Canada in the 1920s

An Uneasy Return

A. Background

- for some, the 1920s were a time of fun and wild living, a release from the horrors of the war
- for many however, the good times were an illusion and their lives were of continued discrimination, poverty and lack of political power

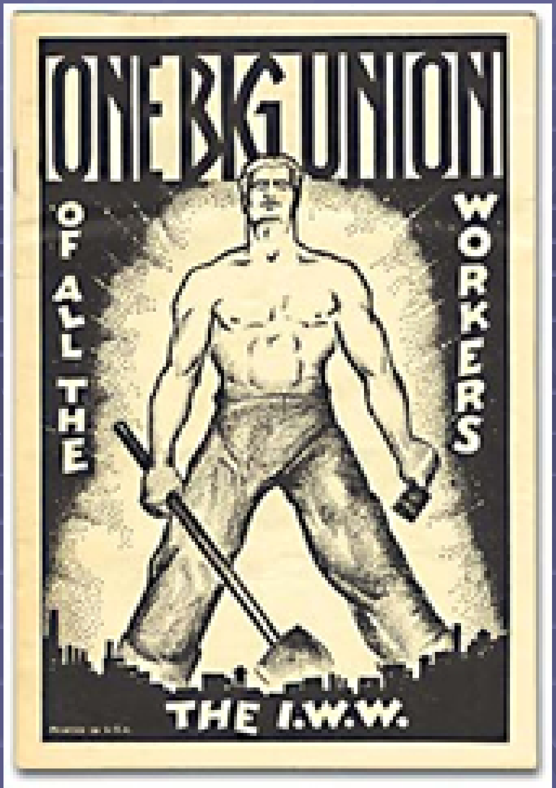
B. Problems in Canada After WWI

1. High unemployment

- munitions plants closed, 250 000 lose their jobs
- 350 000 returning vets needed jobs
- women were expected to give up their wartime jobs and return to the home

2. Unions and Employers

- employers wanted a return to the power they had over the working class before the war
- profits dropped
- wages did not increase with inflation (rise in prices for basic goods)
- workers talked of forming "One Big Union" to gain rights
- a key example of this is the Winnipeg General Strike, more on this tomorrow



3. Veterans

- out of work and unable to live on the meager benefits provided, not to mention the many disabled that had little or no help at all
- there were no steady pensions, medical services, and few jobs for veterans
- It took until 1927, with the Pension Act, for there to be a national pension plan
    - You had to be a British subject over 70 years old and have lived in Canada for at least 20 years
    - You had to earn less than $365/year and if you owned a home, it was turned over to the Pension Authority who sold it for funding
    - Aboriginals were denied
    - Only women who were widows

4. Farmers

- the government set price controls during the war to keep costs down for needed food, sometimes prices were lower than on the world market
- continued falling prices for produce are blamed on the government, farmers were in trouble

5. Inflation

- there was more money than things to buy, shortages lead to price increases
  - Between 1914 and 1919, cost of living doubled
- meanwhile wages were not increasing
- banks rose interest rates (price of borrowing), causing further crunches
- money became hard to get
- there were many bankruptcies

C. The Workers Respond

- workers accepted lowering wages during the war, patriotism
- now goods were rapidly becoming more expensive and wages had been low for years
- some industries were hard hit with the end of the war (steel, textiles, mining etc…)
- many communities were single-industry or single-employer communities
    - stikes and unemployment would hit them hard

- companies could purchase strike insurance (see Counterpoints p. 50) could workers get strike insurance?
- for example, the British Empire Steel Corporation battled with the union on Cape Breton Island for 4 years
- strikes could become violent and often the company would call in police and federal troops
    - Between 1917 and 1919, the number of strikes doubled
- in 1926 the company's labour practices were criticized by a Royal Commission but the findings did not ease the suffering of the workers

- some unions in the west turned to **socialist** leaders, influenced by the 1917 communist revolution in, lead by Vladimir Lenin Russia
- Bolsheviks set up a communist regime in Russia, all **means of production** (factories and farms) were brought under public (state) control
  - there was no private or individual ownership

- in March 1919, there was a Western Labour Conference
- union leaders from western Canada succeeded in founding One Big Union (OBU) to represent Canadian workers across industries
- their goal was to establish more control of industry and government through peaceful means
- the main tool was the use of a **general strike**, a walkout of **all** employed workers
- this happened in Winnipeg in May 1919