

9304

NATIONAL LIBRARY
PUBLIC ARCHIVES BUILDING
OTTAWA 2



BIBLIOTHÈQUE NATIONALE
ÉDIFICE DES ARCHIVES PUBLIQUES
OTTAWA 2

NAME OF AUTHOR.....John Beatty.....
TITLE OF THESIS.....The Decline of the Conservative Party (1935-1938)
.....
.....
UNIVERSITY.....Carleton University.....
DEGREE.....Master of Arts..... YEAR GRANTED 1971.....

Permission is hereby granted to THE NATIONAL LIBRARY OF CANADA to microfilm this thesis and to lend or sell copies of the film.

The author reserves other publication rights, and neither the thesis nor extensive extracts from it may be printed or otherwise reproduced without the author's written permission.

(Signed).....*John M. Beatty*.....

PERMANENT ADDRESS:

5 Charkay Street,....
OTTAWA, Ontario.....
K2E 5N5.....

DATED..October 7..... 19 71

THE DECLINE OF THE CONSERVATIVE PARTY (1935 - 1938)

by

John M. Beatty, B.A.

A thesis submitted to the Faculty of
Graduate Studies in partial fulfilment
of the requirements for the degree of
Master of Arts

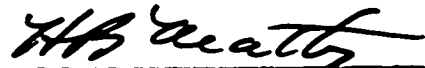
(History)

Carleton University

Ottawa, Ontario

September, 1971.

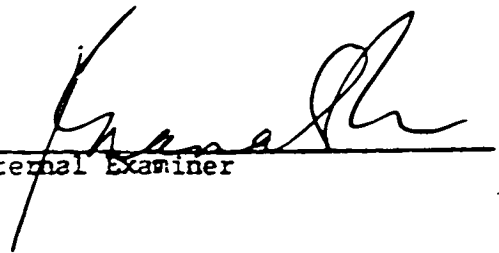
The undersigned hereby recommend to the Faculty of Graduate Studies acceptance of this thesis, submitted by John Beatty in partial fulfilment of the requirements for the degree of Master of Arts.



Chairman, Department of History.



Supervisor



External Examiner

ABSTRACT

In 1935, the Conservative Party was the government of Canada and held 137 seats in the House of Commons. By 1938 the party was almost destroyed. It had only thirty-nine members of parliament, a leader, R.J. Manion, who could not control all his spokesmen and a platform which was unacceptable to large numbers of Canadians.

The decline is rooted in the structure of the party itself, particularly in its three conflicting factions: traditional "empire" Toryism, big business Conservatism and Tory Democracy. The conflict between the factions became serious as the party searched for a response to the 1930's economic crisis and to the highly effective MacKenzie King political machine. When the party's traditional national policy base was weakened, it shifted its emphasis from high tariffs to Empire trade to the New Deal. It offended the very groups it tried to help and lost traditional support from both Montreal businessmen and from Tory democrats like H. H. Stevens.

Between 1935 and 1938, the party groped for a consensus under Bennett, its unpopular leader. His "one man opposition" smothered the party, prevented the development of new policies, leadership and organization. The Conservatives swung back to high tariffs and Empire trade as key policies because they had little else to offer by way of alternative to Liberal policy.

In 1938, a national convention, called to draft a new platform, failed to bridge the gaps between factions or to elect a strong leader. Party decline continued ^{and led} to a second election disaster in 1940 and twenty-two years (1935-1957) out of power.

TABLE OF CONTENTS

	<u>Page</u>
CHAPTER ONE: INTRODUCTION	
Background To A Disaster.....	7
CHAPTER TWO: THE PARTY IN 1935	13
The Conservatives in Office 1930-34.....	13
The Stevens Fiasco.....	26
The "New Deal".....	37
Illness, Division and Stagnation.....	49
CHAPTER THREE: THE ELECTION - OCTOBER 1935	66
Preparation.....	66
Explaining the Loss.....	80
CHAPTER FOUR: THE OLD WARRIOR PERSEVERES - 1935-1938	114
Party Organization.....	114
The Party in Parliament.....	126
The Party and Domestic Issues.....	136
The Party and Foreign Affairs.....	142
The Party in Elections.....	156
i) Federal by-elections	
ii) Provincial elections	
CHAPTER FIVE: A NEW BEGINNING AND FALSE HOPES - 1938	172
The Bennett Resignation.....	172
The Convention is Called.....	179
A New Leader - and Old Troubles.....	197
CHAPTER SIX: CONCLUSION - THE ANATOMY OF DECLINE	212
A NOTE ON SOURCES.....	215
BIBLIOGRAPHY.....	219
APPENDICES.....	226

CHAPTER ONE: INTRODUCTION

One of the real problems of Canadian political history is the virtual disappearance of the Conservative Party as an effective national force between 1935 and 1957. Despite successive changes of name and leader, the party seemed to be totally incapable of defeating the King-St. Laurent machine, and threatened, particularly after the disastrous 1940 election, to disappear completely. Many reasons have been advanced for the lack of success: the political brilliance of Mackenzie King, who always seemed able to exploit divisions; the rise of the CCF and Social Credit parties, who totally displaced the party in the West; the depression, which reaffirmed the old adage that Tory times are hard times; the memories of conscription, 1917, which had destroyed Arthur Meighen in Quebec and continued to weaken the party; Duplessis and Uncle Louis who provided successful leadership that was highly acceptable to many Quebec Conservatives.

Recently, historians have begun to examine the party itself and have put great stress on its internal weaknesses: the lack of effective leadership, the failure of traditional sources of finance, the name changes, the total absence of cogent policy. J.R.H. Wilbur, H. Naugler and J.L. Granatstein have examined the impact of Harry Stevens, Robert Manion, Arthur Meighen, George McCullough and George Drew on the carcass and have thrown much

light on what Granatstein calls "the politics of survival."¹ So far no one has looked at the crucial period which began the great disaster -- the period from the Bennett New Deal speeches of January 1935 to the national convention which selected Manion as party leader in July 1938. The period contains three major reversals in Conservative policy, one election, two totally different leaders and one name change. It is a time of great electoral reverses; of the resignation of the most overbearing leader the party had ever had; of inside feuding and of vague hopes which never really materialized. It is the story of a party in decay.

Some of the problems of the party were outgrowths of the depression period; some were results of the personalities in the party; some were products of the kind of opposition the party faced. Many of the difficulties, however, resulted from the nature and background of the Canadian Conservative Party -- and whoever the leader, whatever the time period and whatever the party called itself, this basic nature did not change.

R.B. Bennett had used the depression, some effective slogans and some mistakes on the part of his enemies (like Mackenzie King's "five cent piece" speech) to gain control in 1930. Bennett won so neatly that it appeared to later historians as "a Mackenzie King plot."²

¹See J.L. Granatstein, The Politics of Survival (Toronto: University of Toronto Press, 1967).

²Norman Rogers, William Lyon Mackenzie King (Toronto: Thomas Nelson & Sons, 1935).

Despite the superficial appearance of unity after 1930, the party really had three factions: The party contained elements of orthodox Toryism -- a belief in strong government, the empire, the monarchy and a general pessimism about the perfectability of the human race. It also had factions whose commitment was emotionally economic, who felt that the Conservative Party was the only political group who could guarantee high tariffs and a rigid protectionism in foreign trade dealings while maintaining a laissez faire stance in domestic affairs. This group had strongly influenced party policy in the years after 1911 and had remained suspicious of the Liberal Party through the 1920's even though Mackenzie King had made relatively few changes in tariff policy. The party also possessed a strong streak of "Tory Democracy" -- a feeling that government should intervene to protect the interests of the little people and that paternalism of the Disraeli type was a desirable party policy.³

The ideals of the three factions were not mutually exclusive. The 1911 election slogan, "No Truck nor Trade with the Yankees" shows how belief in the empire and monarchy could easily become anti-Americanism and how this could be combined with economic nationalism and the defense of protected industries. One of the telling Conservative arguments in urban areas during this election was the massive unemployment that reciprocity could bring -- an argument which often took on a Tory Democrat,

³G. Horowitz, "Conservatism, Liberalism and Socialism in Canada: An Interpretation" reprinted in Thornburn Party Politics in Canada (Toronto: Prentice Hall 1967) p. 56-65.

"friend of the working man" tinge.

In less troubled times, however, the triple division could plague the party. Arthur Meighen perhaps best typifies the contradictions in the three segments. Meighen, the Tory could shout "Ready Aye Ready. We stand by you."⁴ Meighen, the believer in laissez faire could see a communist conspiracy and great danger to free enterprise in the Winnipeg strike.⁵ Meighen, the Tory Democrat could accept, somewhat regretfully, a nationalized railway system.⁶ At every turn, he offended the very groups he wished to help. He frightened even some of the most militant armchair Imperialists with the vehemence of "Ready Aye Ready" and lost all isolationists in Quebec and elsewhere. The west and labour did not forget the RCMP charge down Portage Avenue easily. The Montreal business community, highly receptive to "Ready Aye Ready" and ^{suggestions of} communist plots could not brook interference with traditional economic policies which the creation of Canadian National Railways represented. Meighen was slowly frozen out of the last bastions of Canadian Conservatism and was replaced in 1927.⁷

However, R.B. Bennett represented the same bundle of schizophrenic confusions. As Gad Horowitz points out,

Why is it that in Canada the Conservative leader

⁴Roger Graham, Arthur Meighen, Vol. 11, (Toronto: Clark Irwin Ltd.), p. 210.

⁵Roger Graham, Arthur Meighen, Vol. 1, op. cit., p. 240.

⁶Ibid., pp. 309-321.

⁷Roger Graham, Arthur Meighen, Vol. 11, op. cit., pp. 490-495.

proposed a New Deal? Why is it that the Canadian counterpart of Hoover apes Roosevelt? This phenomenon is usually interpreted as a historical accident, a product of Bennett's desperation and opportunism. But the answer may be that Bennett was not Hoover. Even in his orthodox days, Bennett's views on the state's role in the economy were far from similar to Hoover's. Once this is recognized, it is possible to entertain the suggestion that Bennett's sudden radicalism, his sudden concern for the people may not have been mere opportunism. It may have been a manifestation, a sudden activation under pressure, of a latent Tory-Democratic streak. Let it be noted also that the depression produced two Conservative splinter parties, both with "radical" welfare state programs and both led by former subordinates of Bennett: H.H. Stevens' Reconstruction party and W.D. Herridges' New Democracy.⁸

Professor Horowitz presents very little evidence for his theory and the details can easily be criticized. Grant Dexter, the skillful Ottawa reporter was absolutely convinced that Bennett's "death bed conversion" to the New Deal in 1935 was an election gimmick and nothing else.⁹ Calling Steven's Reconstruction Party a welfare state movement and implying that it was somewhere close to the CCF, is patently ridiculous.¹⁰ The fact remains, however, that the "three divisions of Canadian Conservatism" theory is an effective method of analysis. It is visible in the 1920's in the person of Arthur Meighen. It is an element of the Bennett New Deal. It certainly explains the presence in the party of personalities as diverse as R.B. Bennett, Lord Atholstan of the Montreal Star, H.H. Stevens, W.G. Herridge and Robert Manion. It is obviously visible in the 1940's in the notable division among the "Port Hopeful"

⁸G. Horowitz, in Thorburn, Party Politics, op. cit., p. 64.

⁹P.A.C., J.W. Dafoe Papers, Grant Dexter to J.W. Dafoe, January 23, 1935.

¹⁰P.A.C., H.H. Stevens Papers, "Reconstruction Party Platform".

faction,¹¹ the Montreal group and the Toronto Tories under the two Georges, Drew and McCullough. Only a party containing the factions suggested could accept John Bracken as its leader and change its name to that resounding contradiction "Progressive" Conservative.

This thesis, then, examines the beginning years of the "time of troubles". It will study other parties where they impinge on Conservative Party history. It will discuss the problems of personality and platform. But, over and over again, it will emphasize the problems which the Conservative Party had in making its particular brand of mass appeal relevant to the 1935-1938 period and the problems which it faced in reconciling the serious contradictions between party factions.

¹¹J.W. Granatstein, Politics of Survival, op. cit., Chapter 5.

CHAPTER TWO: THE PARTY IN 1935

The Conservatives in Office 1930-1934.

Before undertaking a detailed examination of the Conservative Party between 1935 and 1938, it would be well to survey the party's achievements and difficulties during the years when it held power, 1930-1935. The survey will indicate many of the reasons that the party was defeated in 1935. In addition, it will afford some opportunity to examine R.B. Bennett's leadership style and the way in which he forged (or failed to forge) compromises between the various segments of his diverse party. The variations in policy in the years between 1935 and 1938 will be clearer if seen in the context of the years in office.

As we examine the party's term in office, the three facets which it contains will become clear and obvious. The high tariff business wing of the party was in full control of policy during the 1930-31 period when high tariffs were seen as the panacea for all depression problems. The party catered to sentimental Imperialists in 1932 by mixing high tariffs with Imperial preferences -- a somewhat contradictory policy but one well in line with traditional Conservative ideals. By late 1933, both traditional policies had shown themselves to be severely deficient and the party moved towards Tory Democracy. First it asserted government control over new areas of concern such as radio networks and national airlines. Then the government

interfered in the troubled agricultural sector by passing the Natural Products Marketing Act and the Farmers Creditors Arrangement Act. Ultimately, the industrial sector, too, felt the impact of Tory Democrats first through the attacks of H.H. Stevens, Minister of Trade and Commerce and then via the government appointed Royal Commission on Price Spreads and Mass Buying and the Bennett New Deal. Thus it is easy to argue that the party shifted from one tendency to another and that, in reality, it shifted ideals three times between 1930 and 1935. Actual events, however, are much more complex. To understand the subtlety of the shifts and the motivation behind them, we should look in detail at some of the events of 1930-35.

The Conservative Party gained control of the Canadian government in 1930 because of the energy and appeal of R.B. Bennett, the superb organization of General Andrew D. McRae and the general disillusionment which Canadians felt toward the Liberal handling of the economic crisis of 1929-30. R.B. Bennett's confident, almost overbearing platform style, his broad sweeping promises and his rhetoric, honed on years of temperance speeches, seemed to be just what Canadians wanted in 1930. Mackenzie King, confident that the economic situation was just a short-lived aberration and that traditional issues like the tariff and the rights of parliament were sufficient to win again, campaigned in a lacklustre fashion. His "five cent piece" speech early in the pre-election parliamentary session in which he refused federal aid to "non-reform" provincial governments hurt his party very badly. To many Canadians,

the Liberals seemed unaware of the disasters already occurring on the prairies and in the industrial towns of Ontario and Quebec. Bennett held the traditional Tory vote by his strong references to the Empire and his appeals for a revival of Empire trade. He appealed to the high-tariff urban Conservatives by promising to "blast his way" into the markets of the world by arranging a new tariff structure. Although he did not spell it out during the campaign, it was obvious that the Conservatives would raise tariff levels and then negotiate bilateral agreements with foreign governments from a position of strength. Bennett said very little in the 1930 campaign about Tory Democracy or about the party's brand of reform. He did, however, promise to revise the inefficient relief system and Canadians assumed that such a review would eliminate threats like the "five cent piece". Thus, Bennett was able to carry virtually all Canadian Conservatives and many others along with him. He was able to draw Canadians to the Conservative banner because he promised relief and strength when they seemed sadly lacking elsewhere.

It did not matter in 1930 that the promise to "blast" world markets would produce serious problems for a country that depended so heavily on selling a limited number of staples to a limited number of markets nor that there was a contradiction between such a promise and the kind of Empire trading community which was also a part of the Conservative rhetoric. It did not matter that many provincial governments had grand spending plans and public works schemes which would cause tension between them

and the Federal Government. It really did not matter that the Conservatives who were elected on Bennett's coat tails did not possess great amounts of executive ability nor that Bennett himself retained two key cabinet offices because he could not find men who measured up to his standards to fill them.

In general, the Conservative government was dedicated to restoring prosperity by traditional means and to shoring up the existing system. Balanced budgets and the traditional National Policy offerings of tariffs and public works were to be the key to survival. It did not matter that one of the bases of the traditional National Policy, immigration, would have to be ignored because of the depression nor that massive public works undertakings like railway building which had made Canada so prosperous in the 1880's or the early 1900's were no longer necessary. Bennett, then, was just as unaware of the need for a new blend of policies to suit the 1930's as King was. He had two great disadvantages compared to King, however. He was in office and did not have the time for growth and contemplation that King had. Worse, he was unshakably convinced that the old policies would work.

The party began work in 1931 with a considerable revision of the Canadian tariff structure. The modest cuts made by Mackenzie King in the 1920's were wiped out and new measures were passed. Between 1930 and 1932, the general tariff level rose fifty percent. Dumping duties were increased and enforced. Fixed exchange rates were imposed between Canadian and certain foreign currencies which had the effect of driving the Canadian

cost of foreign goods even higher. When the session of 1931 was over, only two really significant pieces of legislation, the tariff bill and a new relief measure had been passed. Few Canadians were critical, however. The session had brought forth promises of great reform and extensive change after the Empire Trade Conference of 1932. The entire trade structure of the British Dominions was to be redrawn and Canada would clearly benefit from a new scheme of Imperial preferences.

The session had also brought disgrace to the Liberals. Senators Andrew Haydon and Wilfrid Laurier McDougall, close associates of Mr. King's and, worse still, clearly linked to the party's fund raising machine, were found to have had un-savoury dealings with the Beauharnois power syndicate. Beauharnois had made generous contributions to the Liberal party and had paid a number of bills including Mr. King's hotel charge for a Bermuda holiday. In return, it had been granted large power concessions and the right to divert water from the St. Lawrence River. The Liberals, already tarred by the 1926 Customs Scandal were pronounced by their leader to be "in the valley of humiliation". They were in no position to raise effective opposition to government measures and certainly could not criticize Bennett's course of action on tariffs. 1931 drifted into the spring and summer of 1932 and the much vaunted Empire Trade Conference which was supposed to change Canada's whole trade destiny began.¹

¹Sources for this section include:
J.M. Bliss, Canadian History in Documents (Toronto, 1966)
R. Graham, Arthur Meighen (Vol. 2) (Toronto, 1962)
(continued on next page...)

