Despite the mayors’ concerted and unanimous stand, federal leaders were not prepared to break fundamentally with what had become long-standing practice and policy. Ottawa would continue to deal exclusively with the provinces. At the conference’s close, the mayors returned
to their respective home cities certain that they had made their case but obviously disappointed at the federal government’s refusal to deal with their concerns and demands directly. Nevertheless, the conference had not been completely for naught. In addition to generating considerable press on the relief question and specifically on the cities’ financial plight, the Dominion Conference of Mayors had invited individual MPs and senators to a special meeting to hear their concerns in the Railway Committee Rooms of the House, after Speaker James Langstaff Bowman refused them audience with the House. Furthermore, as Camillien Houde noted in a telegram to Alberta’s Premier Richard Reid two weeks later, the mayors had secured a promise from Acting Prime Minister Sir George Perley “that our representations would be taken seriously and that the provinces would be approached in the matter.”29 Just what that meant remained, for the time being, unclear. On the one hand, Perley noted in correspondence with Mayor Houde that the mayors assumed that the federal government had “decided to call a Conference of the representatives of the Provincial Governments. I doubt if this course will be taken, but the Minister of Labour purposes [sic] discussing with each Province its individual situation after which an endeavour will be made to meet its needs in as reasonable way as possible.” There would, of course, be no direct space afforded to representatives of the municipalities. “When dealing in this way with the Provincial authorities,” Perley added, “you will realize that it will not be possible for the Dominion Government to call in you and your Colleagues.” On the other hand, at least some provincial leaders assumed that a Dominion-provincial conference on relief matters was on the horizon. Premier Richard Reid of Alberta wrote to Houde on 20 April 1935 that “a relief conference with the federal government is anticipated in view of the fact that the present relief agreement between the provinces and the Dominion has expired and is being extended only temporarily pending an opportunity to meet with the federal authorities for the purpose of going into the whole question of relief.”30

As an outcome of the conference in Montréal, the Dominion Conference of Mayors (DCM) struck a Continuing Committee tasked with keeping the municipal relief issue on the national stage until the
The Wages of Relief

group could meet again. One of the committee’s more important acts was to reiterate—in no uncertain terms—the mayors’ position on relief to anyone who would listen. “You will have noticed that one of our two main demands was that for the very strong reasons herein stated the Dominion Government should assume the entire responsibility for unemployment relief,” Continuing Committee Chair Camillien Houde argued in a telegram to the Alberta premier, Richard Reid, in April 1935. In another telegram to Reid four days later, Houde wrote, “It is imperative that the Dominion Government recognize, acknowledge, and assume its sole responsibility for unemployment and relief. We have shown clearly that it belongs to them and to no one else.” Still, there was only so much that the Continuing Committee could do, and its work lagged through the summer months, especially once it became apparent that a federal election, as well as several provincial ones, would soon take place. Houde later wrote to the DCM in a review of the committee’s activities, “It was increasingly clear that no definite steps could be taken profitably until the various elections were over.”

The following year, in March 1936, the DCM met again, this time at Ottawa’s Chateau Laurier, but the political landscape had shifted since the previous year’s meeting. The federal government had changed from Conservative to Liberal, and several provinces also had new governments. Nevertheless, little appeared different from the mayors’ perspective. True, newly elected Prime Minister William Lyon Mackenzie King had called a Dominion-provincial conference for early December to deal in part with relief matters, but the mayors, as expected and despite their best efforts, were not invited. And although the prime minister and the nine premiers invited DCM representatives for a short chat in the Railway Committee Room of the House of Commons, the Dominion-provincial conference adjourned on 13 December “without taking any definite action along the lines suggested by the Dominion Conference of Mayors.” All the DCM’s Continuing Committee could do was issue a public letter addressed to the prime minister lamenting that “everything so far leads us to believe that the Inter-provincial Conference may reach no concrete decisions, to the great disappointment of public opinion at large” and calling on the federal government.
to “relieve the municipalities of the load of direct relief which they can carry no longer.”

As it happened, King did pledge, in the wake of the conference, to increase relief allocations to the provinces by 75 percent until 31 March 1936. He also announced a Dominion Commission on Employment and Relief to coordinate federal and provincial employment generation and relief efforts. But these actions represented little more than a continuation of what the mayors viewed as a failed strategy that fundamentally changed nothing. In this context, it is not surprising that the mayors’ demands from the Chateau Laurier in March 1936 were much the same as the previous year. Once again, the mayors resolved that Ottawa assume relief costs from 1 April 1936 forward. The resolution was particularly significant to the western mayors since documents recently tabled in the House of Commons indicated that the four western provinces owed the federal treasury a combined total of $111 million in outstanding relief loans. No other province had outstanding unemployment relief-related loans from the treasury.

The reason for the western provinces’ debt was obvious: unemployment relief spending from 1930 to 1935 in the Prairie cities had skyrocketed in that time, according to numbers prepared for the mayors’ meeting by economist Hymen Carl Goldenberg, then a sessional lecturer at McGill University. Spending on unemployment relief in Winnipeg in 1931 reached just over $900,000. Four years later, the annual amount had more than doubled to $1,886,000. Edmonton’s annual unemployment relief spending jumped from $87,840 in 1930 to $545,543 in 1935. In Saskatoon, relief spending increased even more over the same period, from a mere $4,231 to an astonishing $290,671. To Goldenberg, the problem was obvious: “The duties and responsibilities of municipalities have increased without a proportional increase in the power to raise the revenue necessary to meet their new obligations.”

On the matter of retaining at least some municipal administrative control over relief, however, the mayors were divided. Mayor Joe Clarke of Edmonton wanted nothing to do with relief administration, believing that the federal government could do the best job of “cutting out the chislers” from among the ranks of relief administrators. Winnipeg’s
Mayor John Queen cautioned against relinquishing all administrative authority over relief but nevertheless advised complete federal responsibility for relief costs. Regardless of the opinions of the mayors, Ottawa remained unwilling to deal with the mayors directly, and for the second time in as many years, the mayors returned home disappointed.

With little federal action on the matter by the spring of 1937, the nation’s mayors met once again in Ottawa, but this time the Dominion Conference of Mayors was joined by delegates from the Union of Canadian Municipalities ($uCM$). Discussions of a merger between the two representatives of the nation’s cities had begun the previous November, resulting not in a definite arrangement but in a tacit agreement to divide the work of promoting municipal interests among them. The $uCM$ would carry out “general fact finding,” while the Continuing Committee of the DCM would collect research and statistics, and continue to advocate for the mayors’ position with respect to unemployment relief. In February 1937, the general secretary of the DCM’s Continuing Committee, T. L. Bullock (with Houde’s resignation as mayor of Montréal, he had ceased to be chair), invited the nation’s mayors to attend the DCM’s 1937 conference in March with the hope “that final arrangements will be made . . . for an amalgamation between the Dominion Conference of Mayors and the Union of Canadian Municipalities.” The amalgamation did take place, forming the Canadian Federation of Mayors and Municipalities.