The conference ran into two difficulties because of two major contradictions, one in British policy and one in Canadian. The British had professed themselves willing to see the development of Empire trade. Some of the loudest voices in England (like Bennett's childhood friend Max Aitken) saw in the trade discussion the beginning of a new Empire unity. Imperial federation was more seriously or at least more loudly talked about than at any time since World War I. However, the British government in 1930 had ended its traditional free trade stance and had imposed tariffs. Its foreign policy was not as obviously isolationist as that of the United States but it was still tending to stay clear of foreign entanglements. The British were able to ignore the reoccupation of the Rhineland, the delays in German reparations payments from World War I and were even beginning to take a somewhat ambivalent attitude toward the Empire. Britain was no longer willing to sacrifice national interest for Empire interest and her government was able to see clearly for the first time in almost three hundred years that the two were indeed often quite separate. Canada's contradiction in policy was apparent in the 1930 election campaign but became much more obvious at the conference. She was willing to grant preferences to her Empire trading partners but the preferential rates were to be reductions from the new tariff levels of 1931. In fact, Empire imports would, in many cases, still pay higher duties than they had prior to 1930. In addition, Canada had

(...continued from previous page)

V. Hoar, The Great Depression (Toronto, 1962)

B. Hutchison, Mr. Prime Minister (Toronto, 1964)

E. McInnis, Canada (Toronto, 1957)

H.B. Neatby, William Lyon Mackenzie King Vol. 2 (Toronto, 1963).

certain industries like wool and textiles which had to be protected against Empire goods or they would cease operations entirely. Throughout the hot Ottawa summer, the delegates wrestled with these and other contradictions.

At the end of the conference, Bennett's statement was triumphant,

The agreements signed today proclaim not only a growing spirit of co-operation within the Empire, but as well, the nature and extent of our material resources... We have taken steps to the common advantage of the Empire countries... We have indeed convinced ourselves that with sound management and just division of responsibilities we are equipped to advance the interests of one another, and collectively to take a commanding place in the economic world.²

Mackenzie King was less enthusiastic.

...The effect of this agreement is not so much to increase the British preference as to increase the tariff against other countries. That is the essence of it....³

On examination, the actual agreements⁴ do not merit the enthusiasm which Bennett exuded. A series of bilateral trade agreements had been signed between the United Kingdom and Australia, New Zealand, the Union of South Africa, India, Newfoundland, Southern Rhodesia and Canada. In addition, Canada had agreements of her own with the Irish Free State, the Union of South Africa and Southern Rhodesia. The Union of South Africa had agreements with the Irish Free State and

² N. Mansergh, Documents and Speeches on British Commonwealth Affairs 1931-1952 (London: Oxford University Press) 1953, pp. 131-132.

³ Ibid., p. 132.

⁴ Ibid., pp. 114-132.

New Zealand.⁵ On examination, the pattern is not that of a trading community but of individual states making careful and limited commitments.

Personalities had clashed. One journalist summed it up, Baldwin went home blaming Bennett and his "brainstorms". Chamberlain reported that, 'Most of our difficulties centered around the person of Bennett... He has strained our patience to the limit'.⁶

The Canadian government, however, put the best face possible on the agreements. National Policy and the Empire would save Canada.

During 1933, however, conditions in Canada worsened. Canadian wheat could enter Britain at a preference of three pence a bushel but wheat prices barely covered the costs of transportation. The British preferences on meat, dairy products, fish, tobacco and lumber failed to strengthen these industries. Trade deficits turned into trade surpluses but prosperity did not revive.

Worse still, criticism became serious. Norman Rogers, still a Professor at Queens University, calculated that the Conservative tariff structure subsidized each citizen of Ontario by \$15.15 and of Quebec by \$11.03 while costing each citizen of Nova Scotia \$11.67 and of Saskatchewan \$28.16.⁷ He also concluded that the structure did not really aid the staple industries. Criticism came from other quarters as well. Bennett

⁵N. Mansergh, Documents and Speeches on British Commonwealth Affairs 1931-1952 (London: Oxford University Press) 1953, p. 118.

⁶B. Hutchison, Mr. Prime Minister, (Toronto: Longmans) 1964, p. 249.

⁷E. McInnis, Canada (Toronto: Holt Rhinehart and Winston) 1959, p. 443.

became almost neurotic about the threat of communists or revolutionaries. He ordered a destroyer into Vancouver harbour for the 1932 May Day parade and stationed R.C.M.P. detachments around the parliament buildings before receiving a group of unemployed workers.⁸

In a moment of despair, he wrote to Sir Robert Borden,

At the moment, I think that the Dominion of Canada is faced with the greatest crisis in its history. The real difficulty is that we are subject to the play of forces which we cannot either regulate or control. We are between the upper and nether millstones... Our people have been very steady but they are depressed and, having listened on the radio to so much 'ballyhoo', they are now demanding Action! Action! Action! Any action at this time except to maintain the ship of state on an even keel and trim our sails to benefit by every passing breeze involves possible consequences about which I hesitate even to think.⁹

He urged Canadians to use the "iron heel" on all threats to the system and used Section 98 of the Criminal Code to jail Tim Buck and other communist leaders. As 1933 wore into 1934, it became obvious that Conservative policies had failed. Bennett had kept traditional Tory support by his united Empire stand and by his "iron heel" speech. He had kept the loyalty of the business Conservatives by his tariff program. Unfortunately, he had lost all of his credibility as saviour of the Canadian nation and the great mass of Canadians placed the blame for the depression squarely on Conservative government policies.

⁸H.B. Neatby, William Lyon Mackenzie King Vol. 2 (Toronto: University of Toronto Press) 1963 pp. 400-401.

⁹R.B. Bennett to Sir Robert Borden, (October 5, 1933) in R.C. Brown and M.E. Prang (eds) Confederation to 1949 (Toronto: Prentice Hall) 1966 p. 243.

Changes had to be made. Bennett was a man of action. Between 1932 and 1934, then, he moved gradually to the third phase of his attempt to restore prosperity. He began to align himself more and more with the Tory Democrats in his party. While holding fast to Empire ties, strong leadership and tariffs, he began to use government power paternalistically to interfere more directly with the operation of the Canadian society and its economy.

Steps were taken to implement the report of the 1932 Duff Commission on railway policy through the passage of the Canadian National-Canadian Pacific Act of 1934. The policy satisfied neither the friends of the CNR who wanted its heavy debt load reduced nor its foes who wanted much of the system abandoned and the rest amalgamated with the Canadian Pacific but some 700 miles of track were torn up, luxury services were curtailed and pooled passenger service was offered by the two railways between Toronto and Montreal.

The government had hired John I. MacFarland in 1931 and had replaced the absolute free market in wheat with a system that made MacFarland a government wheat broker. The government supported wheat prices by purchases on the open market and, by 1935, had accumulated 205,000,000 bushels.¹⁰

Using the power granted by two Privy Council decisions in 1932, the government set up the Canadian Radio Broadcasting Commission and Trans Canada Airways. Both followed a pattern

¹⁰C. Hopkins (ed.), The Canadian Annual Review (Toronto: the Canadian Annual Review Publishing Co.) 1935, p. 109.

typical of the Canadian Conservative party. Private enterprise continued in the form of independent radio stations and private airlines but centralized regulation and partial government ownership allowed the new communications methods to expand rapidly through all of Canada.

In 1934, the Bank of Canada was organized to hold the gold reserves of the private banks and to perform other central bank functions. It was a privately owned institution with its directors elected by the shareholders and then rubber stamped by the government.

None of these arrangements was startlingly new. They do, however, represent the third strand of Canadian Conservatism in action during the middle Bennett years. Mr. Bennett wanted to improve the existing system through "gifts" to his people -- not to give them a brand new system.

In 1934, a series of new measures was introduced which would significantly increase government interference and which would springboard the party to the New Deal. In February, the Select Committee on Price Spreads and Mass Buying began to examine the effect of the buying practices of the large department stores on Canadian manufacturing. Because its history is so closely tied to the resignation of H.H. Stevens from the Cabinet in October 1934 and to the New Deal parliamentary session of 1935, it will be dealt with in the next sections of this chapter.

Besides the Commission, definite action was taken on March 15 with the introduction of the Natural Products Marketing Act. The rationale for the bill was neatly stated in the Canadian

Annual Review for 1934,

Unfair marketing practices on the part of some primary producers and the consequent inability of others to obtain prices for their products, which would at least compensate the labour and money cost of production, led a number of these interests to approach the Federal Government and seek action from Parliament to bridge the difficulty of inter-provincial and export trade and to establish a central marketing authority which could give the necessary advice and exert the necessary disciplinary power without which any marketing scheme would be ineffective. The exercise of this power involved regulating the flow of products to market, the withholding of products from the market, discouragement of production when deemed advisable and, to an extent, price fixing.¹¹

A number of Liberal amendments to the bill were accepted but the government hastily rejected charges of over-centralization and unconstitutionality. It also rejected the idea of submitting the bill in draft form to representative groups of producers. In its final form, the Natural Products Marketing Act allowed producers to organize a local board, devise a scheme for marketing their products and then approach the Federal Marketing Board. If the Federal Board accepted the plan, it then became the only method by which the product involved could be priced and sent to market. It also allowed interprovincial trade to be controlled by Federal Marketing Boards where no local boards existed and foresaw the banning of imports of certain natural products when there was a vast oversupply in Canada. The Act, finally passed in June 1934, over strong Liberal objections to its compulsory features, was applicable to animals, meats, eggs, wool, dairy products, grain, seeds, fruit, vegetables, maple

¹¹C. Hopkins (ed.), The Canadian Annual Review (Toronto: the Canadian Annual Review Publishing Co.) 1935, p. 74.

products, honey, tobacco and lumber.

In addition to the marketing act, the government attempted to ease the credit squeeze on farmers by the Farmers Creditors Arrangement Act. Mr. Bennett described the intent of the legislation.

When a farmer is in a difficult position, it is contemplated that he and the official receiver shall get together and determine in a simple way, in view of all the circumstances, what the man should be able to pay. He, himself, with the assistance of the receiver and his creditors, will determine what he can do. Then, when the document is executed, it has the effect of law if all parties agree to it. But, if some do not agree, it may be confirmed in the manner provided for in the act. If, notwithstanding all this, the farmer still thinks that he really cannot do as much as has been suggested by his creditors but, still being honest in intent, thinks he can do something rather than abandon his home, the Court of Review is set up as a simple and informal tribunal to determine whether or not what the farmer suggests he may be able to do to meet the claims of his creditors is a fair composition and adjustment.¹²

It should be noted that neither of these pieces of legislation is really radical when compared to some of the facets of the American New Deal. There is still a strong sense of the value of property and of non-interference with the market process. The measures are radical in that no Canadian federal government had attempted such acts before. Tory Democracy, however, was applied only to the agricultural sector. Until late 1934, the Canadian businessman was left largely alone. The major reason is probably that the emergency in the agricultural areas of Canada was far greater. Not to be ignored, however, is the fact that programs like the N.P.M.A. and the F.C.A.A. could be

¹²C. Hopkins (ed.), The Canadian Annual Review (Toronto: the Canadian Annual Review Publishing Co.) 1935, p. 76.

introduced without offending old time Tories and business Conservatives too much.

Very soon, however, the party would leave this safe compromise between its factions. Propelled by Harry Stevens' accusations of early 1934, and R.B. Bennett's desperate determination to take some form of action, the Conservative leadership would shock two wings of its own party and produce a New Deal.

The Stevens Fiasco

Harry Stevens, Minister of Trade and Commerce, had every reason to be satisfied with his position in the Bennett government. He had risen from a variety of jobs (including farming) to be, in turn, a moderately successful stock promoter, a Vancouver alderman, and a member of parliament. He had revealed the 1925 Customs Scandal and had doggedly opposed the King government during the 1926-1930 period. When he was defeated in Vancouver in the 1930 election, Bennett had found him the relatively safe seat of Kootenay East and had appointed him Minister of Trade and Commerce. But, according to J.R.H. Wilbur, Stevens had felt uncomfortable in the cabinet as early as 1931.¹³ He had become interested in topics which did not really concern his colleagues, in sweat shops and the mass buying techniques of major department stores, in the fall of 1933 when he had been made very much aware of the problem by James Walsh of the

¹³J.R.H. Wilbur, "H.H. Stevens and R.B. Bennett 1930-1934" Canadian Historical Review (Toronto), March, 1964.

Canadian Manufacturers Association¹⁴ during a motor trip to Toronto from a conference at Lake Couchiching. According to Stevens, he was so affected by Walsh's comments that, when he was asked to substitute for the Prime Minister at the National Shoe Retailers Association meeting in Toronto on January 15, 1934, he delivered a stirring attack on big business arguing that, "the nation must face the evils which have developed like a canker" and indicating that "unless they are destroyed, they will destroy the system."¹⁵ Bennett objected to the vehemence of Stevens' remarks and Stevens angrily submitted his first resignation on January 19, 1934. The letter was short but attached to it was a five point justification for his actions. Stevens claimed that he did not attack any company specifically, that Bennett had asked him to make the speech in the first place, that there had been no time to check the content of the speech with Bennett because the Prime Minister had been in Western Canada, that Stevens had received three delegations protesting mass buying during the weeks just before the speech and that the very stores he had attacked were boasting about their mass buying ability in their advertising.¹⁶ Prime Minister and Minister met that week and the whole row was settled. At Stevens' urging, the cabinet established a select committee on Price Spreads and Mass Buying. The Committee began operations in February of 1934 and Harry Stevens soon proved as thorough in

¹⁴Arthur Ford, As the World Wags On, (Toronto: Clarke Irwin) 1950, p. 38.

¹⁵J.R.H. Wilbur, "Stevens and Bennett" CHR op. cit.

¹⁶P.A.C. H.H. Stevens Papers, H.H. Stevens to R.B. Bennett, January 19, 1934.

his questions and insults to Canadian businessmen as he ever had been to guilty Liberals. He hounded J.S. McLean of Canada Packers about prices and profit margins, provoked Gray Miller of Imperial Tobacco and then set to work on the T. Eaton Co. and the Robert Simpson Co. Protests mounted in the newspapers and the Stevens committee was attacked on the grounds that Stevens was trying to be not only Minister of Trade and Commerce and Chairman of the Committee but also judge and jury to Canadian retail business.¹⁷ The Canadian Manufacturers Association passed a resolution,

instructing all their members to boycott the committee and from that day Stevens got no assistance from the Manufacturers Association even though they were the foundation of the whole business.¹⁸

However, the general public seemed enthusiastic. Church groups, Boards of Trade, and the Retail Merchants Association of Ontario all lauded the commission highly.¹⁹ C.L. Burton, president of Simpsons complained,

No matter whose affairs were under enquiry, the person affected had no right to appear either to deny the charges or to submit evidence as to the alleged facts.²⁰

Rumour spread that Stevens would take over from Mr. Bennett, and many Conservatives, especially those with Tory Democrat

¹⁷The Toronto Telegram, March 22, 1934.

¹⁸p.A.C., H.H. Stevens Papers, transcript of Stevens' Memoirs, p. 140.

¹⁹J.R.H. Wilbur, "H.H. Stevens and the Reconstruction Party" in Ramsey Cook (ed.), The Politics of Discontent, (Toronto: University of Toronto Press) 1969, p. 60.

²⁰C.L. Burton, A Sense of Urgency, (Toronto: Clarke Irwin Ltd.) 1949, p. 141.

tendencies, applauded the move.²¹

The rumours and accusations embarrassed the government but embarrassment changed to anger when Stevens published a speech he had made to the Conservative Study Club, a group of Senators and M.P.s interested in current happenings. In the speech, Stevens accused Joseph Flavelle of making huge profits out of inflated Simpson's stock in 1929 and Simpson's itself of selling stock to its employees at rates higher than the real market value. ~~James Muir of the Department of Trade and Commerce apparently duplicated the speech²² and had it bound in Dominion Bureau of Statistics covers. It was then distributed to all major Canadian newspapers. C.L. Burton says that the speech was duplicated for distribution "for campaign purposes in the forthcoming 1935 general election."²³ It is doubtful that anything this definite was in Stevens' mind especially since the cabinet had not seriously discussed an election campaign. Stevens had a real flair for publicity and, more probably, he intended to counteract the commission's bad press and further his own popularity by pointing to what he considered to be real abuses. Just who ordered distribution to the newspapers is not clear. Stevens later claimed that it was done in error but, significantly, James Muir was never discharged for his "mistake". Most Canadian papers realized the seriousness of the pamphlet's allegations and did not publish its statements.~~

²¹P.A.C., R.J. Manion Papers, R.J. Manion to James Manion, May 8, 1934.

²²P.A.C., H.H. Stevens Papers, transcript of Stevens' memoirs.

²³C.L. Burton, A Sense of Urgency, op cit., p. 146.

The Winnipeg Free Press, however, published it in full on August 7, 1934. Other papers published summaries.²⁴ Simpsons was annoyed.

C.L. Burton journeyed to Ottawa the following Wednesday to see Mr. Bennett. According to Burton, Bennett told him that he and his "faithful secretary Miriam" (sic) had stayed up all the night before gathering the remaining copies of the offensive pamphlet and preventing them from being distributed. Stevens had been ordered not to make any more statements. Burton went back to Toronto satisfied.

All was quiet until October 25, 1934 when the cabinet met. The summer recess had been long and both ministers and the members of the Price Spreads Commission (now reconstituted as the Royal Commission on Price Spreads and Mass Buying) were busy that week preparing for the simultaneous resumption of parliament and the hearings. Amid newspaper rumours that there had been a row in the cabinet between Stevens and C.H. Cahan, dean of the Montreal Tories, Stevens sent his resignation to Bennett.²⁵ He was not invited to the Friday cabinet meeting and at 4.00 on Saturday, October 27, his resignation was accepted.²⁶ Despite the resignation, hearings of the commission went on. Stevens remained a member of both the commission and the Conservative Party.

However, the break came with tremendous bitterness on both

²⁴J.R.H. Wilbur, "Stevens" in Cook Politics of Discontent, op. cit., p. 60.

²⁵See Ottawa Citizen, October 25, 1934, and Regina Leader Post, October 27, 1934.

²⁶H.H. Stevens Papers - Stevens Memoirs.

sides. Bennett accused Stevens of issuing statements both in his January 15 speech and in the pamphlet that were "without any basis in fact", of attempting to "pillory fellow citizens", and continued to urge that Stevens

make a statement indicating the circumstances under which the pamphlet came into being, and expressing regret for any injury which such misstatements had caused to the reputation of any individual or business.²⁷

Stevens complained of "mischievous interference" by cabinet in the affairs of the investigation. He had defended his pamphlet to R.J. Manion on August 5, 1934,

regarding that speech on mass buying that I delivered to the study club... It was delivered to private members at their club, and as far as Burton of Simpsons is concerned, he can serve me with his writ as soon as he likes... I will take full responsibility so if the matter happens to be under discussion, do not hesitate to say so.²⁸

In November he added, "At least to the last I was loyal to him (Bennett) who knows neither gratitude nor courtesy."²⁹

The personal bitterness was reflected in the party as well. According to Stevens, seventy-two Conservative M.P.s signed a round robin urging him to defy Bennett at the parliamentary party level. Three cabinet ministers said, "It would result in Bennett's retirement and they wished to be chosen in his place and wished my support to that end."³⁰ Stevens later made the

²⁷H.H. Stevens Papers - R.B. Bennett to H.H. Stevens, October 26, 1934.

²⁸P.A.C., R.J. Manion Papers - H.H. Stevens to R.J. Manion, August 5, 1934.

²⁹P.A.C., R.J. Manion Papers - H.H. Stevens to R.J. Manion undated, probably about November 6, 1934.

³⁰P.A.C., H.H. Stevens Papers - Memoirs, p. 161.

statement that sixteen Conservatives were definitely pledged to resign with him "I don't know what happened to all sixteen but I do know what happened to a good many of them. They were given handsome amounts for campaigning such as five and ten thousand dollars by Mr. Bennett."³¹

The variation in figures and Stevens' intense dislike of Bennett leaves the details of Stevens' support in the party open to question, but the bitterness and division were definitely there. R.A. Reid wrote to Bennett stating that the Prime Minister had been "grossly misled" by C.H. Cahan and that "Cahan had been laying plans since the preceding summer to bring about the Bennett-Stevens break."³² Bennett ordered Tom Simpson, the Conservative whip, not to invite Stevens to caucus and thus read him out of the party even though Stevens had only resigned from the cabinet and as chairman of the inquiry. Stevens' successor as Minister of Trade and Commerce, R.B. Hanson delayed joining the cabinet for several days and announced to the papers that he was "sorry it happened. It could have been averted."³³ R.J. Manion, Stevens' closest colleague in the cabinet wrote two weeks after the resignation,

I am sorry about the whole show. Miss you very much and really do not see where we (hand-written above you and we) are going from here."³⁴

³¹P.A.C., H.H. Stevens Papers, Memoirs, taped interview with H.H. Stevens July 19, 1966, p. 16 of transcript.

³²P.A.C., R.B. Bennett Papers, R.A. Reid to R.B. Bennett, November 4, 1934.

³³Canadian Press dispatch in Calgary Albertan, October 26, 1934.

³⁴P.A.C., Stevens Papers, R.J. Manion to H.H. Stevens, November 6, 1934.

If the party was divided over the resignation, the press reaction was not. The Stevens Papers contain a massive file of clippings from the period -- the story was front page news in almost all of them. Of all the papers, only the Barrie Examiner, the Mail and Empire, the Montreal Gazette, the Toronto Telegram, and the Montreal Star were at all hostile to Stevens. Even the hostile papers were remarkably mild. The Gazette contented itself with saying that the resignation was the "logical thing" and that Stevens' "position became untenable with the publication of the pamphlet."³⁵ The Telegram talked about the "talkative little alderman" from Vancouver³⁶ and the Montreal Star proclaimed,

It was also necessary for Mr. Stevens to remember that he was not a freelance political agitator. He was a minister of the crown. Mr. Stevens has been acting like a rank outsider. Now he is one.³⁷

Almost all other Canadian papers took a very different view. Stevens who had been the villain denying Canadian corporations their rights under British justice and a zealot pursuing desirable ends through undesirable means became, almost overnight, a martyr to the big interests. Almost all papers, especially those with any Liberal sympathy, took the opportunity to point out that this was just one more example of the close links between the Conservative Party and big business. The very least that the party was guilty of was insincerity because,

³⁵Montreal Gazette, October 29, 1934.

³⁶Telegram, October 30, 1934.

³⁷Montreal Star, October 30, 1934.

according to some, it had allowed Stevens to make his charges and conduct his investigation intending all the while either to ignore them completely or make what political capital it could from them. One common story was that Stevens had been kept on until after the five by-elections of September 24, 1934 to see whether he could gain votes for the party and, when that failed, he was sacked. Significantly, the only Conservative to win in the "little general election" was Tom Church, the maverick former mayor of Toronto who was a strong Stevens' backer. Typical press stories and editorials ranged from the Almonte Gazette's

Mr. Bennett is making the saddest mistake of his life if he thinks for one minute that ordinary people care a fig whether the feelings of such concerns as Eaton's and Simpson's are hurt or not.³⁸

to the Blairmore Enterprise's

Mr. Stevens was the right man alright but in the wrong pew. He just imagined he was a Tory.³⁹

Judging by Mr. Stevens' mail both after the study club publication and the resignation, a large number of Canadians had judged the Conservative Party just as harshly. The party, however, had placed itself back in the same dilemma which had dogged it since the nationalization of the Canadian Northern and Grand Trunk railway systems in the 1917-1919 period. Because it had tolerated Stevens for so long it offended its traditional supporters including the Montreal Star, the Mail and Empire, the Montreal Gazette, the Toronto Telegram and a large number of

³⁸Almonte Gazette, November 1, 1934.

³⁹Blairmore Enterprise, November 3, 1934.

their readers. By mishandling the resignation, Bennett had forfeited any chance of gaining new support from groups which were traditionally anti-Conservative.

The Stevens' crisis brought the three factions discussed in Chapter One into sharp relief. Stevens was a Tory Democrat in many ways. In answer to speculation that he might join the C.C.F., Saturday Night commented,

Mr. Stevens is about as socialist as our domestic cat, or postmaster Jim Farley of the U.S., or Adolph Hitler -- all of whom he resembles in one respect or other of his varied abilities.⁴⁰

Stevens probably believed more firmly in traditional capitalism than did R.B. Bennett. The big business Tory extreme of the party was most eloquently represented by C.H. Cahan and the Montreal Gazette. Between the two extremes stood most of the cabinet -- certainly Hanson, Stirling, Gordon, Manion and probably Bennett. These men were firm believers in free enterprise and the capitalist system and government aid through high tariffs. They were unquestionably proud of the British Empire and somewhat doubtful about the morality of Canadian National Railways. They were not equipped to join either the Montreal group or the Tory Democrats nor were they able to make compromises between them.

The Conservative Party entered 1935 in deep trouble. It had lost four out of five seats in the "little general election" of September 1934 and had lost one of its best men in a bitter fight. It could draw some hope from the fact that it had

⁴⁰Saturday Night, November 4, 1934.

reunited itself after the Stevens catastrophe yet true unity and strength had not been achieved. On February 14, 1935, R.J. Manion and R.B. Hanson were sent to make peace with Harry Stevens. Reporting back, Manion wrote,

I suppose Hanson and I are chosen because we have been in the past, pretty good friends of Stevens. His whole demeanour was one of conciliation so far as I could see except he is quite bitter against one in the cabinet and only one. I have no doubt you know to whom that refers.⁴¹

Harry Stevens meanwhile, was keeping a special file of press clippings on C.H. Cahan. Cahan was the only Bennett cabinet minister who came in for this treatment. What Stevens hoped to discover or do with these clippings is a total mystery.⁴² Perhaps he was hoping for some form of revenge on the man whom he probably felt had cost him the leadership of the Conservative Party.

In the next six months, Stevens' daughter Sylvia, whose illness had occupied much of his time during November and December, died, freeing him for greater political activity. Relations between Stevens and his party worsened. Stevens finally stated,

When I was informed that if I were to run again as a Conservative that Mr. Bennett would repudiate me publicly as a Conservative member or candidate, ... we formed what was known as the Reconstruction Party.⁴³

On July 8, 1935, Harry Stevens completed his break with his

⁴¹Manion Papers, copy of letter R.J. Manion to R.B. Bennett, February 14, 1935.

⁴²In the Stevens Papers clipping files.

⁴³Stevens Papers, "Memoirs", p. 169.

party, but long before then, the party was subject to new stresses and strains as R.B. Bennett "turned maverick". Tory reformers could come from Calgary as well as from East Kootenay. The New Deal was a firm indication that R.B. Bennett would be in fighting trim for the election which had to come sometime in 1935.

The New Deal

By January of 1935, it was becoming obvious that the Conservative Party was in serious difficulty. The sections of the party that had looked to the Empire Trade agreements of 1932 were disillusioned as the agreements produced shifts in trading patterns and a change from the \$125,000,000 trade deficit of 1930 to a \$183,000,000 trade surplus in 1935, but no revival of national prosperity. The industrialists who had supported both the trade agreements and the accompanying dumping duties, fixed exchange rates and tariff hikes of up to fifty percent no longer saw tariff adjustment as a panacea for all that was damaging Canada's staple economy. Greater public works schemes and government economy drives did little to stimulate either confidence or economic activity. The depression had hurt the three products of the traditional national policy: the protected industries, the railways, and the western settlers, more seriously than any other part of the Canadian economy. Traditional supporters were beginning to question conventional wisdom.

The party did badly in by-elections; the press attacked; traditional party newspaper support drifted away; and there was

a grumbling about the two slogans of 1930 in which Bennett had promised to "blast his way into the markets of the world" and "end unemployment or die in the attempt". Canadian Forum suggested that since Mr. Bennett had failed so dismally at ending unemployment that he might like to try making good on the second part of his statement.⁴⁴ Moreover, the Conservative Party was being wiped out as a provincial force. By election time in 1935, there was not a single provincial Conservative ministry left. The trend which Mitchell Hepburn and Angus L. Macdonald had begun in Ontario and Nova Scotia ended in the humiliation of the Prince Edward Island election which the Liberals won 30 seats to 0.

Inspired by the political and economic disasters of late 1934, Mr. Bennett determined to do something. A number of forces within the party, which might loosely be described as the Tory Democrat wing, were already urging a revised program. In 1933, R.J. Manion had unsuccessfully boosted a "Bennett Recovery Programme". He refined it and in August, 1934, suggested a four point scheme emphasizing a "Loyalty Loan" to be organized the way Victory Bond drives had been in World War I, a request to corporations that they expand employment and stockpile their products if necessary, a massive conversion loan to rid the Dominion of high interest debt accumulated during the 1920's and replace it with low interest borrowings, and a huge public works program made possible by the proceeds from the "Loyalty Loan" which would do for Canada what Roosevelt's Public Works Adminis-

⁴⁴Canadian Forum, March, 1935.

tration, Civil Works Administration and Works Progress Administration programs had done for the United States.⁴⁵

Manion's suggestions died in the Bennett files. They do point up, however, that some members of the party had moved far beyond Conservative policy of 1930-32. In the summer of 1933, about the same time as Manion was making his first proposals, the Conservative party held a summer school at Newmarket, Ontario. There, H.M. Cassidy made some proposals to the party which were quite startling to a Tory raised on the Montreal papers,

There is one further point that I should like to make about the Conservative. He is not entirely adverse to change. For a certain measure of change in institutions is necessary to the conservation of those things that he holds to be good. Therefore social reform is not incompatible with Conservatism... Lord Cecil points out that the religious background of Toryism, one of the ingredients of modern Conservatism, dictates a humane policy of social reform. He says further that, 'modern Conservatism inherited the traditions of Toryism which are favourable to the activity and authority of the state.' In this country, as all of us well know, and notably in the province of Ontario, Conservatives have gone some distance to exalt the authority of the state over that of the individual. But the Conservative tends to move cautiously in this direction, more slowly than his radical friend; and on the whole no faster than he thinks necessary to conserve and protect the basic institutions in which he believes.

It is now possible, I think, to state in a sentence the essence of the Conservative position -- maintenance of the economic and social status quo, involving protection of private property rights, of the economic system known as Capitalism, and of the social stratification based on it; coupled with a willingness to extend the power and influence of the state, as in the direction of social reform,

⁴⁵R.J. Manion Papers - R.J. Manion to R.B. Bennett, August 24, 1934.

in so far as this may be necessary to protect and defend the essentials of the status quo.⁴⁶

It was not a major step from the careful professorial definitions of Mr. Cassidy to the rhetoric of the Bennett New Deal.

Reformers like H.M. Cassidy could point to the legislative trend which had produced the Natural Products Marketing Act of 1934, the Farmers' Creditors Arrangement Act, the Canadian Radio Broadcasting Commission and the Bank of Canada as a new departure for the party. Certainly it was a change from tinkering with tariffs and promoting Empire trade.

Thus influences within the party and the government all seemed to be pointing Bennett toward some massive new use of federal power. One other important influence was also present. William Herridge had married Bennett's beloved sister, Mildred, and had leapt quickly into a trusted position. In line with Bennett's policy of making sure that important diplomatic posts went to sympathetic adherents, the Herridges had been dispatched to Washington, just in time to be caught up in the heady atmosphere of the first New Deal. Herridge quickly became a convert. He and Mildred entertained Henry Wallace, Rexford Tugwell, Frances Perkins, and other New Dealers. The convert began to urge a northern New Deal.

On June 22, 1934, Herridge dispatched one of his most persuasive memoranda, cleverly mixing practical politics and Rooseveltian idealism.

⁴⁶Canadian Problems as Seen by Twenty Outstanding Men of Canada; A Collection of Papers read at the first annual Liberal-Conservative Summer School at Newmarket, Ontario (Toronto: Oxford University Press) 1933, p. 51.

Dear Prime Minister,

What has been evident to us for a long time and what the Ontario elections have made plain to even the most purblind adherent is that old fashioned Toryism is dead. Realization of that truth is an enormous step forward. It bridges the gap between our continuing failure and a new success.

The issue is now clearly drawn. We have against us the forces of Laissez Faire, the Liberalism of the present century. To them we must oppose the forces of progress. We are the positive element; the Grits are the negative. The potential power of the CCF comes over to us. All that was foolish is happily lost. We are now a progressive party. And by God, we must keep on the move until we find the answer to the question, "What's wrong with Canada?"

This is your job, and no one can take your place. It is indeed a trust!

If we should let go now, Canada would sag back into a "slough" which would rot her. Ease the strain and we fall to pieces. Hand over to inept colourless and mediaeval leadership these fine people and they will break down and turn upon one another. The Destiny of Canada is up for Decision. And you are the judge.

Deep down in your heart, you know that this is the truth. And deep down in my heart, I know what your course will be. So I need say no more than that. If you wish, I will fight it through with you. And we will win.

At almost any other time in national history, there would be reason in the suggestion that you give over to the other party. Now, there is no meaning in such a view. For this is not a question of party, or personal advantage or popular preference of prejudice.

Canada is broken and the people are lost. Would you allow a man in sickness to quit his bed? Would you let a people in trouble forsake you? Would you foresake them?

These recent elections mean that people are tired and worried. They are not yet possessed of good times. They have little faith in them. They merely protest, vigorously it is true, against their hardships. They need help and leadership. If I thought they could more surely get them elsewhere than from us, it would be my duty to urge you to quit for the welfare of a people is not to be balanced against the reputation of an individual or the fortunes of a party. But I do not so believe. I believe this: that you alone can save the day for Canada. We have reached a crisis in our affairs. Your place in them can therefore not be determined by the present whims of the electors. They

are non combatants in this battle for our existence. And you are the leader that these same people chose to save them.⁴⁷

In December 1934, using only Herridge and Rod Findlayson, his secretary, as his advisors, Bennett began to write speeches announcing a new program for Canada. He did not consult his cabinet. His party did not know what was happening.

On January 2, 1935, Bennett spoke to the nation on a coast to coast network,

... This is a critical hour in the history of our country. Momentous questions await your decision. Our future course must now be charted. There is one course I believe with all my heart, which will lead us to safety. It is for you to decide whether we will take it. I am confident that your decision will be the right one when with care and diligence you have studied the facts...

If you say yes, then I will not rest until I have put it (the reform program) into operation. But if you say no -- if you are satisfied with conditions as they now are, if you think there is not need for reform ... then I am not willing to continue in this office. For if you believe that things should be left as they are, you and I hold contrary and irreconcilable views. I am for reform.⁴⁸

Mr. Bennett went on to deliver a savage attack on Laissez Faire, to stress the needs for well considered action and even to use new economic jargon like "pump priming". In the second broadcast, he became much more specific. He proposed "a uniform minimum wage and a uniform maximum working week";⁴⁹ "an end to child labour"; "an end to sweat shop conditions"; "an end to

⁴⁷R.B. Bennett Papers, W.D. Herridge to R.B. Bennett, December 5, 1934.

⁴⁸The Premier Speaks to the People, (Ottawa: Dominion Conservative Headquarters) 1935.

⁴⁹Ibid., second broadcast.

the idea that a working man should be held to his labour throughout the daylight hours of every day"; "a permanent system of sound and scientific insurance against unemployment". He claimed that, "the present system of old age pensions is unscientific and obsolete and must give way to something that will serve you better"; that "health insurance and accident and sickness insurance must be developed in the same way" and that "...we must admit that trade is sometimes unfairly influenced by unconscionable monopolistic purchasers or by certain types of middlemen and distributors, some of whose activities would properly include them within the classification of economic parasites."⁵⁰

In the third broadcast he stressed what had already been done for the farmer through the Farm Loan Board and promised to ask parliament to extend its operations. He discussed the Price Spreads Commission and promised action on its recommendations, promised a Department of Communications and an Economic Council of Canada. For the first time, Mr. Bennett also felt it necessary to justify his lack of action in the period 1930-1934. His explanation was simple, "It would have been the height of folly to attempt to introduce reform until the first fury of the depression had been brought under some sort of control."⁵¹

In the fourth broadcast, Mr. Bennett discussed the Bank of Canada and pointed out that it was an agency of central control

⁵⁰The Premier Speaks to the People, (Ottawa: Dominion Conservative Headquarters) 1935, third broadcast.

⁵¹Ibid., third broadcast.

over the economy. He also promised a revision of the Dominion Companies Act, "There must be a drastic simplification of capital structure so that the investor will be able to understand the nature of the stock or security he is purchasing. At the next session of parliament, the Companies Act will be amended so as to abolish the right to issue shares of no par value.⁵² The final address was a partisan one in which Bennett savagely attacked the Liberals as the party of Laissez Faire.

Party reaction to the broadcasts ranged from stunned amazement to outright disbelief. Stevens pointed out, "Those addresses by Mr. Bennett were, I happen to know, written by Mr. Herridge."⁵³ Other party sources were more doubtful. Some pointed out that the style, the appeals to God and the defense of previous policy were all pure Bennett.⁵⁴ Arthur Meighen sent Sir Robert Borden what was purportedly a letter from a "wealthy U.S. citizen" to a Canadian bank.

I am today drawing a check (sic) for deposit in the Shawmut Bank of Boston of \$35,000. You probably wonder why I am taking such a drastic step but the fact is we are getting uneasy down here as to what your premier Mr. Bennett has in mind. It looks as if he is trying to "out Roosevelt" our more or less crazy president.⁵⁵

⁵²The Premier Speaks to the People, (Ottawa: Dominion Conservative Headquarters) 1935, fourth broadcast.

⁵³P.A.C., H.H. Stevens Papers, interview with Harry Stevens.

⁵⁴P.A.C., R.J. Manion Papers, R.J. Manion to James Manion, January 16, 1935.

⁵⁵P.A.C., A. Meighen Papers, Arthur Meighen to Robert Borden, January 12, 1935.

Even R.J. Manion who had urged a reform program seemed slightly perturbed as he wrote,

I was a little afraid that he was inclined to go a bit too far in his swing to the left, but so far, I am entirely in accord with what he said.⁵⁶

The lukewarm reaction from men like Meighen presaged a much more violent one from the Montreal group. Grant Dexter reported to J.W. Dafoe,

There is certainly trouble in the cabinet. You will note the Gazette editorials. Cahan talked at length to the new Montreal Star man on Thursday night. He had written his resignation but not sent it to Bennett. Before doing so, he had telephoned three key men in Montreal, asking for advice. They had all given this counsel -- 'Fight it all you can C.H. but whatever you do, don't leave the cabinet'.