Stanley Lewis, the mayor of Ottawa, welcomed the delegates to the March meeting and “expressed the hope that the Conference would be a most successful one.” The mayors got down to work, forming nominating, amalgamation, and resolutions committees. By the third day of the conference, however, it was clear that the mayors were divided on whether to call once more on the federal government to shoulder the entire responsibility for unemployment. Some, including Deputy Reeve E. J. Humphreys, York Township, and Reeve J. B. Wheeler, Scarboro, wanted the “Dominion Government forthwith [to] take over and assume the entire cost of unemployment relief.” But a “large majority” of the mayors, after two years of having their pleas ignored, agreed to scale back their demands. Rather than insist that the federal government accept
total responsibility for unemployment, the nation’s mayors would ask for an increase in federal relief grants, providing that Prime Minister Mackenzie King also institute a work-for-wages program along the lines of that implemented earlier in the decade.\textsuperscript{46}

Seeking to make a stronger case for greater federal involvement in financing urban unemployment relief, the mayors also released a major report that they had commissioned the previous year to survey relief costs across the country. Prepared once again by economist Hyman Carl Goldenberg and based on responses to a questionnaire circulated to Canada’s major cities through the summer and fall of 1936, the report revealed—perhaps for the first time in a uniform way—the onerous burdens that many cities were forced to carry.\textsuperscript{47} The survey’s results were stark. Winnipeg, for instance, had spent more than $3.5 million on relief in 1936 over the course of just eleven months. The province and the federal government had together contributed two-thirds of this amount, leaving the city to come up with the final third. But the city was unable to raise any money and was forced to borrow the entire amount. “We’re absolutely sunk in the West,” Alderman E. D. Honeyman of Winnipeg reported to the conference delegates. His council colleague Thomas Flye added that without immediate aid, no relief would be possible.\textsuperscript{48} Saskatoon appeared to be in better shape, managing to raise about 40 percent of its one-third share of relief costs for 1936 through taxation, but it still had to borrow nearly $150,000. Edmonton’s situation was slightly stronger still, with the city putting up about 55 percent of its share and borrowing the remaining $250,000.\textsuperscript{49}

Dominion-wide, the problems were severe. Of the sixty cities surveyed, fourteen failed to raise anything at all toward their one-third share of relief costs, and half of the cities had to borrow at least some funds to make up the shortfall. Other figures from Goldenberg’s report were equally jarring, especially those relating to cities in the West. Relief spending in Winnipeg, for example, constituted nearly one-quarter of the city’s entire revenue in 1935. That same year, Saskatoon’s relief expenditure-to-revenue ratio was even worse: the city spent more than 27 percent of its revenues on relief, earning it the dubious honour of having the highest expenditure-to-revenue ratio in the country. Edmonton, once again, was
in a stronger position than the other two cities, but it still contributed nearly 14 percent of its revenue in 1935 to relief alone.50

In the end, after two years of futile demands that Ottawa assume responsibility for urban relief costs, the mayors probably agreed with Alderman Honeyman’s assessment expressed at the 1937 conference in Ottawa: “There is no use passing the same pious resolution year after year and then going home feeling [we] had done [our] duty.” The bottom line was that “municipalities had no control over the causes of unemployment, so they should not be saddled with its effects.”51 But reiterating the situation each spring was clearly having no effect. Honeyman advocated increasing the pressure on senior levels of government in a radical step—one that was quite possibly the only weapon left in the cities’ arsenal: calling a relief “strike.” The idea of simply refusing to participate in the entire relief process, including costs and administration, certainly reflected Honeyman’s frustration with government inaction. “We can’t go on,” he pointedly told convention delegates. “We had to curtail our services 33 1/3 percent. Our employees have been cut 16 2/3 percent. . . . Right now we are being carried by the grace of the Bank of Montreal. I don’t know how the Bank of Montreal got its reputation as a business organization when we can’t pay and we never can pay.” According to the Winnipeg Tribune, Honeyman’s proposal had the near unanimous backing of his council colleagues, although some, like Alderman James Simpkin, worried about the implications for the city’s jobless relievers if Winnipeg suddenly refused to pay any relief until the federal government assumed full responsibility. “We have almost 7,000 married men on relief in Winnipeg,” Simpkin pointed out, “and they are on the rolls merely because they can’t find a job. No further hardship should be worked on them.”52 By the close of the conference, the federal government had promised, at the very least, to include municipal considerations and issues in its planned nation-wide survey of Dominion-provincial financial relations, which would become known as the Rowell-Sirois Commission.53 For the time being, the mayors concluded, this would have to do.54

The mayors met once again in Ottawa the following year, this time as the first annual conference of the Canadian Federation of Mayors and Municipalities. Once again, they appeared divided on relief policy and
especially on what fresh demand to make of the federal government. Some continued to advocate that “the entire burden of unemployment relief should be borne and administered by the Federal authorities.” Others believed that this approach, having failed several times in the recent past, ought to be discarded in favour of some tripartite approach involving municipal, provincial, and federal participation. In the end, the mayors decided to seek half the cost of relief from the federal government if the provinces agreed to assume 40 percent of relief costs. But it seemed clear enough that no matter the municipal resolutions and demands, and no matter the degree to which they were scaled back or otherwise revised, the federal government would continue to deal with them only through the provincial governments.

FEDERAL RELIEF CAMPS

For officials in cities across the Prairies, news that the prime minister had, in early October 1932, accepted a plan to create a series of relief camps for jobless single men was welcome indeed. The cities had been calling for a similar idea for at least a year. In the early years of the Depression, most cities had been able—with the help of their respective provinces, the federal government, and charitable groups—to offer single unemployed men some form of short-term, emergency relief. Three related trends made this practice increasingly difficult to continue by the summer and autumn of 1932. First, after two full years of depressed conditions, the city relief machines were overwhelmed. Edmonton’s monthly relief bill in the winter of 1932, for instance, averaged more than $100,000. As more and more businesses failed and banks foreclosed, revenue generated through property taxes decreased. “At the rate we are going now,” Edmonton mayoral candidate James Ogilvie forecast in November 1934, “it won’t be long before the entire city is owned by the city.” Other Prairie cities were in similar straits: they simply lacked the financial resources to support emergency relief for single men in addition to their responsibilities to their unemployed married residents. Second, relief officials feared
that their cities would develop a reputation of offering “relief largess” and attract single migrants in search of “generous” emergency relief. Finally, most city relief officials shared the prime minister’s concerns that Communist organizers were active in especially Western cities, preying on impressionable young men congregating in search of work, relief, or a handout.