Whatever fight there may be will come when caucus assembles. My guess is that some twenty members of the party -- people like J.D. Chapin of Lincoln, Toronto men, White of London etc. -- will refuse to follow Bennett. Nor would I be surprised if this caucus brings about a reconciliation between Bennett and Stevens.⁵⁷

Meighen came Saturday. I saw him for a moment but he was reticent. He lunched with Grattan (O'Leary) and opened up pretty well. He thinks the first broadcast was most vulnerable, ill conceived, damaging to the moral (sic) of the party. He said that the party was all for an election in October. Conditions are improving rapidly and the longer an election is delayed the better.⁵⁸

Newspaper reaction was noticeably mixed. Canadian Forum commented hopefully, "Whether it was a blank cartridge and whether he will be able to hold together his badly serried

⁵⁶P.A.C., R.J. Manion Papers, R.J. Manion to J. Manion, January 10, 1935.

⁵⁷P.A.C., J.W. Dafoe Papers, Grant Dexter to Dafoe, January 4, 1935.

⁵⁸Ibid., January 7, 1935.

ranks in the new position remains to be seen."⁵⁹ However, then it turned cynical. It predicted that in the 1935 election, the Liberals would gain all but three seats -- and that Harry Stevens and Tom Church would be the official opposition. By February, it was accusing Mr. Bennett of "auto-intoxication" and stated, "It is Mr. Bennett's misfortune that his conversion came so late."⁶⁰ Saturday Night was not surprised that the stock market had not declined in the days after the speeches because it claimed that neither the speaker, nor the party which he represented nor the circumstances of the speeches gave much hope for genuine change.⁶¹

Most newspapers greeted the reforms with interest but announced that they would withhold judgement until after the promised legislation had been introduced. One major exception was the Montreal Gazette which attacked even in its news columns,

A dictatorship in Canada loomed last night when premier R.B. Bennett once more broadcast to the Canadian people his policy of 'reform' which he proposes to introduce in the next session.⁶²

When the Gazette editor grew tired of writing reform in quotation marks, he substituted the words "so-called". Montreal Tories entered political discussions well and truly brainwashed. Much speculation centered around Bennett's reasons for introducing the program. Grant Dexter felt that it was the prelude

⁵⁹Canadian Forum, January, 1935.

⁶⁰J.R. McLean in Ibid., February, 1935.

⁶¹Saturday Night, January 12, 1935.

⁶²The Montreal Gazette, January 10, 1935.

to a snap election,

I think the true import of the new move is not commonly appreciated. Most people that I have talked to believe that Bennett is talking about something that he proposes to do at the forthcoming session. This is not true. He told Grattan that he really could not be very specific as not one of the proposed measures had been drafted, or even reduced in broad terms to paper. He has the outlines in his head. What he is talking about now is his election platform. There will be little if any of this legislation at this session. There will be an unemployment insurance bill -- applying to incomes of less than \$1500, I am told -- but the root of the program will have to wait until he has received the go ahead command of the people.⁶³

Chester Bloom, the Washington correspondent for the Winnipeg Free Press went even further,

The difficulty that I see at the moment is just this: Mr. Roosevelt, I am convinced, no matter how wrong he may be is thoroughly sincere; and Mr. Bennett, no matter how long and loudly he talks, is equally insincere. I cannot conceive for a single moment, knowing Bennett as I do, his long and intimate relationship with the big corporations, with franchise grabbing, with bulldozing of city councils and provincial governments on behalf of corporations, that he actually will be responsible for any legislation which will tie their hands in any way unless, perhaps, it be some unfortunate outfit that has at one time or another offended him. But the mere fact that he is trying to spread the belief among the people of Canada that he is following in Roosevelt's footsteps would be damaging....⁶⁴

This statement is, I think, grossly unfair to Bennett and tends to ignore the man's personality and record. Bennett was capable of being sincerely convinced of any position which he took -- one historian has described him as "capable of burning

⁶³P.A.C., J.W. Dafoe Papers, Grant Dexter to J.W. Dafoe, January 4, 1935.

⁶⁴Ibid., Chester Bloom to Dafoe, January 14, 1935.

if often temporary enthusiasm."⁶⁵ He was egotistical enough to believe that only he could save Canada and the Conservative Party, and that both had to be saved from King, Stevens, Woodsworth and Aberhart. Mr. Bennett seems to have given little or no thought to the idea of cabinet concensus and to have been very hurt when Canadians were cynical about his genuine conversion to reform.

The New Deal's political effectiveness depended on attracting large numbers of ordinary Canadians to the Conservative banner. It would be aided even more if the Liberals criticized it violently so that Bennett could prove that they were the party of reaction and Laissez Faire. If Bennett had hoped for this, he was to be greatly disappointed. Although Mackenzie King found the first broadcast "nauseating" and the fourth "sickening and disgusting",⁶⁶ he was somewhat uncertain as to what political course to follow. Sir William Mulock suggested that the party abandon any opposition to the bills.⁶⁷ Norman Rogers wrote suggesting that, "the disputed jurisdiction over wages and hours be referred to the Supreme Court for an advisory opinion."⁶⁸ King helped the Conservative Party on its way to destruction. He combined the two suggestions and, when parliament opened had decided to offer no real opposition but to stress the lack of constitutional justification and the lack

⁶⁵Donald Forster, "The Politics of Combines Policy", Canadian Journal of Economics and Political Science, August, 1962.

⁶⁶Ibid.

⁶⁷Ibid.

⁶⁸Ibid.

of cabinet consultation. In the session which followed, Bennett's illness and party indecision completed the downfall of the Conservative Party.

Illness, Division and Stagnation

Many questions remained as parliament opened in January, 1935. Was the New Deal merely an election platform or would it be backed with legislation? Would the 1935 session of parliament produce something like Roosevelt's Hundred Days? What was the real philosophy behind the program and the supposed dramatic switch in R.B. Bennett's position? What issues would be decisive in the coming election?

The speech from the throne began hopefully,

During the past year, the grip of hard times has been broken. Conditions show a marked improvement. Employment is increasing. Our trade is expanding. The national revenues are higher...

and then announced,

... Great changes are taking place about us. New conditions prevail. These require modifications in the capitalist system to enable that system more effectively to serve the people. Reform measures will therefore be submitted to you as part of a comprehensive plan designed to remedy the social and economic injustices now prevailing and to ensure to all classes and to all parts of the country a greater degree of equality in the distribution of the benefits of the capitalist system.^{68a}

The speech then reviewed the Natural Products Marketing Act, the Farmers Creditors Arrangement Act, the Bank of Canada and the public works program. It went on to announce "better provision for the security of the worker during unemployment, in

^{68a} Donald Forster, "The Politics of Combines Policy", Canadian Journal of Economics and Political Science, August, 1962.

sickness and old age";⁶⁹ to hint at new trade agreements, drought relief to the prairie provinces, minimum wage laws, a maximum work week, safeguards for the consumer, an economic council and the altering of "the incidence of taxation so that it will more directly conform to capacity to pay."^{69a} The whole New Deal program seemed to be living up to its advance billing.

Despite some grumbling, the cabinet at least acquiesced. James Manion wrote to his father.

You seem to have manoeuvred Stevens into the seat of the rightist blue patriarch, Mackenzie King into blue seizures ... and Woodsworth into a meek and very pink Bernard Shaw to our Stalin. I hope it works. It appears to be a good move which will win the masses. If the forces of wealth and organization weren't much help, I think it is a good idea to lose them...⁷⁰

In the throne speech debate, the Liberals attacked the government for the way in which the legislation had been introduced. Mackenzie King was especially sarcastic,

Under the old order which the present prime minister tells us is gone, a prime minister was supposed to have sought and obtained the substantial backing of Members of his own Party voluntarily given, not a backing that had been brought about by some order or command as under a Fascist regime...⁷¹

Both the Liberals and the C.C.F. questioned the constitutionality of the proposed program.

On January 29, the first major new bill, the Employment

⁶⁹Canada: House of Commons Debates 1935, Vol. 1, pp. 3-4.

^{69a}Ibid.

⁷⁰P.A.C., R.J. Manion Papers, James Manion to R.J. Manion, January 28, 1935.

⁷¹The Canadian Annual Review, op. cit., (1935), p. 12.

and Social Insurance Act was introduced. It provided for a national employment service and for a national scheme of unemployment insurance.⁷² Constitutionally, it was argued that by signing Article twenty-three of the Treaty of Versailles in which the government had promised to maintain "fair and humane conditions of labour" the government had obligated itself to the passage of acts to implement the general principle. The other acts of the New Deal would use similar justifications and constant reference was made in this period to the treaty-making powers of the federal government under the British North America Act. The introduction of the key Employment and Social Insurance Act was followed immediately on January 30 by the promised amendments to the Farmers' Creditors Arrangement Act. Most of the changes were technical but the boards appointed under the Act to make financial arrangements between farmers and their creditors were given wider discretionary powers and more time to complete their investigations and decisions. Still later in the session (June 21), a further amendment exempted British Columbia from the Act's provisions because the B.C. government had challenged the Act in court. The Bennett government was apparently being as 'safe' as possible and trying to avoid constitutional challenges in the early stages. It therefore did not contest the court case and moved to comply with B.C.'s wishes as quickly as it could. This suggests that even Bennett had some doubts about whether the constitutional basis of at least the F.C.A.A. was all that

⁷²Watkins, Bennett, op. cit., p. 215.

sound.

In late February, the Prime Minister introduced a bill limiting the maximum number of regular working hours to eight in any given day. This was followed in March by a minimum wage act and the Weekly Day of Rest Act, both introduced in the Prime Minister's absence by George Perley. Both were justified to the provinces on the ground that they were carrying out agreements which the federal government had made by signing the draft conventions on fair labour practices of the International Labour Organization. Because the I.L.O. was part of the League of Nations, these agreements were termed treaties. After the Weekly Day of Rest Act, because of Mr. Bennett's illness and the pressure of other business, other legislation arising from the New Deal speeches ceased. The "first phase" of the New Deal was over.

During the same period, however, a group of bills enacting some of the recommendations of the Price Spreads Commission were also introduced. The Commission had finished its work too late to make a direct contribution to the first New Deal speeches and legislation. There are remarkable similarities, however, between some of its specific recommendations and those contained in the New Deal legislation. The similarities became even more marked in the "second phase" of the New Deal in May and June of 1935. The key difference between the two sets of recommendations is that the Price Spreads Commission's are based on a careful analysis of the Canadian economy while the government's seem to be somewhat piecemeal -- without care-

ful philosophical justification.

The Commission was extremely concerned about the growth of monopolies,

Concentration in production and distribution resulting from the development of the corporation and large scale business has made the actual competitive scene progressively less like the simple competition of the laissez faire economists. In some cases the change has been complete and the result has been monopoly. But in more cases, the development has not proceeded quite so far and there has arisen a condition which has long been discussed by economists under the name of 'monopolistic or imperfect competition'. Here it is recognized that the results of unregulated competition are frequently far from beneficial...

... Faced with losses as the revenue from sales decreases and the expenses of the competitive struggle increase, powerful corporations naturally seek to shift the burden of their losses onto others. This has brought into bold relief the inequality of economic strength when the giants of monopoly and imperfect competition meet in the market with the pigmies of unorganized, small scale, competitive enterprise.⁷³

The Commission's report abounded with examples of this unfairness and its effect on wage earners as small companies struggled to stay in business and large ones attempted to pare costs. It painted a dramatic picture of the real suffering among workers when the depression placed a further squeeze on the entire structure. The Commission bemoaned the lack of industrial policy in Canada linking it to "pioneer conditions, free land, unlimited employment opportunities and a relatively high wage level."⁷⁴ It then urged action in the form of revised union legislation, minimum wage laws, uniformity in labour standards, consumer protection, and profit regulation.

⁷³Report of the Royal Commission on Price Spreads (Ottawa: Kings Printer) 1937, pp. 5-12.

⁷⁴Ibid., vol. 2, pp. 36-61.

The actual legislation passed as a result is disappointing. Some of its demands were covered by the first phase of the New Deal. In February, the government did introduce amendments to the Weights and Measures and Livestock Acts to afford the consumer some protection. Some changes were made to the Combines Act and the Companies Act for the protection of small business and the investor. An attempt was made to amend the Industrial Disputes Investigation Act but it was defeated in the Senate.⁷⁵ The Commission's report spurred legislation to establish a Dominion Trade and Industry Commission, already urged in the New Deal speeches. Generally, however, the Commission was discussed at great length, admired, and ignored, partly because the New Deal had adopted many of its ideas on an ad hoc basis and partly because of the constitutional problems inherent in the implementation of the Commission's views.

It is interesting to speculate what might have happened if Stevens had remained in Bennett's good graces or if the Commission had developed its blueprint two years earlier or if the provinces had been less unfriendly toward the Bennett government. Certainly Tory reform in Canada would have fared much better than it did under the hastily conceived jerry-built New Deal measures. A different style of implementation might have avoided the court cases which nullified much of what both the Commission and the New Deal were striving for and might have given Canada a comprehensive social insurance scheme and

⁷⁵The Canadian Annual Review (1935) op. cit., p. 34-35.

a reformed set of labour standards much earlier than was the actual case. Speculation, however, is idle. The Commission floundered on the Stevens-Bennett split and on the introduction of a somewhat parallel program before it had written its report.

Even in the exciting and hectic first phase of the New Deal between the opening of parliament on January 17 and February 16 when Mr. Bennett became ill, there were problems. R.B. Hanson, Robert Weir and Wes Gordon were unable to answer questions about new legislation which should have directly concerned their departments. Tensions remained high in the cabinet. They flared in the House during a debate on the Hyndman Report on the employment of ex-servicemen. During the debate, the Canadian National Railways had been accused of not favouring war veterans. R.J. Manion defended the railway and the following dialogue ensued,

- Bennett: How dare you make a fool of the government that way? If you had told me I would have stopped you. You have no right to make such a statement.
- Manion: I have every right to make such a statement. I am not taking orders from you, Premier Bennett.
- Bennett: If you had told me, I would not have permitted it.
- Manion: I would have done it anyway.
- Bennett: And been out of the cabinet tonight.
- Manion: You can have my resignation anytime.⁷⁶

With the exception of the Employment and Social Insurance Act, many of the new bills were slow in coming and were sloppily drafted when they arrived. The Senate busily rewrote sections so they would make sense while the House of Commons passed many

⁷⁶Canada: House of Commons Debates (1935) Vol. 2, p. 71.

items almost without debate and certainly without opposition from the Liberals.

Many Canadians agreed with the Liberal policy of not opposing in principle but worrying about the constitutional consequences. Professor C.A. Curtis, discussing the legislation, argued that even if the Privy Council accepted the idea that the federal government could use the Treaty of Versailles and the I.L.O. covenants as a basis for action, another problem remained. "As soon as Canada moves from the terms of the convention, her federal law becomes ultra vires."⁷⁷ Curtis wondered whether autonomy-conscious Canadians were not merely trading control by the British government for control by an international body. Even as the legislation was passed, then, grave doubts were expressed about its feasibility.

On February 16, Mr. Bennett was confined to the Chateau Laurier at first with influenza and later with heart trouble. By March 4, his cabinet had begun to worry. Manion wrote, "It will be somewhat embarrassing if he has to get away for any length of time because his reform program (whatever it is) has been kept pretty largely in his own hands."⁷⁸ By March 11, real conflicts had begun. Manion complained, "Poor old sir George (Perley) handling things is certainly not encouraging to the younger and more energetic portion of our party."⁷⁹ By March

⁷⁷C.A. Curtis, The Dominion Legislation of 1935 (C.J.E.P.S.) 1936.

⁷⁸P.A.C., R.J. Manion Papers, R.J. Manion to James Manion, March 4, 1935.

⁷⁹Ibid., March 11, 1935.

13, wrangling had increased. Manion wrote a memorandum,

R.B. has been ill for over two weeks, indeed since February 24. This has greatly inconvenienced us because of the fact that he has kept so many of these reform measures in his own hands... Finally on March 12, after a good deal of jangling, I forced an agreement to have Sir George see him about a number of important matters, such as the length of the session, unemployment relief, public works program and so forth, and Sir George is to see him probably today, providing R.B. agrees.⁸⁰

On March 18, Bennett made a public statement that,

He would like certain pieces of legislation in which he had a particular interest deferred so that he might handle them himself.⁸¹

The Liberals gleefully re-emphasized their offer not to oppose legislation and proposed that the session be over by Easter by the latest. The Conservatives countered with a suggestion for a five week adjournment which was greeted derisively by both opposition and press. Manion grew more disillusioned. On March 22, he wrote

I really do not know what else he had in his head besides the eight hour day, unemployment insurance and the Economic Council but if that was all he had, he certainly introduced them with a great flourish.⁸²

The session dragged on. Parliament did little that was useful and, despite his severe illness, Mr. Bennett remained fully in charge. Manion wrote another memorandum on April 9,

Council was dealing with public works program of \$45,000,000. It was submitted to R.B. in his sick

⁸⁰P.A.C., R.J. Manion Papers, R.J. Manion to James Manion, March 4, 1935.

⁸¹The Victoria Times, March 18, 1935.

⁸²P.A.C., R.J. Manion Papers, R.J. Manion to James Manion, March 22, 1935.

bed and opposed by him in practically every detail. Sixteen at council, only five of whom were even partially opposed namely Murphy, Stewart, Stirling, Cahan and Perley. Rest favourable and Hanson, Gordon, Guthrie and myself very strongly favourable. I suggested we would be looked upon as monkeys if we acceded to R.B.'s position after his radio addresses promising so much and having done so little.⁸³

When party members were not bemoaning their poor impression on the electorate, they were busy speculating as to who would be the next leader. Hugh Guthrie, R.J. Manion, H.H. Stevens and Arthur Meighen were the favourite choices.⁸⁴ None of the men consciously pressed his candidacy and there were public denials all round. Meighen pointed out that "R.B. is in good health" but his correspondent replied, "I do not like the outlook for our party in the coming election..."⁸⁵

Mr. Bennett left his Chateau Laurier bedroom on April 16 but departed immediately for London and King George V's Jubilee celebrations. Many in the party had hoped that he would stay home and Manion pointed out the propaganda value of staying in Canada because of the "emergency" while other, more frivolous heads of state attended the ceremonial. Bennett could not resist the lure of one of the great Empire fetes of his lifetime -- nor could he pass up the chance to consult British heart specialists.⁸⁶ He returned from England on May 14 with a clear bill of health but with instructions to rest as much as possible.

⁸³p.A.C., R.J. Manion Papers, Memorandum, April 9, 1935.