On 8 October 1932, the governor general signed an order-in-council establishing a string of relief camps throughout central and eastern Canada. Organized under the authority of the Department of National Defence, the camps were to accommodate two thousand men immediately. At the same time, Prime Minister Bennett agreed to spend an additional $200,000 to establish a series of relief camps in western Canada’s mountain and prairie national parks under the authority of the National Parks Branch. By the following spring, the two streams of relief camps had been consolidated under General Andrew McNaughton through the Department of National Defence.58

While the federal promise to finance relief camps for the urban unemployed did little to ease their fears, uncertainty, and anger, the news must have comforted municipal officials anxious to mitigate an increasingly tense situation developing in their cities. On 21 October 1932, for example, Saskatoon city police were on guard at city hall as rumours of potentially violent protests circulated throughout the city. Although the rumours were not realized at that time, frustration among the jobless continued to simmer. On 7 November, some of the city’s unemployed clashed with local police. The Star-Phoenix carried a description of the day’s violence: “Wielding blood-soaked batons and sticks, police and the unemployed clashed in a fierce pitched battle at 2 o’clock this afternoon. Charging a yelling mob of workless, nearly 90 officers accounted for a dozen or more casualties and half-dozen arrests.”59

A little more than a month later, a similar confrontation between police and protesters, this time aimed primarily at provincial officials, occurred in Edmonton. On 20 December 1932, city police and the RCMP clashed with hundreds of unemployed workers and farmers in Edmonton’s Market Square who were attempting to march on the provincial legislature to protest the Brownlee government’s relief policies.
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The Edmonton Bulletin described the clash the next day: “Batons rose and fell, yells and jeers filled the air as here and there a rioter went down before the police clubs. Women among the marchers screamed imprecations at the police, charging them with being cowards who were riding down their class, but the steady police pressure continued and the back of the parade was broken.”

The bloody conclusion of the Hunger March, like the conclusion to similar protests in Saskatoon a month earlier, revealed the extent of anger and frustration with relief policies at all levels. The large number of unemployed workers and farmers who participated speaks to the evident unpopularity and apparent inadequacy of relief policies and provisions,
both rural and urban. This anger and frustration would crystallize once more, this time emerging out of single relief camp workers’ experiences.

Almost immediately, it became clear that the camps were unpopular among their young single residents as well. On the surface, camp life seemed a better, more productive alternative to living hand to mouth on the watery soup and dry bread available in the cities and to being constantly harassed, in the words of one historian, by “local police [who] would shoo the men away rather than arrest them as vagrants, while special patrolmen chased them from the freight yards back towards town.”61 One early camp organizer noted in December 1931 that while the camps promised no easy time, “particularly to men not used to this kind of life,” the camp benefits, including accommodation and free clothing, outweighed any hardships.62 But for many camp workers, the reality was quite different. To some, they were “slave camps” that paid very little for arduous, backbreaking work in isolated conditions.63 “We were slaves,” one camper later recalled. “What else would you call a man who is given twenty cents a day and is expected to believe their bullshit that he is an important part of the country.”64 To others, the camps were an affront to human dignity. Historian Bill Waiser describes the harsh conditions: the workers slogged through “endless days of heavy toil with little to show for it. . . . From one monotonous day to the next, nothing changed for the men, and the unnatural, stagnant conditions of camp life steadily ate away at their self-identity.”65 The camps also, according to one informant, threatened the morality of especially their youngest—and presumably most vulnerable—charges: “The terrible thing about it is that many of the men who are congregated in the camp are teenaged Canadian boys forced into close association with mature men, who have tramped the country, with the result is that the outlook for these boys stands a good chance of being completely warped and their characters so degraded and demoralized that their future is unquestionably seriously menaced.”66 Many campers were clearly dissatisfied with the whole business. Federal authorities recorded more than 350 camp strikes, demonstrations, and disturbances between 1932 and 1936. Approximately 10 percent of all campers over the same period were dismissed for disciplinary reasons.67
In the end, the Conservatives’ establishment of relief camps to house the thousands of single unemployed men ended in disorder and chaos, and in the deaths of at least two men on Regina’s downtown streets on Dominion Day, 1935. The story of the now-famous On-to-Ottawa Trek and Regina Riot, however, began not in the Queen City but in British Columbia. Conditions had been deteriorating in the British Columbia camps for some time. Many young single men had gone to the relief camps in that province, in large part because most provinces to the east actively pushed single men out or made their staying intolerable. This situation was exacerbated after the autumn of 1934, when Department of National Defence relief camps in Alberta reached their capacity. Thereafter, “surplus” men were sent to open camps in Canada’s westernmost province. Meanwhile, the Communist-organized Relief Camp Workers’ Union (RCWU) had been busy trying to organize the relief camp workers. Formed shortly after the first camps opened, the RCWU quickly began agitating for better camp conditions by organizing strikes and walkouts, and formed grievance committees to give voice to campers’ complaints. In December 1934, faced with an outright ban on grievance committees and other measures to hamper its activities, the RCWU called for a general relief camp workers’ strike. Hundreds of relief camp workers from across the West answered the call and descended on Vancouver in a show of solidarity and protest at camp conditions. After a meeting with BC’s Premier Duff Pattullo ended with little more than a promise that the province would call on the federal government to investigate the camps, however, the strike quickly collapsed. The strikers returned to their camps disappointed.

Nevertheless, the December strike had struck a chord. Only a few months later, the RCWU was already well into the planning stages of organizing a wider, more impressive, and precise strike. RCWU organizers enlisted the help of veteran radical labour activist and Workers’ Unity League member Arthur “Slim” Evans and called a strategy meeting in Kamloops for mid-March. There, organizers drew up a list of demands, established what would become the strike’s organizational structure, and set a strike date for 4 April. In early April, men began arriving in Vancouver, by the tens at first, but soon by the hundreds. More than
fifteen hundred strikers remained in Vancouver for the next two months, parading through the city’s streets, generally publicizing the poor camp conditions, and demanding work for wages, at the very least. Municipal, provincial, and federal authorities were divided as to the best course of action. Some, like Chief of Defence Staff Andrew McNaughton, believed that the strike would soon run out of steam. In some respects, it seemed as though he had a point. Hundreds of men had already quit the strike by mid-May, and more appeared ready to leave. Others, RCMP Commissioner MacBrien among them, favoured a harder-line approach, suggesting that all remaining strikers be detained and interned. Vancouver’s Mayor Gerry McGeer and BC’s Premier Duff Pattullo viewed the whole matter as a federal problem. The strikers, after all, were protesting federally organized and administered relief camps, not provincial or municipal ones. Of one thing, however, everyone was certain: the strike must quickly conclude.  

It remains unclear as to who first proposed the idea of taking the strike’s message directly to Ottawa. Ron Liversedge—who participated in the On-to-Ottawa Trek and would later write a book detailing the strikers’ progress through British Columbia and Alberta and the violent clash at Regina—attributed the idea to an unidentified man who calmly stood up at a strike meeting and suggested, “Let us go to them.” The On-to-Ottawa Trek left Vancouver on 4 June 1935. The men were, for the most part, orderly, disciplined, and dignified. They climbed aboard Canadian Pacific and Canadian National Railway freight cars and made their way east, picking up more men at each stop, singing songs of solidarity, laughing and joking, but determined and serious in their intent. In Edmonton, over 150 men joined the Trekkers, now nine hundred strong, who arrived in Calgary on 7 June.  

Prime Minister Bennett followed the Trekkers’ progress with much interest and perhaps equal measures of rage and disquiet. He had been out of the country visiting Britain when the strike broke out in Vancouver, but he had returned to Ottawa in mid-May determined to regain control over a problem that appeared to be rapidly spiralling out of control. They were communists all, Bennett had decided, or at least their leadership was, and they were bent on nothing less than destroying
the capitalist system and replacing it with a communist one. In truth, although the Trek’s leadership had communist leanings, most of the rank-and-file Trekkers were simply discouraged, disillusioned, and tired, their hopes and aspirations to find a job and start a family dashed on the shoals of the economic crisis. That said, Bennett did have reason for concern. The Trek’s leaders headed up a highly organized and disciplined march east, almost military in its precision—the army of the unemployed. And its numbers were growing. In Bennett’s mind, the solution was simple: the Trek had to be stopped.

And stopped it was. At Bennett’s insistence, the Canadian Pacific Railway—which, up to that point, had carried the men toward their goal—complained to the RCMP that the Trekkers had been illegally riding the rods on CPR freight trains. This complaint gave the RCMP and Bennett the excuse to crush the Trek. RCMP officers quickly descended on Regina and prevented any Trekker from boarding a train. This action made the situation deteriorate rapidly, for now the men were trapped in the city, and they were fast running out of food and cash. Bennett’s next move was to dispatch two Cabinet ministers—R. J. Manion, the minister of Railways, and Robert Weir, the minister of Agriculture—to Regina to assess the situation and try to negotiate an end to the Trek. The ministers met with Trek leaders and arranged for a small delegation to travel to Ottawa and speak with the prime minister directly. The meeting between the delegation and Bennett, by all accounts, went badly, degenerating swiftly into little more than a shouting match. The delegates returned to Regina, even as Bennett determined to end the standoff. He instructed the RCMP to move in and arrest the Trek leaders. The constables could not have selected a worse time to carry out the prime minister’s directive. By attempting to take the leaders of the Trek into custody while they were in the midst of addressing the Trekkers during a Dominion Day rally, the RCMP promptly ignited a firestorm. When the riot finally ended later that day, one man lay dead and another would die later in hospital as a result of wounds sustained during the battle.

At first glance, the Trek appears to have little to do with municipal relief matters beyond the facts that it began just outside of Vancouver, passed through several cities on the main CPR line, and ended on the
downtown streets of Regina. The Trek had, after all, originated from federally organized and administered relief camps, not provincial or municipal ones. And the Trekkers were themselves headed toward the nation’s capital to have it out with Bennett, not toward provincial legislatures or city halls to confront premiers or mayors. They were planning to take their complaints to Parliament directly, bypassing entirely provincial and municipal authorities; the Trek was explicitly not about local relief. This very circumvention of local authorities, however, underscored the growing irrelevance of local authorities with respect to single men’s relief experiences.

In any event, Bennett emerged from the riot bruised. Parents across the nation who had young unemployed sons about the same age as many of the Trekkers recoiled at the federal government’s ham-fisted and hard-nosed response. Canadian citizens in general were sympathetic toward the young men, believing that they were out of work through no fault of their own, yet the federal government had treated them like criminals. Bennett was hemorrhaging what little political capital he had retained after five long years of economic crisis, rising unemployment, and failed policies.

With a federal election looming and in the hopes of lifting his political fortunes, Bennett trotted out a program of legislation modelled on the spirit of President Franklin Delano Roosevelt’s New Deal. Included in the legislation was the Employment and Social Insurance Act, which established a limited system of unemployment insurance, as well as an advisory and investigative commission to oversee health insurance and relief matters. Bennett’s “New Deal” also included the Dominion Trade and Industry Commission Act and various labour laws designed to lay the groundwork for implementing International Labor Organization conventions such as a minimum wage, a weekly day of rest, and eight-hour working day regulations. To its critics, Bennett’s New Deal constituted little more than a deathbed conversion to greater governmental involvement in the economy. Constitutional scholars doubted it would pass constitutional muster, given that it encroached heavily on provincial jurisdiction. Liberal Opposition Leader Mackenzie King agreed, but he voted for it anyway, recognizing that not to do so would unnecessarily
risk public condemnation. Eventually, as King probably expected, the Judicial Committee of the Privy Council would strike down as ultra vires most of Bennett’s New Deal program.

THE DOMINION HOUSING ACT

One important piece of legislation that survived the parliamentary session was the Dominion Housing Act, which underscored further the growing irrelevance of city governments to federal Depression relief policy. The Depression had hit housing hard. The trouble was twofold. First, the nation at mid-decade was suffering from a severe housing shortage—to the tune of eighty-two thousand homes, by some estimates. In large measure, this was a predictable repercussion of the reluctance of industry (including lenders) to engage in new housing starts in a poor economic climate. Second, many existing homes were in desperate condition after years of neglect. As social scientist A. E. Grauer reported in a 1939 study prepared for the Royal Commission on Dominion-Provincial Relations, “The effects were evident in a decreased number of available homes, the doubling up of tenants in congested residential areas, and the deterioration of low rental houses through the inability of landlords to make necessary repairs.”

Others had come to the same conclusion in early 1935. In January, Conservative backbenchers Thomas Langton Church and James Arthurs pressed the federal government to embark on a national housing program. Such a potentially far-reaching plan, with unknown, though doubtless costly, implications, was too much for Bennett. He suggested instead the more conservative approach of referring the issue to a select parliamentary committee for study and recommendation. In the end, the Parliamentary Committee on Housing, headed by Conservative MP and New Brunswick businessman Arthur Ganong, advised that the federal government ought to insert itself forcefully in the housing field to redress what was rapidly becoming regarded as a crisis. A federally assisted housing program, the commissioners believed, had the potential in one fell swoop to solve all sorts of Depression-related problems:
not only could such a program ease the housing shortage by increasing the number of affordable rental units, but more accessible affordable housing would also lessen disease caused by overcrowding and reduce the crime associated with “slum” conditions. Equally important, the committee’s final report asserted, a coordinated, national housing program would create immediate employment in the construction industry, easing considerably the cost of unemployment relief.