⁸⁴Fort William Times Journal, April 10, 1935.

⁸⁵p.A.C., A. Meighen Papers, Letters between Arthur Meighen and Hector McInnis, May 16 and May 27, 1935.

⁸⁶p.A.C., R.J. Manion Papers, R.J. Manion to James Manion, May 25, 1935.

Mr. Bennett's return to active duty really opened the second phase of the New Deal program. The first section had been concerned chiefly with items which affected workers directly: social insurance, hours of work, minimum wages and holidays. The phase which began in June of 1935 was concerned with changes in the machinery of government.

The second phase began with the introduction of the Canadian Grain Board bill on June 10. The item had lain on the Commons order paper since late January but was picked up only after Mr. Bennett's return to the House. The original bill would have allowed the government to take control of all interprovincial and international marketing of all western grains. The Liberals objected strongly to the bill's compulsory aspects and the Winnipeg Grain Exchange announced that it would have to cease operations if the bill were passed. A compromise act set up a board to govern wheat sales only and provided channels of sale outside the government agency if the farmer wished to use them. In June, the government also introduced a Dominion Trade and Industry Commission bill, considerably watered down from the Price Spreads Commission recommendations. The proposed Commission did have control over stock offerings and forms of company organization but was not really the protector of the small investor envisaged by Stevens and others. The final major act of the second phase was an amendment of the Natural Products Marketing Act to include articles "Wholly or partly manufactured or derived from natural products." The chief effect of this change was to allow the pulp and paper industry

to set up marketing boards if it wished. Numerous amendments were made to the bills, especially in the Senate, and the government accepted most of them in its rush to complete the session. On July 5, after hasty Royal assent to the major bills, parliament adjourned after a busy, confusing and somewhat disappointing session.⁸⁷

If the Conservative Party had gained support from ordinary Canadians through the New Deal speeches and legislation, it lost a great deal of it on July 1, 1935 because of the so-called "Regina riot". The government had constructed work camps for the unemployed in isolated parts of Canada beginning in 1931. To protest conditions and wages in the camps and the general state of the economy, workers began to leave the camps late in April. The Workers Unity League and the relief Camp Workers Union hoped to organize a mass march on Ottawa to emphasize their demands. The march was stopped in Regina and, while the men waited, eight of the leaders went to Ottawa to meet Mr. Bennett. A government stenographer transcribed the end of the interview as follows,

Mr. Bennett: You cannot go and take the government by the throat and demand anything that pleases your sweet will be done.

Mr. O'Neill: It is not our will, but the two thousand men in Regina.

Mr. Bennett: Who put them in that state of mind?

Mr. O'Neill: You are responsible for it.

Mr. Evans: I propose that we do not interject any more. We have heard enough of these idle statements from our Prime Minister, so we will take the rest of what he has to say

⁸⁷The Canadian Annual Review, op. cit., (1935), pp. 33-37.

and go out and back to the workers and the citizens of Canada.

Mr. Bennett: That is your privilege so long as you keep within the law, and the minute you step beyond it, Mr. Evans, you will land back where you once were..."⁸⁸

The government tried desperately to persuade the strikers to disperse. When it failed in this, the R.C.M.P. moved to arrest seven of the leaders. Arrests were attempted on the Regina market square and a riot resulted. One policeman was killed and the trekkers were fired upon by the R.C.M.P. Finally, the Premier of Saskatchewan, J.G. Gardiner, persuaded the trekkers to leave Regina at federal government expense. Just what the effect of the riot on Conservative Party fortunes was is difficult to determine but James Gray sums it up well,

The On to Ottawa trek was a lot of different things to a lot of different people... To the Conservatives and Mr. Bennett, it was an incipient Communist revolution. To the Liberals in the west, it was a heavensent chance to let Mr. Bennett stew in his own juice and to heat up the juice by unsubtle acts of omission and commission. For the still toddling C.C.F. it was a chance to participate in a great mass protest movement...⁸⁹

The Regina riot stirred older Conservative fears of anarchy and revolution. Although it did not cause a change directly, it signalled the end of reform Conservatism and the New Deal attempt.

What exactly was the New Deal? W.G. Herridge wrote to R.J. Manion stating that, "Parliament should never have been allowed to legislate... We could have gone to the country for

⁸⁸V. Hoar, The On to Ottawa Trek, (Toronto: Copp Clark) 1970, pp. 32-33.

⁸⁹Ibid., p. 48.

a mandate to implement that report (the Price Spreads Report)... The dissolution could have been superbly staged."⁹⁰ This lends defence to the idea that the New Deal was little more than an election device. However, a reading of the Bennett Papers for this period indicates no plans for a spring election in 1935. The New Deal may have been a series of election promises for Herridge. For Bennett, it seems to have been something more genuine.

Was it merely a program to destroy the Stevens boom of late 1934 and 1935? J.R.H. Wilbur argues that Stevens was ambitious for the party leadership,⁹¹ and that, after his resignation, Bennett was determined to keep his influence to a minimum. Doubtless the Stevens popularity was a factor. Certainly the report of the Price Spreads Commission contributed greatly to the solutions offered in the second phase of the New Deal.

Was the New Deal an imitation of the much vaunted Roosevelt program from the United States? A number of Canadian historians, placing great stress on the Herridge connection, have argued that American New Deal influence was strong. Bennett's biographer, Ernest Watkins, argues that Bennett developed from the Canadian Hoover into the Canadian Roosevelt.⁹² Others have shown the influence of parts of the Agricultural Adjustment Administration

⁹⁰P.A.C., R.J. Manion Papers, W.D. Herridge to R.J. Manion, May 23, 1935.

⁹¹J.R.H. Wilbur, H.H. Stevens and the Reconstruction Party, op. cit.

⁹²E. Watkins, R.B. Bennett, op. cit., p. 218.

on the Natural Products Marketing Act. To argue this view ignores several factors. First, Bennett had a great antipathy toward anything American. If the New Deal had originated in England, it might have stood some chance of wholesale adaptation. Secondly, Herridge was Bennett's brother-in-law, not a close and trusted advisor. Thirdly, the view ignores Bennett's own political style. F.D. Roosevelt was a "master juggler"⁹³ who could balance the fiscal conservatism of his first bank bill and the bank holiday with later inflationary policies.⁹⁴ In political style Roosevelt was far closer to Mackenzie King than to Bennett. Fourthly, this view ignores the essentially limited character of the Bennett New Deal. Dr. H.B. Neatby has written,

The New Deal legislation of the session of 1935 was radical in constitutional terms, since it would have extended federal authority significantly, but it was not radical in social terms. Unemployment insurance would not abolish the dole; anti-combines legislation would not abolish the capitalist system.⁹⁵

Roosevelt did not want to destroy capitalism either but his reforms went much further and his fiscal and monetary policy was far more sophisticated than Bennett could ever tolerate. The American New Deal contributed some of the rhetoric of the Bennett program -- nothing more.

Perhaps the most idealistic explanation is that Bennett genuinely wanted to do something for the Canadian people. The

⁹³E.G. Seligman and E.E. Cornwell, New Deal Mosaic. (Eugene: University of Oregon Books) 1965, p. ix.

⁹⁴W.E. Leuchtenberg, F.D. Roosevelt and the New Deal, (New York) 1963, p. 48.

⁹⁵H.B. Neatby "The Liberal Way" in The Great Depression, op. cit., p. 92-93.

January speeches were certainly his own. As Gratton O'Leary argued, he had "dotted the i's and crossed the t's and given them their purple passages."⁹⁶ He had a long history as a maverick -- from the time of his lobbying for taxes on insurance companies when these were ruled out by his party to his fight to prevent the Borden government from rescuing the floundering Canadian Northern Railway and his famous assertion that Arthur Meighen was the "gramophone of Mackenzie and Mann".⁹⁷ Tory democracy, the gift-giving paternalistic approach to reform, had great appeal to him. Just as he secretly aided deserving boys so he would secretly plan to aid the Canadian people. In his own naive way, he probably thought that the constitutional justifications would be sufficient and that if only the programs were allowed to operate, they would justify themselves. He was later to argue that his advisors had concluded that the Judicial Committee of the Privy Council decisions allowing federal control of radio and the national airways indicated a change in the status of the federal government. This was certainly a radical change in the direction of Canadian constitutional development -- but Bennett was desperate.

The New Deal, then, is a strange combination of Herridge's ~~dream~~ political program and his election platform, of the results of a petty quarrel between two stubborn Conservatives, of Roosevelt rhetoric and of Bennett's desire to be great -- to be

⁹⁶Gratton O'Leary, "Mr. Bennett, Convert or Realist?" in Macleans Magazine, February 15, 1935.

⁹⁷R. Graham, Arthur Meighen, Vol. 1, (Toronto, 1962), p. 116.

loved -- to be Lady Bountiful to all Canadians.

Most Conservatives were genuinely worried. They had frustrated the expectations of Canadians who had briefly thought the New Deal was a panacea for all problems. They had offended the "big interests" who felt that the New Deal was Fascism, Socialism or worse. They had offended both the relief strikers and the supporters of law and order. Prairie farmers were upset by rumours of the size of government-held surplus stocks of wheat and not even Mr. Bennett was good enough to cure the prairie drought. R.J. Manion watched the nomination of his Liberal opponent, Rev. Dan McIvor and confessed, "Quite frankly, I think he will make a strong run if he does not beat me..."⁹⁸

The party faced its past political mistakes, the post New Deal letdown and the full wrath of the depression and a hostile electorate. Only a major miracle -- a really heroic effort -- could possibly avert total disaster.

⁹⁸P.A.C., R.J. Manion Papers, R.J. Manion to James Manion, July 24, 1935.

CHAPTER THREE: THE ELECTION - OCTOBER 1935

Preparations

The heroic effort had been talked about long before the actual campaign started. Graham Spry of Canadian Forum had already decided the outcome.

An extraordinary and somewhat pathetic detestation of Mr. Bennett is the primary public motive in Canada today. H.H. Stevens lacks the time and the organization needed to persuade farmers to lie down with the small Canadian manufacturers. A nation of shopkeepers may defeat Napoleon but a party of shopkeepers will hardly fool even themselves. The artful (although somewhat overweight) dodger who leads the Liberal Party, ...if not wise, will at any passing moment be safe.¹

The party organization had suffered greatly since the 1930 election. John D. McRae, the organizer of that campaign, and Bennett, had drifted apart when Bennett's offer of a senatorship was not deemed sufficient reward for McRae's efforts.² John R. MacNicol, the national president of the party proved effective at chairing larger meetings and in doing the "figurehead" duties of a president but he was not a good organizer and could not be expected to take the place of a full-time professional politician. The Canadian, the party's magazine, had been most effective in 1930 but it grew less and less inspired and more and more irregular in its appearances.

¹Graham Spry, Canadian Forum, August, 1935.

²P.A.C., R.B. Bennett Papers, July 25 and September 9, 1931.

As the machinery of organization suffered, so did the channels through which money was collected. In 1930, it was estimated that an adequate national headquarters would cost \$3,425.91 per month to operate.³ The Canadian was reputed to cost \$3,930.25 per 16 page issue and the sending of the 250,000 dupligraph letters necessary to keep the faithful well informed, would run to \$3,310.00.⁴ As the depression wore on, expenditures on this level were impossible for the party. Mr. Bennett, using his vast resources, became the chief Conservative financier and was appealed to on every occasion. Late in 1930, John R. MacNicol returned a cheque which Bennett had sent to cover the cost of publishing the account of the Conservative convention that MacNicol had edited. Bennett replied delightedly that this was a "new experience" for him.⁵

Attempts to revitalize finances ran into "Tory cussedness." Arthur Meighen was told,

There is an agreement between the senators representing Toronto and the members of the House of Commons for Toronto that they contribute five percent of their indemnity toward the organization fund of the central association.⁶

Meighen replied that there was no such agreement and that "I propose to contribute what I feel I can and am sending a cheque if and when I can."⁷ -- not one of the master's more

³P.A.C., R.B. Bennett Papers, memorandum on party organization from A.D. McRae to R.B. Bennett, July 28, 1930.

⁴Ibid.

⁵P.A.C., R.B. Bennett Papers to John R. MacNicol, December 15, 1930.

⁶P.A.C., R.B. Bennett Papers, C.F. Calvert to Arthur Meighen, April 22, 1932.

⁷Ibid., Meighen to C.F. Calvert, May 4, 1932.

eloquent phrases but certainly direct.

By mid 1932, many Conservatives were worried. MacNicol pointed out that forty-two Conservative M.P.s had been elected by less than 500 votes and that a further fifteen were actually in a minority of the total vote.⁸ Even this early, he saw the slimness of the party's existing margin and feared for the future. On September 27, 1933, Bennett used a phrase that he would employ again and again during the next two years. "Organization must be commenced at an early date. I have been so greatly pressed with work I have not however, had time to think about it."⁹

Bennett's one man control of his party and his feeling that he had to do everything himself drastically weakened what remained of the Conservative structure. He would not allow any one else real power over finances and constituency organizing. Even petty financial details which a leader should not have bothered with went through his office and were either looked after personally or by Alice Millar or Arthur Merriam from his own staff. Because of Bennett's tendency to centralize everything, other party members were frozen, waiting for the leader who gave them all other instructions, to issue orders for this item too. As they did less and less, they lost prestige until one Toronto supporter could write, "You cannot have a government of 11 statesmen when you have only a gang of 13 politicians to

⁸P.A.C., R.B. Bennett Papers, MacNicol to R.B., May 19, 1932.

⁹P.A.C., R.B. Bennett Papers, R.B. Bennett to John W. McLeod, September 27, 1933.

select from."¹⁰ In 1935 the Conservative cabinet was still useful for organization, but much of its prestige had been undermined.

In August of 1934, some instructions did go out: a monthly bulletin was to be issued; five member poll committees were to be organized; public meetings were to be held. A search was begun for a national organizer. Earl Lawson of Toronto had been considered for the role but, in August 1934, he was still looking for a salary of \$25,000 to recompense him for leaving his Toronto legal practice.¹¹ The party ignored his request.

Pressures grew. Within the cabinet, R.J. Manion began a long and rather futile campaign to persuade Bennett to start a headquarters organization.

It has been all poison and no antidote... No words of mine would express the pessimism I feel. You may give me the reply -- that this is for others to do. If you will permit me to say so, I do not agree with this. You are the leader and you are the only one who has authority to speak in certain matters for the party.¹²

By the end of the year some steps had been taken. Lawson wrote,

I am terribly fed up with the way the poor old Tory party is being kicked around for lack of organized publicity and organization.¹³

He announced that he would be ready to work full time -- free as

¹⁰P.A.C., R.B. Bennett Papers, Robert Reid to R.B. Bennett, August 4, 1934.

¹¹Ibid., Earl Lawson to R.B. Bennett, July 14, 1934.

¹²P.A.C., R.J. Manion Papers, R.J. Manion to R.B. Bennett, August 25, 1934.

¹³P.A.C., R.B. Bennett Papers, December 11, 1934.

of January 3, 1935. Bennett promptly accepted his offer without consulting the cabinet. In the middle of the New Deal excitement, the appointment did not receive a great deal of publicity but it was just one more demonstration to the cabinet that they were largely irrelevant. Manion was heartily annoyed.¹⁴

The New Deal broadcasts were not handled by the revived organization. Bennett even paid the bills himself -- \$10,895.00 to the Canadian Radio Broadcasting Commission and a further \$1,156.80 to J.J. Gibbons Advertising Ltd.¹⁵ This method of payment was going to prove embarrassing later, but, for the time being, it was the only way. By April, sets of the New Deal speeches were being distributed by the National Office. L.W. Sims of St. John, Stephen Leacock, Lionel Conacher, Henry Wise Wood and H.R. MacMillan of Victoria were asked to write prefaces for each of the five broadcasts. No group could have been more expressive of the diversity and scope of the Conservative Party: from the Maritimes to British Columbia, from businessmen to a university professor, from good Tories to a former United Farmers-Progressive leader. The three elements of Canadian Conservatism were almost caricatured by the views of the carefully selected preface writers. One wonders how real the diverse support was. Stephen Leacock suggested in a letter accompanying the preface to the second broadcast, "Please tell him (Bennett) -- I will shed either ink or blood in his service. But I suggest

¹⁴P.A.C., R.J. Manion Papers, R.J. Manion to James Manion, January 11, 1935.

¹⁵P.A.C., R.B. Bennett Papers, letters from Alice Millar to agencies concerned, February 8, 1935.

ink."¹⁶

The party also began developing a sophisticated approach to radio electioneering. In addition to the regular speeches of leaders which would be carried over a series of national and provincial networks, an "unsponsored" soap opera called Mr. Sage made its appearance. In it, Mr. Sage, small town businessman and philosopher gave good advice to his wife, his daughter and her boyfriend, plus anyone else with whom he came in contact. Often the advice concerned politics and often the leader in question was William Lyon Mackenzie King,

He (King) is just like a movie star who's losing her appeal to her public -- afraid that one of her smarter and better-looking rivals will put her nose out of joint.

He talks a lot but somehow it don't help anybody to find out what he means.

King wrote a book -- he wrote it down in the States when he was working for Mr. Rockefeller.

When was that Pa?

The four years Canada was at war.¹⁷

The last unsubtle remarks about King's war experiences were the final straw. The Liberals worked hard through the campaign to discredit Mr. Sage and, after their return to power, passed legislation which ended all political broadcasting of its type.

The staff at headquarters expanded. Lawson acquired assorted private secretaries and R.A. Bell, fresh from university, became general secretary. By September, he was deep in details of special trains and motor cars.

¹⁶P.A.C., R.B. Bennett Papers, Stephen Leacock to Earl Lawson, March 26, 1935.

¹⁷Excerpts from Mr. Sage script in the R.B. Bennett Papers.

Slowly too, money was found to finance the campaign. Appendix A shows some of the details of party financing in the period.¹⁸ It is not complete and cannot be vouched for because it obviously does not include individual candidates' expenditures. There is also no way of telling whether or not it is a complete list of national expenses. The usual large donors were approached and many responded.

However, if the 1935 donation list is compared with the partial list of donations for 1930, some surprises result. The Canadian Pacific Railway which was openly critical of the government's railway policy and which had been forced in 1935 to accept government guarantees for its bond interest does not change its donation. Edward Beatty and R.B. Bennett remained friends through the campaign. However, donations from the Bank of Montreal, Canada Cement, Canada Starch, Dominion Bridge, Molson's and Montreal Light Heat and Power (Sir Herbert Holt) are down significantly from their 1930 levels. Donations from Canadian Car and Foundry, Atlantic Sugar and the Montreal Star disappear completely. It is easy to make much of these changes and to say that Bennett and the party had offended the "big business" interests. This may not be entirely true -- certainly many of the companies involved (like Canadian Car) were in dire financial straits and were in no position to give anyone anything. But it seems logical to assume that the great losses from the Montreal Star and from the Holt interests are indicative of a

¹⁸See also J.L. Granatstein in Studies in Canadian Party Finance, Vol. 2 of the Report of the Parliamentary Committee on Election Expenses, (Ottawa: Queen's Printer, 1966).

loss of interest by the Montreal business community in the Conservative Party, caused, at least in part, by the New Deal speeches and other acts. When the party lost the election, such sources of money were to dry up almost completely.

Fortunately, the party still had its "sugar daddy" in Mr. Bennett. Even in 1935, a national campaign could not be run from the sums collected from "big business". If we accept the donations in Appendix A as typical a large amount of money had to be made up by someone. The provincial and local organizations received most of the small donations and were crying for more. It is probable, then, that by 1935, Mr. Bennett had found himself a very expensive hobby.

Other aspects of campaign organization were depressing as well. Lawson began to travel soon after his appointment and to send back frank evaluations of the provincial situations. From Nova Scotia he reported that Colonel Harrington, the defeated Conservative provincial leader could not be a Nova Scotia organizer because "he persists in refighting the last Nova Scotia election" and "his idea of an organizer's job is to park in the Halifax Club and shake hands with the elite of Nova Scotia." There were four feuding factions in the Nova Scotia party and no meetings of the provincial organization had been held since 1933. Lawson concluded that many were "disinterested, indifferent or hostile."¹⁹ In New Brunswick, there was no central organization. "Each riding is run as an

¹⁹P.A.C. . R.B. Bennett Papers, J.E. Lawson to R.B. Bennett, January 15. 1935.

individual unit by the candidate." Lawson also pointed out that Premier Tilley was planning an election and "My worry is that, if he loses, it will be very serious for us."²⁰ In Quebec, the main problem was lack of newspaper support. The Conservatives were supported by only one French speaking daily L'Illustration which had a circulation of 12,000 and was failing rapidly. The Liberals had eight dailies and thirty weeklies.²¹ Lawson stressed that percentage of constituencies lost or won in Quebec could be the fact in winning or losing the election. From the west came, "It is needless for me to repeat we have no money here. We have no money and there isn't the remotest chance of getting any locally."²²

Support from quarters that could usually be counted on was often limited or lukewarm. Arthur Meighen wrote to Bennett, "I feel somewhat selfish attending to my own affairs up here in Toronto while you have such a giant's task in Ottawa."²³ His feelings showed more clearly in a letter to Rod Finlayson, Bennett's closest advisor, "Thanks for the copies of Mr. Bennett's speeches. The only one that did not seem well advised was the second. Cannot say I agree absolutely with every feature of the first, but certainly it was well designed from the standpoint of an election contest."²⁴ When the campaign was at its

²⁰P.A.C., R.B. Bennett Papers, J.E. Lawson to R.B. Bennett, January 15, 1935.

²¹Ibid., Memorandum, Lawson to Bennett, undated.

²²Ibid., D. Bannatyne to J.E. Lawson, June 4, 1935.

²³Ibid., Arthur Meighen to R.B. Bennett, August 12, 1935.

²⁴Ibid., Arthur Meighen to Rod Finlayson, September 12, 1935.

height, Bennett requested Meighen to address two or three meetings on the prairies. Meighen retired to a legalistic position.

Have advised many candidates and others across Canada that, as senate leader, I should not take an active part in political contest. This I feel strongly and am anxious not to lose influence and impair value of senate. To decline following your request is difficult and disturbing to me.²⁵

Bennett was obviously annoyed. He telegraphed, "I cannot help but think that position you have taken is misunderstood and in my judgement is not only injurious to yourself but unfair to the party."²⁶ Later he wrote,

That you took no part in the election and declined to accede to my not unreasonable request to at least address a few meetings in Western Canada has hurt me more than I can say.²⁷

The two leaders did not really regain their cordial relationship until the calling of the 1938 party convention.

Some cabinet members like R.J. Manion remained constantly faithful and encouraging. He made an expensive cross-country trip and ignored his own constituency. His letters to Bennett were full of campaign advice and reports. On August 14, he wrote urging R.B. not to alienate the railway vote by advocating amalgamation of Canadian Pacific and Canadian National or by speaking for national government.²⁸ On September 1, he suggested

²⁵P.A.C., A. Meighen Papers, Copy of telegram to R.B. Bennett, September 30, 1935.

²⁶Ibid., R.B. Bennett to Arthur Meighen, October 1, 1935.

²⁷Ibid., R.B. Bennett to Arthur Meighen, October 31, 1935.

²⁸P.A.C., R.J. Manion Papers, R.J. Manion to R.B. Bennett, August 14, 1935.

the linking of King to Communism through King's criticism of the handling of the Regina relief riot and through his demands for repeal of Section 98.²⁹ This advice was followed to some extent in the Quebec campaign which depicted Bennett as the only force preventing Communists from killing priests, expropriating land and burning churches. If more of Manion's advice had been listened to, there might have been a few more Conservative members after the election. He was often, however, guilty of serious misjudgement or over-enthusiasm. On September 8 Manion wrote with a chronic complaint and an incredible bit of optimism.

The people merely do not know what the government has done throughout the years of crisis. King (Manion had met him on a train while both were campaigning in the Maritimes) impressed me very strongly that he doesn't care much whether he wins or not, as I think he realizes the seriousness of conditions and does not look toward power with any particular relish.³⁰

Mr. Bennett made four national radio addresses on September 6, 9, 11 and 14, 1935. When they had originally been planned, they were to have been his chief contribution to the campaign. All that changed later in September, however, when the serious problems of the party became obvious. Bennett undertook a trans-continental speaking tour, hurrying from city to city and visiting everywhere from Vancouver, B.C. to Halifax, Nova Scotia to Alexandria, Ontario. The Conservative Party did not issue a formal campaign manifesto. Like so much else, Bennett dominated its ideas. His speeches were the platform and, when they changed,

²⁹P.A.C., R.J. Manion Papers, R.J. Manion to R.B. Bennett, August 14, 1935.

³⁰Ibid., September 8, 1935.

it changed. The speeches showed the three elements of the Conservative but the mixture was very different from the New Deal period. For the traditional strong government, strong empire Tory, there was the promise not to involve Canada in quarrels - "except where Canadian or Empire interest was at stake", the maintenance of Section 98 of the Criminal Code and opposition to socialism ("There is no room in the same country for socialism and liberty.") For the protectionist who wanted little interference with the traditional economic organization at home, protection would be maintained - (indeed it was stated that "abolition would wreck our domestic business and not get us a single dollar more in foreign business") and the maintenance of capitalism - Mr. Bennett stated, "Treat capitalism decently not for its own sake but for your own sake. For it can serve you well." For the Tory Democrat or the believer in the Bennett New Deal, there was little but vague promises to combat unemployment by forcing withdrawal from the labour market of all those who had reached age 60 (this promise was not emphasized after the first week of the campaign - particularly when newspapers began to point out that it would mean the retirement of Bennett, King, two-thirds of the Senate and almost half of the House of Commons), a loan council, federal aid toward educating the children of the unemployed and relief for the private debts of homeowners by extending the benefits of the Farmers' Creditors Arrangement Act.

Even in a list that can be as simply classified as this, there were some contradictions. Tories who were assuaged by the

maintenance of protection would find the vague hints of a Reciprocity Treaty with the United States somewhat unsettling. Doubters, however, were hurried onto a veritable grocery list of platitudes such as: safeguarding the Canadian standard of living by returning agriculture and industry to prosperity, decreasing the national debt, and encouraging better distribution of the products of agriculture and industry.³¹

By September of 1935, then, the Conservative Party had returned to the traditional gospel with a few new additions. The 1932 Empire Trade Agreements were Article Number 1 of Conservative faith and the Stevens Commission and the New Deal both might never have existed. In Mr. Bennett's speeches, there was no emphasis on the controversial legislation and certainly no promise of more. Bennett was hiding his reform Tory Democrat tendencies by October of 1935 behind a respectable mixture of Empire appeals and "big business" Conservatism.

This has sometimes been argued as the final evidence to prove that the speeches and legislation of the January - March period were nothing more than an election gimmick and that, when the gimmick failed, it was discarded. This argument ignores three simple facts. First, it ignores the divisions that the New Deal had caused in the Conservative Party. In order to carry C.H. Cahan and the Montreal business interests with him, Bennett could not continue to stress the New Deal. Second, it ignores the general disappointment felt by Canadians with the New Deal

³¹Based on Bennett's speeches in the campaign as summarized by D.O. Carrigan Canadian Party Platforms 1867-1968, (Toronto: Copp Clark) 1968.

acts. Bennett was obviously guilty of exaggerating the program and the best way to avoid charges of insincerity was to ignore what had happened in the spring. There was no time for a third "retread" of Conservative policy so the tried and true was trotted out again. Third, this interpretation ignores the legal dispute over the New Deal measures. The only way that the dispute could be avoided was to amend the Constitution. The Conservatives were very much aware that, with eight Liberal provincial governments facing them, prospects of a Conservative government being able to do this were very slim indeed. The platform of 1935, then, makes the best of a very difficult situation. If Bennett is to be convicted of insincerity, surely it should be in the fall of 1935, not in January -- and the fall platform is the insincerity of desperation.

Despite the desperate nature of the cross-country tour, it was an unqualified success. Although arrangements were hasty and often late, and a meeting in Edmonton had to be cancelled because King was speaking in town on the same evening, Bennett's audiences were large and enthusiastic and he was able to outshout even the hecklers of Vancouver. His strategy was generally to stress the Section 98 issue and play on fears of Communism in Quebec, to stress the success of the Canadian Wheat Board at keeping prices above U.S. and Argentinian levels in the west and to push Empire and trade pacts in Ontario and the Maritimes. As the Globe commented, "It was an orthodox old time Conservative high tariff speech; a straight appeal for the support of big business and industry. The flag of Toryism was

unfurled to the breeze."³² By October 7, the Mail and Empire could claim,

A fortnight ago, the Conservatives had no real chance of winning at all. Since that time, the situation has undergone a complete transformation.³³

The crowds and the excitement were illusions. On October 14, 1935, the Conservatives were reduced to 39 members, 25 of which were from the Province of Ontario. The Liberals won 171 seats, the greatest election victory in Canadian history up to that time. The new "fancy parties"³⁴ elected 17 Social Crediters, 7 C.C.Fers and 1 Reconstructionist.³⁵ The Conservatives would remain out of power until 1957.

Explaining the Loss

Election post mortems tend to be very wise after the fact and to oversimplify the trends of the election. However, a look at the 1935 election will explain a great deal about the weakness of the Conservative Party in the period 1935-1938, partly because the internal party problems were most obvious in the heat of the campaign and partly because one of the very real weaknesses of the party in these years was the strength of its opponents. Even from the description of the party during the campaign which made up part one of this chapter, it is obvious that the party had certain weaknesses: organization was a

³²The Globe, (Toronto), October 2, 1935.

³³The Mail and Empire, (Toronto), October 7, 1935.

³⁴Saturday Night, (Toronto), October 17, 1935.

³⁵D.O. Carrigan, Canadian Party Platforms, op. cit., p. 117.

problem; money was not as plentiful as it had been; enthusiasm had dwindled during five years in power; platform and leadership (which should have united) divided the party. It is important, therefore, to discover how much of the defeat can be attributed to these factors and how much to the positive appeal of the opposition parties.

On first examination, the Liberal victory appears to be a complete landslide. The party rose from the meagre 88 seat opposition of the fifteenth parliament to form a government based on 171 seats.³⁶ The Conservatives were wiped out in Nova Scotia and Prince Edward Island and reduced to one member per province in Alberta, Manitoba, New Brunswick and Saskatchewan. Quebec's "solid sixty-five" had broken in 1930 to admit 24 Conservatives but reformed in 1935 to reduce this group to five.³⁷ The Conservatives were, for the first time, reduced to an Ontario rump (see Appendices B, C and D).

An examination of the popular vote, however, leads one to the conclusion that the victory was not quite so outstanding and that it was greatly distorted by the vagaries of the Canadian constituency system. The Liberal percentage of the popular vote remained virtually constant in 1926 and 1930 and increased only three percent in 1935.³⁸ The Conservatives, who had made a strong showing in 1925 and 1926, gained further in 1930 but dropped

³⁶A. Normandin (ed.), The Canadian Parliamentary Guide 1936, (Ottawa, 1936).

³⁷Ibid.

³⁸Ibid.

drastically (nineteen percent) in 1935. This nineteen percent loss resulted in a seat loss of almost 100 while the small three percent Liberal gain produced about 80 new Liberal members. One might conclude that 1935 is essentially a negative victory in which the Conservatives merely lost enough seats to allow a majority of Liberals. National voting patterns, however, are never that simple, especially in Canada and overall percentages do not reveal much.

Several localized voting patterns bear close examination: the "safe seat" pattern, the "ins and outs" pattern, the "third party effect" pattern and the "enemy seat gained" pattern, (see Appendix E). The most obvious basis for any political party's support is the "safe" seat, one which has elected one party consistently over a period of time. During the decade 1925-1935, there were four federal elections in Canada and, in these elections, seventy-nine ridings voted Liberal consistently while only thirty-three retained a constant Conservative allegiance. The so-called "solid" support which the Conservatives were supposed to enjoy in Ontario was virtually non-existent during this period and the Liberal "solid sixty-five" in Quebec was clearly revealed as a "solid thirty-nine". Nevertheless, this pattern of "safe seats held" gives the Liberals a very definite advantage.

The next easiest victory for a party is a seat which has elected its members but which has recently (and briefly) switched allegiance. In the case of 1935, one might postulate that some ridings which allowed Conservatives "in" and threw Liberals "out"

in 1930 because of the exceptional economic conditions, returned to their old allegiance in 1935. This pattern is a most effective explanation of the vote in Quebec (where 21 ridings voted Liberal in 1926, Conservative in 1930 and Liberal in 1935).³⁹ It also functions in Manitoba where nine ridings follow the same pattern.⁴⁰ The 1930 election in these provinces can best be seen, I feel, as an aberration from normal voting patterns which lasted for only one election. In the other provinces, however, there is little evidence of the classic "in and out" case. In Saskatchewan where five out of the seventeen seats follow this pattern and in New Brunswick where three out of twelve are affected,⁴¹ it is an aid to Liberal victory. However, only five Ontario constituencies behave this way and there are no examples in any of the other provinces.

A third pattern which frequently results in gains for a political party is the "third party effect" pattern. A splinter party candidate in any constituency will draw votes from all the "main party" candidates. The objective of any "main party" candidate is to raise issues which will either gain him a majority of the very much divided vote or will insure that most of the votes lost to the splinter party come from his opponents' supporters. In the decade 1925-1935 in Canada, "third" party support fell to a low of seven percent in 1930 and rose to a

³⁹A. Normandin (ed.), The Canadian Parliamentary Guide 1936 (Ottawa, 1936).

⁴⁰Ibid.

⁴¹Ibid.

peak of twenty-two percent in 1935.⁴² It would be a vast oversimplification to state that the Conservatives lost fifteen percent of their vote to the "third" parties but it is interesting to note that the three greatest losses in Conservative popular support occur in British Columbia (a 26% loss), Manitoba (a 21% loss) and Ontario (a 20% loss) where third parties are relatively strong having gained 44%, 32% and 20% of the popular vote respectively.⁴³ In the exceptional case of Alberta, where the third party is not really a party at all but rather an all-embracing movement,⁴⁴ both of the old line parties suffer great losses. With this major exception, however, the Conservatives are the heavy losers where third party support is present and there is a definite relationship between a large minority vote for these parties and a Liberal victory in many constituencies.

The most difficult way for any party to gain votes is to woo the voters in a "solid" enemy constituency successfully. In 1935, there were thirty-nine such victories for the Liberals (seats which voted Conservative in 1926 and 1930 but Liberal in 1935). These seats provided the difference between a slim Liberal majority and a comfortable landslide and are certainly the major Liberal victories of the election. If we are to find any positive single reason for the Liberal victory, it will lie in these "safe enemy seats". Unfortunately, there is no definite

⁴²A. Normandin (ed.), The Canadian Parliamentary Guide 1936, (Ottawa, 1936).

⁴³Ibid.

⁴⁴John Irving, The Social Credit Movement in Alberta, (University of Toronto Press: Toronto, 1959).

pattern. Eight of the constituencies are in Nova Scotia, one in Prince Edward Island, five in New Brunswick and twenty-five in Ontario. Certainly it is impossible to conceive of any single election issue or any meaningful combination of issues which would affect all of them. However, these 39 constituencies do provide some key to the election and will be examined in various lights later.

In discussing these voting patterns, we do reach certain conclusions. First, the Liberals held a larger number of "safe" seats than the Conservatives. Second, many seats follow an "in and out" pattern to the advantage of the Liberal Party. Third, there is a co-relation between third party support and Conservative losses. Fourth, the Liberals did present an effective enough campaign to win 39 fairly solid Conservative seats. Bare statistics, however, only sketch the picture. To understand its details, we must turn to the issues, personalities and parties of 1934 and 1935. Only then can we achieve valid conclusions.

Many Canadians would argue that election issues are the least important factor in the voter's decision pointing to such important matters as leadership style, personalities and family political loyalty as major decision makers. Nevertheless, it is on the "issues" (whether they are real or imagined) that a party builds its platform and a leader his speeches and they thus merit first consideration. Because of the pressing problems which faced Canada in 1935, the issues were very real indeed. They included foreign affairs, railway legislation, agriculture, economic reform, constitutional change and, perhaps most

important, tariffs and trade.

One issue which is frequently ignored in this election is foreign affairs. Italy invaded Ethiopia in 1935 and caused fears of war among many Canadians. Such hysteria was particularly prevalent in the Province of Quebec where local political news was virtually driven from the front pages.⁴⁵ The Liberals made little attempt (either in public speeches or in prepared propaganda) to reopen the 1917 military issues but Quebec could see no one in the Bennett cabinet whom it could trust. Arthur Sauve resigned from the cabinet on August 14, 1935⁴⁶ and men like L.H. Gendron, Onesime Gagnon and Samuel Gobeil did not provide inspiring Conservative leadership. None of these men was appointed until late August 1935, an obvious desperate concession which did little to restore the confidence of French Canada. Much Conservative support was lost, then, because of the Conservative's almost traditional weakness in French Canada. The major Conservative theme in Quebec was a constant stress on the dangers of Communism (see Manion's suggestions in part one) but little media coverage and little leadership came from within the province.

The railway issue had badgered Canadian governments since Confederation and continued to do so. The principal issue in 1935 was the huge debt load which the over-extended Grand Trunk, Grand Trunk Pacific and Canadian Northern railways had thrown

⁴⁵See Le Devoir (Montreal) for the period March-September 1935.