By June, the committee’s report had given way to draft legislation, but the Dominion Housing Act (DHA) shared almost none of the earlier concern for the creation of affordable housing or its supposed ameliorative social effects. The DHA instead tended to encourage high-end construction, with the hope on the part of the federal government for a “trickle-down” effect: citizens of means would trade their present homes for newer ones, leaving their vacated homes to lower-income groups. The DHA promised an appropriation totalling $10 million toward encouraging new home construction. It was a simple enough plan: the DHA invited approved lending and financial institutions to collaborate with the federal government and prospective homebuilders (either individuals or commercial outfits) in the construction of new homes on purchased land. The federal government would contribute 20 percent of the total cost from its $10 million appropriation, while the lending institution would put up a further 60 percent and the borrower the remaining 20 percent. The DHA set loans from the federal appropriation to the lending institutions at 3 percent interest and allowed the lending institutions in turn to seek a maximum of 5 percent interest from the borrower on the entire 80 percent loan. This, the government reasoned, would encourage lenders to make available for new construction their own substantial reserves of a reported $75 million. During Commons debates on the bill, G. D. Stanley, MP for Calgary-East, summed up the potential for stimulating the ailing housing sector. As he pointed out, the lenders “had $75,000,000 today which they wished to place if they could be convinced that the security was sufficient. When you have loan companies and organizations coming before the committee and saying that they have $75,000,000 which they wish to loan, you have a very splendid beginning at any rate; and all they need—so they said—is sufficient
Sir George Perley, minister without portfolio in Bennett’s Cabinet, calculated that the government’s $10 million appropriation would translate into a more conservative $50 million in new housing construction with the participation of private lenders and borrowers. Whether the DHA would inject $50 or $75 million into the nation’s housing sector, the bill promised much in the way of stimulus to lending institutions, land developers, and unemployed construction workers, among others.

Alas, the DHA would not live up to its early promise. For one thing, banks were not interested in financing the sort of low-cost housing that the nation so desperately required, preferring instead to back higher-end housing starts that were beyond the reach of most potential homeowners, as well as land subdivisions for development in better economic times. In the end, the act had a limited impact, both on homebuilding and employment generation. This was noted with disdain by the nation’s mayors at their 1936 Ottawa conference of the Dominion Conference of Mayors, where they concluded that “the unsatisfactory housing conditions existing in many Canadian cities is causing grave concern to public health, civic, and other authorities, and . . . the Dominion Housing Act, 1935, has not alleviated this serious condition.” Only 150 homes were built in Manitoba and a paltry two in Saskatchewan under the act. Not one was built in Alberta. The trouble was not that either Albertans or westerners in general lacked interest in the scheme. The Edmonton Bulletin, for example, “was deluged with requests for information and as to how loans could be obtained under the Dominion Housing Act.” As noted by the head of the Mortgage and Loan Association of Alberta, the problem was that “no loan company was going to make loans in Western Canada on a basis of five per cent.” Such a low rate of return on investment simply made little sense when much higher returns could be earned on other investments elsewhere. Some housing construction activity did take place in Alberta, though not under the DHA. Nearly two hundred new homes appeared in Edmonton in 1937, for instance, but they generally featured inferior building standards, cost an average of less than $500 to build, and looked not “much more elaborate than dog kennels or rabbit hutches,” according to one observer.
The DHA was, however, remarkable in two important ways. It was the first nation-wide initiative designed to stimulate employment outside of any explicit and existing unemployment relief apparatus. Certainly, the federal government had had a hand in earlier employment-generating projects (the building of the Canadian Pacific Railway comes to mind), but job creation in those instances was primarily incidental, not central to the schemes. Nor did those projects appear at times of comparable mass unemployment. Ostensibly, this meant that participating homebuilders or developers could hire whichever workers they liked to complete the job, whether those workers were actively employed or looking for work, whether they were on relief or not. More importantly, the city relief machines that had exercised such authority over relief labour distribution policies in the past had no standing either way. A second significant feature of the DHA was that it broke with the established tradition of federal partnering with provincial and municipal authorities on urban unemployment matters. Of course, the act did not bar local authorities from participating in the scheme, provided they were able to raise their 60 percent of any home’s cost themselves. In reality, however, as sociologist and anthropologist D. G. Bettison points out: “It was clear at the time that few, if any, local authorities were in the happy position of being able to float a debenture for housing at a rate of interest less than five percent. As a practical matter, the private lending institutions were the only source of funds likely to be applied, and the federal government knew this.”

THE LIBERALS RETURN TO POWER IN OTTAWA

It was late October 1935 when a quietly satisfied William Lyon Mackenzie King returned to his old rooms in the Prime Minister’s Office in Ottawa. His Liberals had run a tight election race to oust Richard Bedford Bennett and his Conservative Party from office. But the Liberal campaign—run on the slogan “King or Chaos”—figured only partly in convincing Canadians to return his party to power. It was also their deep frustration at Bennett’s inability to turn the economy
around. In fairness, Bennett’s failed economic policies, based mostly on erecting tariff barriers to protect Canadian manufactured goods and cutting spending wherever possible, were similar to the policies of governments throughout the industrialized world.90 The United States, for example, had also erected huge tariff barriers—most famously, the Smoot-Hawley tariff in 1930—in an effort to protect its domestic producers.91 These were, of course, exactly the wrong strategies to pull the world economy out of the Depression. As we now know, cutting spending had the effect of tightening the flow of money and hampering global trade and thus served only to exacerbate the already gloomy economic outlook. But Bennett was not alone in trying to steer Canada out of economic hard times using traditional—and, in many respects, outmoded—methods. Bennett’s early unemployment relief policies were no more successful—or popular—than his economic ones. By 1935, his was a tired response to an economic crisis already five years old, and King won the election as much on the back of Bennett’s failures as on his own promises.

By mid-decade, most Canadians were clearly expecting new ideas about and approaches to the economic crisis. They had, after all, ousted Bennett’s Conservatives in favour of King’s Liberals, and voters in seven out of Canada’s nine provinces had opted for political change in their provincial legislatures as well: only John Bracken’s coalition government in Manitoba and the Liberals in Nova Scotia, elected in 1933, managed to reach the end of the decade more or less intact. But if Canadians were expecting immediate and mighty changes—something along the lines of unemployment insurance or even a comprehensive national unemployment relief strategy—then they would be disappointed. King, characteristically perhaps, made no immediate or far-reaching unemployment relief policy changes save for ordering the closure of Bennett’s relief camps by Dominion Day of 1936, a move that would have no small effect on cities already worried about the number of single unemployed men waiting on them for relief. As of March 1936, there were no fewer than twenty thousand camp residents set for dismissal.92 And while federal Labour Department officials expected that a little better than half of these men would find work as special extra gang labour or in supervisory positions
on deferred railway track maintenance work, many would probably find their way to the cities.  

The provincial legislatures may well have had new governments, but they remained in dire financial straits and were consequently unable to engineer any significant overhaul of their relief systems. Alberta, for example, had watched its provincial income steadily decline ever since the beginning of the Depression, from $290 million in 1929 to $186 million in 1935. Both Saskatchewan and Manitoba warned Ottawa pointedly in 1936 that they were on the brink of defaulting on their loans. That the western provincial economies were in bad shape was clear, and, as historian Robert Wardhaugh points out, “the Prairie premiers could hardly afford to offend a federal government they were coming increasingly to rely upon for financial support.” Where did this all leave the cities? More or less in the same positions they had occupied immediately before the regime changes. Even Alberta’s new Social Credit government retained the old United Farmers of Alberta Provincial Relief Department appointee, A. A. Mackenzie. Local responsibility, if in name only, remained the order of the day. The city relief machines continued in their roles as custodians for meagre relief programs—mostly food and clothing distribution and rent payments—funded and overseen in the main by the provincial and federal governments.