⁴⁶P.A.C., Guide to Canadian Ministries since Confederation, pp. 51-53.

upon the Canadian National Railway system. Sir Edward Beatty of the Canadian Pacific offered to take over the nation's entire railway system and rationalize it -- which meant abandoning about 5,000 miles of track and several thousand employees. He was less explicit when it came to discussing solutions to the C.N.R. debt structure and admitted that it meant much unemployment. All politicians realized that the idea would provide no advantage to anyone except the C.P.R. but the Financial Post could still worry about the cost of C.N.R. operations pointing out that, "the C.N.R. so long as it remains the property of the taxpayers can obtain capital on the lending of the taxpayers, the limit of its borrowing being merely the limit of national credit."⁴⁷ The Conservative Party found itself in difficulty -- it did not wish to offend the Montreal interests too drastically yet it wanted to keep its share of the railway vote. R.J. Manion was the only cabinet minister who consistently backed the C.N.R. through the campaign.⁴⁸

Bennett finally settled for the unhappy compromise that railway unification would be investigated by the new Economic Council and that a plebiscite would be held to gain a "clear and definite mandate" before any unification took place.⁴⁹ This really satisfied no one and left most people convinced of Conservative hostility to the government railway. Party factions caused a useless compromise and the Conservatives were damned, not for what Manion had achieved in the Department of Railways

⁴⁷The Financial Post, (Toronto), December 1, 1934.

⁴⁸The Globe, (Toronto), October 19, 1935.

⁴⁹The Toronto Telegram. September 16. 1935.

and Canals, but for the statements of the Montreal business press.

Among the staunchest supporters of government railways were the western farmers. Conservative waffling on the railway issue made farmers suspicious even though government wheat policy had real advantages for them. By 1935 government policy was to guarantee a minimum price through the Canadian Wheat Board. Rather than letting wheat seek its own price level on the international market, prices were deliberately kept high and the Board acted as sole selling agent. Both the Financial Post and the Winnipeg Free Press pointed out the great increase in wheat stocks which resulted from prices higher than those in the United States or Argentina, and attacked "McFarland's (president of the Wheat Board) million dollar gamble in wheat."⁵⁰ Attacks grew more violent when the support price was raised to 87½ cents per bushel. This early experiment in price supports was saved from disaster when a summer drought in 1935 eliminated potential surplus grain and allowed the sale of the stored excess. This combination of luck and good management should have gained votes for the Conservatives. However, the timing was unfortunate. By October 1935 farmers had a tendency to forget the 87½ cent price, remember the drought and elect non-Conservatives. By election time, the Bennett buggy had become a symbol of all the farmer hated. It is therefore doubtful that even \$1.00 wheat would have gained votes on the prairies. The two remaining issues, economic reform and

⁵⁰The Financial Post, (Toronto), July 8, 1935.

trade are probably the key issues of the campaign. Here again, differences between the main parties are often a matter of guess and interpretation. All parties in 1935 were reform parties and the Conservatives, despite their return to a more traditional platform after the New Deal period still hesitantly proclaimed their progressiveness. Mr. Bennett's campaign biographer announced, "Bennett is Conservative by party but radical in his desire to carry on the business of government with a purpose -- a plan that is revolutionary."⁵¹ Unfortunately, for the Conservatives, the Liberals used their acceptance of all the New Deal legislation, charges of lack of sincerity and the constitutional issue. It was easy for King to say that the whole New Deal was in the Liberal platform of 1933 and that he had urged it in Industry and Humanity back in 1918.

The necessity of amending the British North America Act to allow reform, was one of the interesting features of the campaign. The Constitution allowed parties to attack the legality of the New Deal, while accepting its principles and to point out that Bennett had done nothing for four years (1930-1934) and nothing since March to make basic changes in the Canadian system. The opposition all promised action with varying degrees of vagueness, but King's real position is probably better revealed by a letter to Robert Borden after the election which promised, "stability, non-interference with legitimate barriers...and the prevention of provincial inroads upon the federal treasury."⁵² The

⁵¹A.D. McLean, R.B. Bennett, (Toronto, 1934), p. 162.

⁵²P.A.C., W.L.M. King Papers, W.L.M. King to R.L. Borden, November 19, 1935.

Conservatives, because they were the government party and because of the variety of pressures on them, were unable to make vague promises as convincing.

Even when the Conservative Party had broken with its traditional attitude toward interference with capitalism in January of 1935, most of the party had retained a loyalty to high tariffs. All Tories were aware that this stand had been used successfully as far back as Sir John A. Macdonald and were very aware of the great dependence of Canadian secondary industry (and of Conservative supporters) on tariff barriers. The Empire agreements of 1932 which had given Canada "most favoured nation" treatment in British and other Empire markets were pointed to as one of the great achievements of the Bennett administration.

However, behind the scenes, feelers had been projected toward Washington in an attempt to gain concessions there without losing the advantages of the British market. Gaining the agreement would deprive the Liberals of one of their great campaign issues and would prove that the Conservative Party was not a fossilized relic of "Empah". Negotiations dragged however. The first rumours of the agreement had seeped out as early as 1933. Most Canadians were cynical about prospects at all -- certainly about prospects under a Conservative administration. Again the question of sincerity arose and embarrassing questions were asked. The Calgary Albertan commented, "The Prime Minister has given some indication of late that he now favours reciprocity with the United States. This is a great change from the position

that the Conservative Party took in 1911 when Laurier went down on the reciprocity issue."⁵³ The Liberals were able to charge quite effectively that the government was unable to negotiate with the United States because of Bennett's personality, his high tariff propensities, and the Ottawa Agreements of 1932 for which he was largely responsible.

An agreement to negotiate was finally signed on January 4, 1935 and was, naturally, overshadowed by the New Deal announcements. The negotiations, however, dragged on and were still incomplete in September 1935 when Chester Bloom wrote, "I may be entirely wrong but am guessing that the Americans think they have Bennett in a hot corner and are trying to trade him out of his pants."⁵⁴

Mr. Bennett and the Conservatives were neatly trapped: delicate negotiations were in progress and could not be disturbed but, in the meantime, the Liberals and other parties were making political hay while the high tariff sun shone. Bennett made a few statements during his September speaking tour, for example at Windsor. "The two governments are at present seriously engaged in negotiations designed to increase the trade between their countries. We have reason to suspect and do suspect that these negotiations will be successful."⁵⁵ And at Kamloops: "Negotiations between the two governments are

⁵³The Calgary Albertan, August 15, 1933.

⁵⁴P.A.C., J.W. Dafoe Papers, C. Bloom to J.W. Dafoe, September 19, 1935.

⁵⁵The Windsor Star, September 10, 1935.

proceeding well..."⁵⁶ These were colourless and cautious beside the Liberal promise to Saskatchewan, "Mr. Mackenzie King and the Liberals who gave you reciprocity in 1911, only to have Mr. Bennett and the Tories snatch it away from you, pledge themselves to proceed immediately they are given power at Ottawa following October 14, to energetic negotiation with the U.S. for a mutually advantageous Reciprocity Agreement."⁵⁷ Certain pamphlets even hinted that, "President Roosevelt is awaiting the outcome of the Canadian election on October 14..."⁵⁸ The campaign speeches and the Liberal newspapers firmly backed this stand up all through September of 1935, as in the Winnipeg Free Press, "The suggestion that Canada cannot expand her export trade because all markets are closed, is untrue."⁵⁹

The Conservatives emphasized the favourable balance of trade which Canada had achieved and pointed out that trade with the United States was up \$130,000,000 and that trade with the Empire had increased by \$100,000,000.⁶⁰ Nevertheless, their efforts to negotiate a trade treaty made it seem that they did not quite believe their own policy and the strong Liberal attack was popular -- especially in the West and the Maritimes.

It is almost impossible to evaluate the effect of issues on any individual group of voters and even more difficult to do

⁵⁶The Calgary Albertan, September 25, 1935 in Ibid., p. 42.

⁵⁷Saskatchewan's Big Opportunity, (Regina: the Saskatchewan Liberal Federation), p. 3.

⁵⁸Reciprocity with the U.S., (Regina: Saskatchewan Liberal Federation), p. 2.

⁵⁹Winnipeg Free Press, September 21, 1935.

⁶⁰The Montreal Gazette, February 14, 1935.

so in 1935 because of the complexity and vagueness of many of the items discussed. However, the Liberal Party had certain definite advantages. It had a long tradition (whether justified or not) of "protecting" the rights of French Canada and of maintaining strong leadership in that section. Although it had not created the government railways, it had guided them through their formative years and could genuinely claim to be the "protector" of the C.N.R. The Conservative agricultural policy certainly lost newspaper and voter support in the urbanized areas without attracting the kind of agricultural bloc that John Diefenbaker would gain twenty-five years later. Finally, although Bennett was probably quite sincere in his economic and trade reforms, he committed the ultimate political blunder. He appeared insincere and vacillating.

These issues, however, do not explain the thirty-nine constituencies which changed from "solid" Conservative to Liberal, (see Appendix E). Twenty-five of these were in Ontario, the province which supposedly benefited from protective tariffs. Many of them were in smaller industrial centres with weak secondary industry -- just the areas which should (if they voted with any logic) support a dual policy of high tariffs and industrial reform. In these areas, it would seem that the issues had little real effect. Perhaps like many Canadians caught in the depression trap, these voters simply took the easy way out and voted "again" the government. Perhaps the answer to these constituencies and part of the explanation as a whole might lie in the organization, leadership and aid available to each of the

five parties in the election.

Escott Reid comments that, "The Conservative Party was the urban party, the Liberal Party was the rural, for the safe Conservative seats were half urban, the strong units were much more than half urban, while in the Liberal Party, the urban units contributed only two-fifths of both the strong and safe seats."⁶¹ Despite some contradictions between the facets of Canadian Conservatism discussed in Chapter one, all three gave the party a primarily urban appeal. Protectionist sentiment and Big Business Conservatism existed primarily in the large urban centres or those smaller Canadian cities which were dependent on secondary manufacturing. Tory Democracy had little if any relevance to most farmers even though some of its products (like the Canadian Wheat Board) were helpful to them. Most Canadian farmers of the 1930's sought a return to the laissez-faire staple economy which had brought prosperity between 1900 and 1920 and resented government "hand outs" even though they accepted them. The third facet of Canadian Conservatism, Empire loyalty and strong government had appeal to both urban and rural groups but was not a sufficiently strong rural appeal to provide the party with anything more than a "rural wing" to an essentially urban movement.

If a Canadian in any one of the urban constituencies who had voted Conservative in 1930 was shopping for a new allegiance in 1935, he had the widest choice in Canadian history. In addition to the Liberals and the few independents, three new

⁶¹Escott Reid, Canadian Political Parties in Contributions to Economics, vol. 4, (Toronto 1933), p. 38.

political parties had appeared on the scene. Two were centered in the West: one attempting to combine the principles of British industrial socialism with those of agrarian progressivism, and the other rooted firmly in the western evangelical tradition with a gloss of A plus B radicalism hiding its essential conservatism. The third party was an even stranger beast. Harry Stevens, bolting the Conservative Party desperately in July of 1935, announced that he would attempt a "Basic Reconstruction" of the economic system based on control of "big" business and the encouragement of the old-fashioned small firm. The effects of the Reconstruction Party vote partially explain the 1935 voting pattern and are an interesting study in their own right.

Many people were prepared to take the party very seriously during its first months. Le Devoir commented, "L'entrée de M. Stevens dans la mêlée, quoi que l'on pense de l'orientation qu'il veut donner à son nouveau parti, brouille les cartes d'une façon dangereuse pour la stabilité des deux partis anciens."⁶² Stevens and his group promised to better the unemployment situation, nationalize the central bank, end "excess profits and write downs", write down the debt of the Canadian National Railways, oppose the sale of the C.N.R., transform the jails, give effect to the Hyndman Report on veterans affairs, make full use of the existing powers under the British North America Act before seeking others, provide employment for youth, effect the Price Spreads and Mass Buying Commission's recommendations via a Federal Trade and Industry Commission, fix prices for farm products and consult

⁶²Le Devoir (Montreal). July 8, 1935.

the people before committing Canada to a war.⁶³ Common newspaper reaction to the program is most eloquently expressed by the Arch Dale cartoon in the Winnipeg Free Press depicting Stevens as the new Santa Claus.⁶⁴

Warren K. Cook became the party's national organizer and, by September 20, 1935, there were Stevens clubs and candidates in most ridings in Eastern Canada and British Columbia. R.J. Scott and H.H. Hannam of the United Farmers of Ontario, announced that they had "commended" the organization to Ontario farmers,⁶⁵ although Grant Dexter reported that this support meant "virtually nothing".⁶⁶ Some financial aid was received from trade organizations like the Retail Hardware Merchants Association and the Independent Grocers' Federation⁶⁷ but many held aloof and the Stevens' campaign in its later stages reportedly suffered from a great lack of financial backing.⁶⁸

Since the party gained only one seat, it could be written off as an odd movement led by "une espèce de Billy Sunday, pittoresque, energetique, opportuniste..."⁶⁹ However, the party did gain the largest third party popular vote, winning 389,708 of the votes cast. Despite all its weaknesses, it had a major effect on Conservative voting strength. If the Conservative

⁶³The Financial Post (Toronto), September 21, 1935.

⁶⁴The Winnipeg Free Press, July 16, 1935.

⁶⁵The Montreal Gazette, July 15, 1935.

⁶⁶P.A.C., J.W. Dafoe Papers, G. Dexter to J.W. Dafoe, July 19, 1935.

⁶⁷The Globe (Toronto), August 8, 1935.

⁶⁸Winnipeg Free Press, September 29, 1935.

⁶⁹Le Soleil (Montreal), July 9, 1935.

Party had gained all the Reconstruction Party votes, it would have retained eighteen ^{additional} seats in Ontario, nine in Quebec, five in New Brunswick and six in Nova Scotia (see Appendix F). The Liberal Party, on the other hand, would have gained only eight seats if it had obtained all the Reconstruction votes. With the exception of two Toronto seats, the ridings lost by the Conservatives tend to be in areas which contain medium-sized and small cities like Brantford, Peterborough, Renfrew, Arnprior, Hull and St. John, New Brunswick. Obviously the Reconstruction Party's appeal was to the independent merchants and manufacturers who dominated electoral thinking in such areas. When these constituencies rebelled, enough people voted Reconstruction to defeat the Conservative and elect a Liberal. R.J. Manion's experience was typical of many Conservatives. Several days after the election he wrote, "As Sir John A. Macdonald once said, 'The people have a right to be wrong'. I was beaten by Chapple's [a prominent local merchant and Reconstruction candidate in Fort William] votes in Fort William. He got 1900 and I lost by 700."⁷⁰ Manion's experience was shared by many unhappy "safe seat" Conservatives.

It is also interesting to examine the list of constituencies which voted Conservative in 1926 and 1930, but Liberal in 1935 and to compare it with the thirty-eight constituencies where the Conservatives were severely affected by Reconstruction votes. Three constituencies in Nova Scotia, four constituencies in New Brunswick and nine constituencies in Ontario appear on both lists

⁷⁰P.A.C., R.J. Manion Papers, R.J. Manion to James Manion, October 17, 1935.

(Appendices E and F). There is, then, a definite co-relation between "solid" Conservative constituencies turning Liberal and the strength of the Reconstruction vote. In sixteen of the thirty-nine solid constituencies (Appendices E and F), the Conservatives could have won if they had received all or a large part of the Reconstruction vote. Perhaps this, too, is a partial explanation of the Liberal victory but certainly not one which involves much positive Liberal appeal.

The Co-operative Commonwealth Federation polled 386,484 votes in the election and, because its voting strength was slightly more concentrated than that of the Reconstruction Party, managed to elect eight members. In 1935, it presented a relatively doctrinaire socialist platform advocating, as had the Regina Manifesto, "the restoration of an equitable relationship between prices of agricultural products and those of other commodities and services, and the improving of the efficiency of export trade in farm products."⁷¹ To achieve this, the C.C.F. promised "a planned socialized economic order to lessen inequalities of income", a government-owned railway network, abolition of the Senate, a complete revamping of the British North America Act, a labour code, a national health plan, and international economic co-operation "to avoid all Imperialist wars."⁷²

Despite its obvious attempt at agrarian appeal, the party

⁷¹"The Regina Manifesto" in Dean McHenry, The Third Force in Canada (Berkley, 1950), p. 273.

⁷²The Financial Post (Toronto), September 21, 1935.

elected only two members in Saskatchewan, returned two former Labourites under the new banner and captured three other seats in British Columbia, two of which were in the Interior. The party had some effect in the rest of Canada. If the Conservatives had gained all the C.C.F. votes, they would have carried ten additional constituencies and if the Liberals had achieved the same feat, they would have had seven more. However, one of the Ontario seats which the Liberals could conceivably have won, was Peel -- which any inhabitant of the "Banner County" in the 1930's would admit was entirely impossible. Thus, any attempt to see a major swing from either the Liberals or the Conservatives to the C.C.F. is doomed to failure. The party made most of its gains from the groups it had displaced or from constituencies which probably would not have elected "main party" members.

The Social Credit Party did not organize a federal campaign until early in September of 1935. It had no real national organization -- indeed no national leader -- and its appeal was limited almost entirely to Alberta. Running on a platform virtually identical to that of the provincial movement,⁷³ the party gained 187,045 votes and elected seventeen members -- a clear example of what concentrated voting strength can achieve under the Canadian constituency system.

To generalize about third party appeal and third party effect, then, is difficult. Where the parties do have an effect, they damage the Conservative government rather than the Liberal

⁷³John Irving, The Social Credit Movement in Alberta (Toronto: University of Toronto Press, 1959), pp. 349-352.

opposition. Mackenzie King did not have to spend the late 1930's as he had had to spend the 1920's, wooing recalcitrant "Liberals in a hurry."

The Liberal Party of Canada was in an excellent position in 1935. It could take vague sounding stands on issues because it did not have to formulate legislation. It could exploit the divisions in the Conservative Party without really creating rifts in its own membership. As we have seen, it stood to benefit and did benefit from the "third party effect" voting pattern. It had adopted a brilliant strategy in accepting the Bennett reforms of 1935 but criticizing their constitutionality, their tendency to centralized control and "dictatorship". It had issued a reform program advocating nationalization of the central bank, a balanced budget, a "preservation of the integrity" of the Canadian National Railways, free speech and the supremacy of Parliament, continuous resource development, "peace and goodwill among all men" and some form of reciprocity with a corresponding reduction in tariffs.⁷⁴

There were definite rifts in the structure of the second national party too. The Vancouver Province stated, "King is already so far right that it is almost ridiculous to call him a Liberal anymore and the Liberal radicals like Ian Mackenzie and Gerry McGeer, who still consider themselves as of his party, range so far afield that he can hardly see them."⁷⁵ Nevertheless, the rifts were not as severe as those in the Conservative Party.

⁷⁴The Financial Post (Toronto), September 21, 1935.

⁷⁵The Vancouver Province, January 12, 1935.