On a deeper level, though, Canada’s approach to dealing with urban unemployment was undergoing a profound transformation. Cities, imperceptibly at first, were swept up in much larger policy trends that ushered them into the modern national system of social welfare. In the process, the city officials who had wielded considerable influence in determining the nature and character of their local relief systems through the first few years of the Depression saw that influence diminish in the wake of national unemployment relief strategies.

It was not until spring 1936 that King made his first moves toward altering existing arrangements. Pushed by his Cabinet colleagues, who, according to James Struthers, were “anxious to pay off political debts to friendly provincial administrations,” a reluctant King agreed to raise relief transfers to the provinces by 75 percent. In exchange, King insisted that the provinces co-operate fully with a new National
Employment Commission (NEC). The provinces, eager for access to more relief funds, readily agreed. What they might not have appreciated at the time, however, was the high degree of control the NEC would exert over how the provinces and municipalities administered the funds. As Struthers explains, “although tied to the grants-in-aid, the NEC was in fact designed to reduce Ottawa’s expenditure on relief over the long run by ensuring its administration would become more ‘efficient and economical.’”100 This was effected in part by the NEC’s appointment of Charlotte Whitton to reorganize and coordinate the complicated tripartite direct relief arrangement among the federal, provincial, and municipal governments.101 For years, she had tried, unsuccessfully, to impress on Bennett that responsibility for and control over relief matters should be wrested from the hands of non-professional city policy-makers and administrators, and set in the capable hands of professional social workers such as herself. Architects of city relief policy, she complained, were not versed in the complex theories and studies relating to welfare in general and unemployment relief in particular. They were wasteful with funds, sloppy with records, and haphazard in all matters of relief. As social work scholar Ken Moffat suggests, Whitton believed that “key positions in social service bureaucracies should be given to those who had proven themselves through social work experience.”102

Whitton derived much of her information on local relief practices from a tour of western Canadian cities through the summer of 1932. Her conclusions, laid out simply in her “Report re: Unemployment and Relief in Western Canada,” submitted to Bennett in October of that year, were twofold. First, at least 40 percent of relief recipients in the western provinces did not require relief: in fact, relief had actually raised their standard of living. Whitton argued that during “normal” economic times, many workers and farmers were idle for months at a time. The present system of relief administered and delivered in the western provinces offered relief year-round. Workers on relief, therefore, had uninterrupted “earnings” throughout the year. Second, the relief machinery developing in the West was ridden with patronage, corruption, and wastefulness. Whitton accused municipal authorities, variously, of artificially padding their relief rolls to qualify for more federal relief dollars, stacking their
relief machines with patronage appointees, and spending on relief in wanton fashion.\textsuperscript{103}

Most of Whitton’s conclusions appear exaggerated and distorted in light of how the city relief machines actually functioned. Certainly, as we have seen in preceding chapters, relief to the unemployed was by no reasonable standard of measurement “overly generous.” Some of her conclusions, like her 40 percent figure, are outright falsehoods. But her assessment of the situation was well received by Bennett, who found Whitton’s report compelling. More importantly, it confirmed his own suspicions that the provinces and cities were wasting federal relief dollars. Less well received were Whitton’s recommendations. In short, she advised that trained professional social workers be dispatched with all haste to take charge of relief administration nation-wide.\textsuperscript{104} Bennett, unwilling to go that far, opted instead to reduce relief transfers to the provinces and the municipalities. Struthers describes Bennett’s reasoning: “If the provinces and municipalities were wasting federal money, the solution was simply to give them less money to waste.”\textsuperscript{105} In any event, what Whitton probably failed to notice at the time was that the city relief machines’ relevance and influence was already fast on the wane.

In 1936, in her new position on the \textit{NEC}, Whitton determined to apply her recommendations, little changed from her 1932 report, to the problem. Henceforth, strict guidelines, regulations and protocols drawn up by professional social workers would direct city relief administrators in how to organize their relief systems. Whitton, it seemed, had finally won an important national role for professional social workers.\textsuperscript{106}

But the \textit{NEC} was more than a vehicle to enhance the social work profession’s prestige. Its mandate, after all, was to “find ways and means of providing remunerative employment, thus reducing the numbers at present on relief, and lessening the burden of taxation.”\textsuperscript{107} The commission, chaired by industrialist Arthur Purvis, spent the summer taking a full inventory of the relief question with a view to “eliminating obvious abuses, rackets, overlapping and the like,” as well as registering and classifying all relief recipients nation-wide.\textsuperscript{108} Aiding Purvis in his work was a cast of characters who King was certain would substantiate his belief that the federal government ought not be involved to any considerable
degree in funding and financing unemployment relief, and would make suggestions that would reduce federal responsibility for it. The six other commissioners were economist W. A. Mackintosh from Queen’s University; Alfred Marois, a Québec shoe-manufacturer; Neil McLean, a businessman from New Brunswick; two western Canadians, E. J. Young and Mary Sutherland; and Tom Moore, president of the Trades and Labor Congress.  

The summer of 1936 was a difficult one for cities in the West. Not only would they have to wait for the NEC’s interim report, widely expected that autumn, to discover the federal government’s next move, but they were forced to accommodate a 25 percent reduction in federal relief transfers to the provinces. King, having secured provincial co-operation with the NEC, felt comfortable enough reducing what he viewed as overly generous relief grants-in-aid. More immediately, the cities feared they would have to contend once again with an influx of single men from the relief camps once the camps closed their gates in July. In an effort to head off this onslaught, King offered money for the construction of the Trans-Canada Highway and several provincial highways, which promised to employ at least half of the ex-campers; he also entered into arrangements with the Canadian Pacific and Canadian National Railways to provide the remaining single men with work.

What seems clear in retrospect is the fundamental disconnect between King’s aspirations for the NEC that spring, and the commission’s actual significance. On the one hand, King made it plain that he fully expected the commission to reduce both Ottawa’s expenditures on unemployment relief and its responsibility for unemployment more generally. The NEC would, in King’s estimation, “save the Treasury & the taxpayers many millions of dollars. Municipalities and provinces,” who King insisted would remain responsible for their own relief activities, “will soon find the truth of the saying that ‘every man must learn to earn by the sweat of his own brow.’” On the other hand, the NEC’s very existence as a national organization opened the door to greater, not less, federal responsibility, the potential of which King was well aware of. He recalled having warned Labour Minister Norman Rogers that if the commission recommended that the federal government “take charge
of all unemployment,” then “the Party would never escape that obligation on itself as one for which it was directly responsible through appointing the Commission.” Nevertheless, King had every confidence that his man overseeing the commission’s work, none other than Norman Rogers, would keep matters in their proper perspective: namely, limiting federal responsibility for unemployment. Rogers was, after all, an academician with a “broad knowledge of social, economic, and governmental problems,” King noted in his diary on 30 March 1936. In describing Rogers’s unemployment and relief-related remarks before Parliament that afternoon, King averred that he had “heard nothing in the H of C which seemed to me more to justify post-graduate training in government, economic, and political philosophy than the speech he made.”

In September, the NEC presented its preliminary findings to Cabinet. King later recorded in his diary that he thought Commission Chair Arthur Purvis had “made an exceptionally fine presentation” on the matter. He especially liked the commission’s conclusion that most of the nation’s relief problems could be laid at the doorstep of Bennett’s administration. It was, King happily confided to his diary on 3 September, “Bennett’s reckless spending” and other “mistaken policies” that had, in large measure, left the relief system in such a mess. But although the commissioners’ conclusions confirmed King’s suspicions about his political rival’s failed relief policies, their interim recommendations as to the federal government’s best immediate course of action worried him. To his surprise and dismay, the commission laid out four recommendations that, collectively and individually, threatened to increase rather than lessen federal expenditure on and responsibility for unemployment policy. First, the commission advised the creation of a national employment service organized and run exclusively by the federal government and designed to coordinate the nation’s labour exchange activities. The commission’s second proposal, modelled on the American Civilian Conservation Corps, was a federally coordinated national volunteer conservation service that would see more than thirty thousand of Canada’s unemployed youth trained in the nation’s primary resource sector and skilled, semi-skilled, and specialized trades sector. Third, the commissioners advocated for a comprehensive, nation-wide rural resettlement
scheme that would place primarily dustbowl farmers on productive land in the northern parts of the Prairie provinces while avoiding earlier “back-to-the-land” programs that merely made “agriculture a dumping ground for all those who have failed in other walks of life.” Finally, the commission argued for a more expansive (and nuanced) housing policy than the earlier Dominion Housing Act. With its twofold aim of creating work for the all but idle construction industry and addressing the serious shortfall in affordable housing, the recommendation called for more federally backed mortgages, direct federal investment in affordable housing construction, and a home-improvement scheme.  

This was far too much federal responsibility for King. The commission had clearly gone in exactly the wrong direction. Most disappointing of all was the conclusion of Rogers, a protégé and academic friend, that the federal government ought to assume full responsibility for unemployment relief. Only a short year and a half before, King had extolled Rogers’s academic credentials as just the stuff to seriously reduce federal relief expenditures and responsibility for unemployment. It was now precisely Rogers’s academic background that made him unsuited to the pragmatics of politics: “I am beginning to see the wisdom of not taking into the Government men who have not had some political training, however able they may be,” King wrote in his diary. “The academic mind is not the best one to handle problems of Government. It is far too theoretical. A knowledge of human nature, above all else, is required.”

King rejected outright all of the Commission’s early recommendations, save the home improvement plan (HIP), which was itself a fairly limited affair, despite the commissioners’ general view that the HIP had “great employment potential in the rehabilitation of existing houses.” In essence, the federal government agreed to guarantee to 15 percent any loans made by chartered banks to homeowners for the purposes of refurbishing, repairing, or making additions to existing residential buildings in urban or rural areas. The plan appeared sound enough. A similar initiative south of the border—the so-called modernization credit plan—had worked to good effect, stimulating the construction industry, creating jobs, and encouraging a much-needed modernizing of homes, not
to mention opening investment opportunities for banks’ accumulated assets. In Canada, lending institutions had likewise found themselves sitting on accumulated assets with limited investment opportunities. Not surprisingly, they approved wholeheartedly of the home-renovation scheme, especially since the scheme left in their hands exclusively the decision to deem potential borrowers as creditworthy or not and to make the loans—or not—accordingly. But the trouble with the HIP lay not with the lenders but with homeowners, and more particularly, with their lack of either borrowing power or funds to finance improvements. Real estate values had largely collapsed nation-wide and, according to John Bacher, “caused owners who had paid off most of a mortgage to carry mortgages of more than 60 per cent of the value of their homes.” The problem, then, was simple: homeowners “were unable to borrow more, as their properties were in some instances mortgaged for more than their current market value.”

Once more, the cities were left almost entirely out of the plan’s administration despite the fact that one of its main features was employment creation in the construction industry. This is not to suggest that municipal authorities retained no authority (or responsibility) for the way the plan played out in their cities. Municipal administration was responsible for determining whether specific buildings were beyond rehabilitation and ought to be condemned, for instance, or whether and to what degree rates of assessment ought to be raised on improved properties. That said, cities doubtlessly felt strong pressure to not appear to be hindering in any way the scheme’s employment-creating potential. Ensuring that the cities kept the scheme’s unemployment-reducing goals in mind were local advisory committees made up of “public-spirited citizens and business interests” and organized by the NEC. The committees kept abreast of local conditions, encouraged prospective borrowers to participate in the scheme, and made representations to municipalities pointing out the immediate and future benefits of facilitating, by any means, home-renovation projects. In D. G. Bettison’s assessment, “the plan therefore relegated local authorities to a watch-dog role on habitability while local private enthusiasts were to stimulate the use of the legislation through financial institutions.” In the end, the scheme created
roughly $12 million worth of construction nation-wide throughout its life (to 1940).\textsuperscript{121} Aside from the HIP’s minimal impact on alleviating unemployment, the whole program came to be characterized, derisively, as having provided little more than “rumpus rooms for the bourgeoisie.”

According to a Senate-commissioned report from the 1960s evaluating the program, “only a wealthy minority of Canadians” were in a position to take advantage of the HIP interest rates. As a result, many of the home improvements carried on under the plan were specialty projects like boutique fireplaces, air conditioning, panelled walls, and Georgian furniture.\textsuperscript{122}

By the end of 1937, the NEC was ready with its final report. Its basic conclusion should have surprised no one, least of all Mackenzie King. For nearly two years, the commission’s several interim reports had suggested its leaning toward the federal government’s assumption of total responsibility for unemployment relief. Its policy suggestions—from national youth training programs to housing initiatives—all envisioned a central role for the central government. Over the course of the next two years, Ottawa would move more forcefully still into unemployment policy. Finance Minister Charles Avery Dunning noted the enormity of the change: “We are stepping into a field which hitherto has not been a field of the dominion parliament, a field which according to the opinions held by very eminent gentlemen, we have no constitutional right to occupy, and which we can justify entering at all only as primarily an attack upon our great national problem of unemployment.”\textsuperscript{123} In important ways, however, the federal government had been “stepping into” the field for some time—at least since it became clear that “local responsibility” was effectively a fiction.

The basis of King’s concern was, as Struthers notes, the very same as Bennett’s had been through the first half of the decade: local authorities were in a position not only to best gauge local needs but also to put an effective limit on the extent of relief disbursement. On the one hand, if local authorities, with their limited resources, remained reliant on federal grants-in-aid for their relief systems, then the federal government would retain control over relief costs. If, on the other hand, local authorities relinquished responsibility for local relief, then the only effective
check on relief spending would disappear. The NEC’s only dissenting commissioner, Mary Sutherland, articulated the danger:

> The further removed and more centralized government becomes and the less direct its taxing power, the less easily can the individual relate his own responsibilities to its functions. No matter which government is responsible for and administers relief . . . there will be constant pressure to increase the benefits and to enlarge the base of admittance to benefits. If responsibility is centralized in the Dominion Government, the counter-pressure from local taxpayers will be eased. The irksome, unwelcome and hard check provided by necessity by municipal officials, harassed by mounting demands on diminishing revenues, will be removed.¹²⁴

Still, unemployment remained high across the Dominion. Despite indications in the summer of 1937 that recovery was finally on the horizon, the fall and winter dashed King’s hopes. Unemployment numbers increased, especially in the West, owing in part to a drought-ridden wheat harvest. In the spring of 1938, King agreed to a $40 million appropriation for federally organized work relief projects, including road, wharf, and office building. None of these measures eased directly the pressures facing local relief authorities. More relevant to their concerns was a new bill introduced into Parliament that spring—the Municipal Improvements Assistance Act.

Like King’s other recent interventions, the new act was relatively limited. It promised low-interest loans (at 2%) to municipalities to create local jobs on local improvement projects. The act is significant not for the amount it promised to local improvements—the entire appropriation was limited to $30 million, with Edmonton, Saskatoon, and Winnipeg qualifying for little more than $200,000 each—but rather for the tight federal oversight and control over how the loans could be spent.¹²⁵ For one thing, the federal government required municipalities wishing to participate in the scheme to submit “detailed financial estimates demonstrating to the satisfaction of the Minister that the project to be constructed or the improvements or renewals to be made will be a
Local Responsibility in Decline

self-liquidating project.” The federal government also retained the right to impose further regulations on the actual work as it progressed.126 In July, municipal authorities across the Prairies learned that those regulations included what Ottawa was calling “fair wages” and an eight-hour workday for all employees.127 This severely restricted the ability of the cities’ engineering departments to spread the work among unemployed workers. It also caused no end of administrative problems. “I am afraid the Dominion Government,” Saskatoon’s Mayor Pinder complained to the premier in November, “has hedged the Act around with so many regulations that it will be difficult for most of the cities to secure any real assistance through it.”128 Nevertheless, by late January 1939, Ottawa had finally approved $13,000 of a $15,000 proposal for an Electrical Distribution Building. Ottawa had reduced the loan by $2,000 because under the terms of the act, the federal Department of Finance would not accept the cost of equipment and fixtures associated with the project.129 City administrators also learned that Ottawa had approved another loan under the act for $40,000 for a replacement of a standby plant at the city’s pumping station and a further $40,000 for the construction of a large water main on Fourth Avenue and Twenty-Fifth Street. The latter project, Saskatoon’s city commissioner pointed out, would be especially useful, given that it would improve the water supply for both the Nutana neighbourhood and the city’s downtown core. The water main would include “the installation of plumbing in some two hundred and fifty to three hundred houses which are located on modern streets but have never been connected up to the sewer and water mains on account of the owners not being able to secure the necessary funds.”130 Labour distribution policies differed little from earlier in the decade, save for the city reserving first preference to laid-off city workers.131

In Edmonton, city commissioners had quickly drawn up a list of public works projects totalling nearly $700,000 in the hopes that “the Dominion Officials tentatively approve of as many items as possible.” The city council was disappointed to learn that “certain limitations . . . ruled out most of the items submitted.”132 Part of the trouble was that most of the projects as submitted weren’t self-liquidating. Equally problematic, for city officials and the unemployed alike, was the federal regulation that
“the money cannot be used for any work completed prior to the signing of the agreements.” Unfortunately, the city had already begun work on some of the projects, including a power plant and telephone extensions, prior to federal approval under the terms of the act and so could not be reimbursed for costs incurred up to that point. In the end, the city did receive approval for a paving program and a new substation building for the Electric Light Department; it also received $150,000 to help replace the city’s streetcars with a trolley-bus system at a combined, though much reduced, total of around $200,000. The city had also submitted plans for a $27,000 waterworks department workshop and meter-room building, but Ottawa required “more details as to [its] self-liquidating feature.” After several weeks of no word from Ottawa, the city reduced its cost proposal to $20,000. Early the following year, the city learned that Ottawa had nevertheless turned the project down, mainly because “the warehouse itself was not self-liquidating.” As for Winnipeg, the city made repairs to the Fort Rouge police station, improved and extended a portion of the city’s waterworks system, and contributed to the General Hospital’s rebuilding program.

In short, the Municipal Improvements Assistance Act was nothing like the unemployment relief–related public works construction earlier in the decade. Its appropriation was relatively small: as late as March 1939, Ottawa had approved of projects representing only a little more than $1 million worth of labour in only five provinces. The act also limited local projects to those of a “self-liquidating” nature, and it demanded strict adherence to federal labour restrictions. Nevertheless, municipal leaders were generally pleased at the prospect of another work-for-wages scheme, however limited it might be, and the opportunity to upgrade revenue-generating public utilities like water treatment plants, sewer systems, and transportation facilities after years of neglect was welcomed.

The following year, the federal government introduced similar work-for-wages legislation in the form of the Civic Improvements Act. The Rogers Plan—named after its sponsor, Labour Minister Norman Rogers—offered financial aid for labour costs associated with any municipal public works project carried on as a relief project. Under the terms of the act, the provinces and the federal government would assume
percent each of the direct labour costs for a limited course of approved urban work relief schemes. The cities would be expected to pay for all materials and supervision. “In approving applications from municipalities,” Rogers told the House of Commons in January 1939, “due consideration will be given the extent of unemployment in the municipality and the value of the proposed improvement to the community and the relative cost of materials in relation to total cost of the project.” The Rogers Plan caused some local grumbling because while it promised money for labour costs, it offered nothing for the materials or equipment required for major public works. The Civic Improvements Act also issued even more stringent labour regulations than earlier work relief legislation—including the Municipal Improvements Assistance Act.

Historian Patrick Brennan explains the implications for local relief control in Saskatoon and Regina:

Both city administrations, whether out of habit or from wishful thinking, assumed married “relievers” would have priority on Civic Improvements Plan schemes and that they would rotate labour in the traditional way. However, federal authorities rejected both practices as contrary to the spirit of “work for wages.” To avoid any “misunderstandings” the province ordered city officials to ensure that no compulsion was used in hiring, that all men were taken on full-time for the duration of the project, and that every man received the prevailing wage for the work done in cash.

Such restrictions were unheard of through the relief projects of the early 1930s. Still, by early 1940, Saskatoon had completed most of its approved projects under the act, including $50,000 for a stone recovery and revetment project on the riverbank and $120,000 more for sidewalk, curb, and boulevard work.

Following the twin policy shift ending the expansive public works relief programs of the early 1930s and the creation of federal unemployment relief camps for single men in 1932–33, city relief policy diminished in importance. Thereafter, in incremental stages, the federal government inserted itself more forcefully into relief policy, increasingly
overshadowing local responsibility. Through its housing legislation, the National Employment Commission, and federally funded relief works programs, the federal government marginalized the city relief machines and undermined, in all but name, the concept of local responsibility. The development of a comprehensive national welfare system still lay years away, but the dismantling of local responsibility was crucial to the process.