More important, there were rifts between men of some idealism and a man who was willing to stand in the middle of any issue, to compromise constantly in the hope of achieving a national consensus.

Throughout the 1930-1935 period, the Liberal Party through the National Liberal Federation had been building up an exceedingly efficient organization. Vincent Massey and Norman Lambert were largely responsible for the effective and loyal groups of workers gathered in local Liberal organizations and in groups known as Twentieth Century Clubs across the country. In addition, the string of Liberal provincial victories from 1933 to 1935 increased the prestige and membership of the National Liberal Federation.

Only two problems marred a peaceful scene: lack of money and certain personal animosities which created difficulties. The Liberal campaign, as seen in the newspapers of 1935, was obviously of lower cost than that of the Conservative Party. Full page advertisements were fewer and mentions of leaflets etc. were rarer. The Canadian Liberal Monthly for the period is a brash, blantly biased, but well written political magazine, inexpensively printed and containing only about sixteen pages. It was withdrawn during the summer of 1935 to free more funds for other literature. Certainly the depression did affect Liberal finances.

Despite the outward appearance of solidarity, there was a definite friction between King and Massey during most of the period. King had encouraged the formation of the National Liberal

Federation, indeed he confided to his diary on November 10, 1931, "When I contemplate what it will mean to lead the party, with no organization for a campaign or between campaigns, I well nigh despair of the result."⁷⁶ King and Massey disagreed on the exact purpose of the National Liberal Federation. Massey felt that it should be a separate organization devoted to political discussion and education, while King wanted its activities restricted to constituency organization and propaganda. King won the fight and remained suspicious of Massey. In September 1935, when the Liberal Party appeared to be in some difficulty, Grant Dexter of the Winnipeg Free Press was asked to write a brief personal biography of King. King, fearing that Massey was attempting to pry into his personal life, insisted that he be allowed to censor the story.⁷⁷ When Massey and Norman Lambert objected, Dexter was treated to "the damnedest row you ever heard of with Lambert losing his temper and King delivering ultimatums."⁷⁸ Dexter continued,

King told me quite frankly that Massey thinks he is lazy. Mr. King returns the compliment telling me with some bitterness that all Massey ever did was to inherit a fortune and live a life of cultured ease. Between the two of them, Norman (Lambert) is likely to go crazy. Lambert says the party hasn't got any money and cannot finance the campaign unless it is raised. Mr. Massey won't stir a hand and Mr. King won't see any of the wealthy people who have been brought around, apparently by Senator Raymond at Norman's instigation. So Norman has gone to Toronto to resign and to issue a public statement

⁷⁶P.A.C., W.L.M. King Papers, Diary, November 10, 1931.

⁷⁷See Saturday Night (Toronto), September 21, 1935.

⁷⁸P.A.C., J.W. Dafoe Papers, G. Dexter to J.W. Dafoe, September 3, 1935.

saying the whole thing is impossible. This, of course, is just the Lambert way of showing temperament.⁷⁹

One should not overemphasize what is, in reality, just an interesting campaign sidelight. Despite the minor personal conflicts and shows of petty temperament, there were no truly violent public clashes in the Liberal ranks. W.L.M. King accurately summed up his election ideas and general attitude when he stated, "Definiteness may become a restricting thing instead of something which really enables us to meet a situation in a comprehensive way."⁸⁰ King, the expert manager and manipulator was in his prime when faced with an opponent who made pompous and "definite" statements. The Liberal Party made no such commitments and stood on its March 1935 position, "The Liberal Party approves the principle of the social legislation thus far introduced and desires to see it in operation. We refuse to be manoeuvred into a position of opposition of this legislation. We refuse also, by voting against this legislation to raise directly the issue of provincial rights."⁸¹ While not an inspiring position, it spared the Liberals a good deal of internal strife and effectively prevented opposition obstruction of reform from becoming an issue.

Because of the relative vagueness of the Liberal platform, the party gained wide support in most sections of Canada. This

⁷⁹P.A.C., J.W. Dafoe Papers, G. Dexter to J.W. Dafoe, September 3, 1935.

⁸⁰Liberal Party of Canada, The Liberal Way (Toronto, 1934), p. 278.

⁸¹Canadian Liberal Monthly, (Toronto), March 1935.

trend toward a firm basis of support in most areas was aided and abetted by the interference of the provincial Premiers in federal politics -- in some cases for the first time.

The provincial Premier occupies an anomalous position in the structure of Canadian politics. He is elected as the representative of a national and yet a provincial party. His organization is frequently used by both federal and provincial sections and his views are often influenced by the federal party. However, he must sometimes fight government at the federal level because of ideas or policies detrimental to his section or province. For this reason, provincial Premiers have often remained inactive during federal election campaigns or have conceded only grudging co-operation. Frequently one major party is in power at Ottawa while the opposite retains control of the key provinces. 1935, however, is unique in that the Liberal Party was solidly ensconced in every provincial capital but two, Manitoba where John Bracken remained a friendly "Liberal Progressive", and Alberta where both older parties had been virtually wiped out by the Social Credit movement.

In all but two provinces (Manitoba and Quebec) the governments were new and had been elected on radical-sounding platforms. The provincial leaders ranged from vigorous young politicians like Mitchell Hepburn, T.D. Pattullo and Angus L. Macdonald to older reformers like W.M. Lee, A.A. Dysart. In almost every province, the Conservative Party was beaten and discredited -- indeed their largest provincial representation was the Toronto-based Ontario Conservative rump under George S. (he ploughs a straight furrow)

Henry.

A singular chance for federal-provincial party co-operation existed. Although the new provincial leaders might not have approved of all the policies of Mr. King and the federal party, they disliked the Bennett administration even more. The climax of their support came on October 8, 1935 at Maple Leaf Gardens in Toronto where a rally which "packed the arena to its very roof" heard "good wishes" from eight provincial Premiers read and Mackenzie King make one of his better campaign speeches.⁸²

With the exception of Mitchell Hepburn, none of the provincial leaders toured extensively and whatever influence they had remained strictly within their home provinces. The initial gleam was already wearing off the Pattullo administration in British Columbia. The Vancouver Province commented, "The Liberal Party from Mr. Pattullo down, was more intent, during its whole period of opposition, upon getting back into office than making itself fit for office."⁸³ Pattullo's promised Public Utilities and Highway Commission had been quietly dropped; the government had decided that it could not spend \$15,000,000 per year on public works without federal aid; and British Columbia's "railway to nowhere", the Pacific Great Eastern, still remained a drain on the treasury. The government could justify itself only by saying that things were in a "state of flux"⁸⁴ and by intimating that Mr. King might come to the rescue.

⁸²The Globe (Toronto), October 9, 1935.

⁸³The Vancouver Province, March 5, 1935.

⁸⁴Ibid., October 20, 1934.

However, Mitchell Hepburn, the exuberant new Ontario leader, was imported to compensate for any dissatisfaction with the local machine.

Bruce Hutchison reported the Hepburn Vancouver meeting in ironic and pointed style, "Hepburn's long-heralded speaking tour which was to stiffen up Liberal candidates in this province and show the public that the Pattullo government had a powerful friend and cohort in the east, turned out, confidentially speaking, a record-breaking flop."⁸⁵ While the Pattullo government was planning to borrow \$15,000,000 per year for public works, Hepburn warned against borrowing; while the B.C. Liberals wanted to fix agricultural prices, Hepburn warned against it; while Pattullo attempted state paternalism, Hepburn attacked any form of socialized capitalism and criticized Bennett's "paternalism gone mad". Hutchison continued, "Quite evidently, Mr. Hepburn didn't know what he was doing. Quite evidently, he had never heard of the Pattullo government's program. Quite evidently, he was under the illusion that he and B.C. Liberalism belonged to the same political faith."⁸⁶

With the exception of Alberta, the prairie provinces provided an important Liberal centre. The Saskatchewan government had been in power for over a year and the famed Gardiner machine was already well oiled and in action. The Liberals gained five seats all from the Conservatives, but none of these were particularly solid Conservative seats -- they had all voted Liberal

⁸⁵The Vancouver Province, March 5, 1935.

⁸⁶Ibid.

in 1926. In Manitoba, despite his one personal appearance on the public platform with King, John Bracken did very little real campaigning.

As we have seen, twenty-five "solid" Ontario constituencies which had voted Conservative in both 1926 and 1930 changed allegiance in 1935. The Reconstruction Party had a definite effect in nine and some effect in others. In the other sixteen, the combination of Mitchell Hepburn's effective organization and his enticing personality was important. A sizable percentage of the federal ridings which switched allegiance had also done so provincially in 1934.⁸⁷ In addition, the people of Ontario who wanted to vote against the government had only one alternative. Social Credit was non-existent outside Alberta and, except for certain working-class ridings, the C.C.F. was little stronger. By October, the Reconstruction campaign was faltering for lack of funds. We should also remember the innate two-partyism of the central province, broken only briefly by the agrarian rebellion of the 1920's, war pressure in the 1940's and Liberal provincial weakness in the 1960's. For all these reasons, Ontario voted Liberal.

The Taschereau government in Quebec was split by factions but, fortunately for Mr. King, both factions were loyal to the federal Liberals. As Le Devoir commented, "L'Action Liberale Nationale salue tout d'abord Mm. King et Lapointe comme ses chefs. Mm. Taschereau et Bennett sont des Tories."⁸⁸ The reversion to

⁸⁷It is difficult to compare federal and provincial ridings exactly because of the differences in boundaries but there are many similarities in areas of Liberal support.

⁸⁸Le Devoir (Montreal), April 28, 1935.

older voting patterns, the appeal of Ernest Lapointe and the lack of French Canadians in the Bennett cabinet, probably explain the Quebec result better than the "voter appeal" of Taschereau.

In the Maritimes, we are faced with much the same situation as in Ontario. Five of New Brunswick's and eight of Nova Scotia's "solid" Conservative ridings changed to Liberal representation while, in three and four ridings respectively, there is a real Reconstruction Party effect. The New Brunswick election had been especially violent -- even to the extent of a Ku Klux Klan attack on A.A. Dysart⁸⁹ -- and doubtless this played an important part in the federal election. The Macdonald government in Nova Scotia had made a genuine attempt to find solutions to provincial problems via the Jones Commission and other investigations and, although it was two years old, it was still popular. In Prince Edward Island, the soon to be fatal illness of W.M. Lea prevented any active campaign but his thirty to nothing victory in July 1935 on a platform of strict economy certainly impressed and influenced voters.

Thus, the provincial elections and Premiers had some effect on the federal sphere in Saskatchewan, Ontario and the three Maritime provinces. The provincial parties were most valuable in areas where they had just gained victory where a grateful provincial member could contribute an active constituency organization, a group of enthusiastic workers and a generous infusion of newly-won patronage. Certainly other factors are important as well, and any idea that "King rode to power on the

⁸⁹Le Devoir (Montreal), June 28, 1935.

coat-tails of the provincial premiers" seems at best an oversimplification.

The election campaign did not officially begin until late August of 1935. In reality, however, it had been fought for over a year. The "Little General Election" of September 24, 1934, had presented virtually all the issues to a select audience in five Ontario constituencies. The result had been an overwhelming defeat for the Conservatives -- except in Toronto East where the personality of Tom Church and a radical-sounding, Stevens-oriented campaign produced a close win. Conservative popularity increased after the New Deal announcements in January, but any political advantage gained from them was lost by the ineffective legislation and Bennett's long illness. Despite encouraging attendance at Bennett rallies and a rather dull Liberal campaign, the election result followed that of the Little General Election very closely.

What really caused the Liberal victory? The Liberals possessed a more efficient organization, but the Conservative campaign was more expensive and far-reaching. The Liberals promised reform but so did every other party in the campaign. Mr. King was never forceful and never stated that he knew the answers to the Canadian dilemma -- a strategy very unlike that successfully used by Aberhart, Hepburn and even R.B. Bennett. Perhaps the chief reasons lie in the Conservative Party itself. First, there was a general distrust of the Conservative government which had broken with its past -- the opposition charges of a death-bed conversion to radicalism and reciprocity had an

effect on the voters. Second, there was a general fear of government control and dictatorship -- the Canadian people in the 1930's were largely orthodox in their economic thinking and distrusted any deviation from the traditional pattern of government participation through private enterprise. Third, there was a definite splitting of the Conservative vote by the Reconstruction Party in particular.

Equally important though, is the positive appeal of the Liberals. The party was operating from a larger number of "solid" seats than were the Conservatives. Quebec saw a safer kind of government in the Liberals, especially if the potential foreign affairs crisis occurred. The prairies were unimpressed by the Conservative agricultural and railway policies and, in the words of J.W. Dafoe had, "a very general feeling that something better might come out of a shakeup."⁹⁰ The Liberal Party definitely benefited from its long advocacy of reciprocity and freer trade even though it had done little to put any of its trade nostrums into effect. Most outstanding of all, Mackenzie King, the manager, had kept his party united while Bennett, the leader, had shattered his. The Canadian people, while willing to accept varying kinds of radicalism within their own sections proved that the national concensus had to be essentially Conservative. Once again, the tortoise had overtaken the hare.

The Conservative Party emerged from the election badly bruised. Eight of eighteen cabinet ministers had retired before the battle and five more were defeated. Mr. King's post election

⁹⁰P.A.C., J.W. Dafoe Papers, J.W. Dafoe to G. Dexter, October 20, 1935.

statement was gleeful,

The wholehearted co-operation of the Liberal premiers and governments of eight of the nine provinces was an exceptionally significant feature of the campaign and one which may be expected to contribute in no uncertain way to the solution of many of our country's perplexing problems... Canadians have had enough of 'blasting methods' and of the 'iron heel'.⁹¹

Many Conservatives were horrified at the extent of the loss. In his letter to all Conservative candidates, Bennett stated that, while he had not expected to win, he had not envisaged the extent of the loss.⁹² Manion wrote,

Six months ago, I should have expected just what we received on the fourteenth but Mr. Bennett's magnificent campaign and the apparent change in the feelings of the people made me think we might get the largest group.⁹³

Even during the campaign, Mr. Bennett's leadership was somewhat discredited. At the start, the whole strategy was built around the leader's personality. The Quebec papers screamed "Votez pour Bennett"⁹⁴ or "Bennett Parle ce Soir"⁹⁵ while English Canada was urged to "Stand by Canada and the pilot who weathered the storm."⁹⁶ About the time that Mr. Bennett was

⁹¹The Globe (Toronto), October 15, 1935.

⁹²P.A.C., R.B. Bennett Papers, Copies went to all Conservative candidates during the two weeks after the election. A similar statement was included in most letters that went out to well-wishers after the election.

⁹³P.A.C., R.J. Manion Papers, R.J. Manion to Paul Manion, October 17, 1935.

⁹⁴Le Devoir (Montreal), October 2, 1935.

⁹⁵Ibid., September 3, 1935.

⁹⁶Ibid.

beginning his transcontinental tour, however, tactics underwent a subtle change. The Globe noted that the "Vote Bennett" signs had been changed to "Vote Conservative" and facetiously suggested that, "there must be a difference."⁹⁷

After the election, the press grew even more unmerciful. In its post-election review Saturday Night said that Conservatives were pointing to a "breakdown of organization". What they really meant the paper said, was a breakdown of "liaison" -- especially with Mr. Bennett. It continued, that a successful dictator must dramatize himself and admitted that Bennett did this but warned that Bennett had failed to maintain the "perfect hierarchy of organization" also necessary to dictators. It then hit home,

The party has now several years of leisure to reconstruct itself, free from the domination of any of the conspicuous figures who have brought it to its present humiliation.

The following week, it again reminded Mr. Bennett,

We question whether the interests of the party will be served by his remaining at its head during the process of reorganization which it must now undergo.

Just to complete its work, Saturday Night suggested that Bennett would go down in history as "poor in co-operation" and a "failure as a human being".⁹⁸

The Liberals too had their problems. Four months after the election, Escott Reid was suggesting that they would probably divide on the issue of sanctions against Italy and over the attitude to be taken to the Ethiopian invasion generally. ~~He~~

⁹⁷The Globe (Toronto), September 11, 1935.

⁹⁸Saturday Night, October 19 and October 26, 1935.

He also argued that, because there were many reactionaries in the party, there might be problems over domestic policy as well.⁹⁹

The Conservatives had to be in a position to exploit enemy weakness if and when it showed up. More important, they needed to develop strength of their own. Bennett had waved the Union Jack and stressed Empire connections too strongly for the taste of the Tory Democrat element of his own party and had been trapped by his sudden shift to the New Deal (which offended all Conservatives except the Tory Democrats) and to the attempted Reciprocity Agreement (which gravely offended protectionists). The three elements of the party, then, were sharply divided on social and economic policies and had some arguments in the areas of railways, foreign affairs, and Dominion provincial relations. Only a master juggler or the suavest of conciliators could restore unity and strength. R.B. Bennett was neither juggler nor conciliator.

⁹⁹Escott Reid, "The Canadian General Election of 1935 and After", American Political Science Review, Winter, 1936.

CHAPTER FOUR: THE OLD WARRIOR PERSEVERES

Party Organization

Advice from magazines was cheap. So were the many words of condolence which reached party headquarters and the many defeated candidates in October and November of 1935. The party needed not just words but new organization, new policies and new leadership. It needed to shed the image that it had created; to escape from the idea that "Tory times were hard times" and to leave behind many of the "big interest", anti-C.N.R., "iron heel" characteristics which were so effectively exploited by its enemies. It had to do this while maintaining its pro-Empire, strong leadership stance so as not to offend traditional Tories; its high tariff pro-business attitude so as not to provoke its urban leaders, and its Tory Democrat image, still slightly burnished from the New Deal, so as not to lose those Canadians who were attracted to "Progressive" Conservatism. Unfortunately, the party kept the same organization, policies and leader that it had presented in the 1935 campaign. Ironically, for three years, there seemed little else it could do.

R.B. Bennett dominated the public party during the 1935-1938 period to a greater extent than he had while the party was in government. At least while in office, there had been some ministers with the prestige and power to take independent action. Now Manion, Gordon, Hanson and others were gone. The senior ministers had almost all resigned before the election. The

Conservative Party rump was decidedly lacklustre. Bennett's reaction was the same as it had been in the 1935 emergency. He "saved his party" by a magnificent one-man show which looked impressive as long as he was there but failed to win new converts or to build for the future. As Manion commented acidly,

R.B. is the whole opposition and Fred Mears tells me that some inquisitive and idle fellow counted up the columns of Hansard, and finds that R.B. has used forty-seven percent of the space since the House opened.¹

Such an opposition was effective in mocking the defects of government policy. It was not effective in having them corrected because of the government's overwhelming majority. It was not effective in gaining newspaper support because the press gallery soon tired of Mr. Bennett and craved fresh faces and fresh speeches. Worst of all, it was not effective in creating either party loyalty or support for some new leader. Bennett could have been a kingmaker had he chosen. Instead he smothered his party. Resentment in the party grew. Harold Daly wrote as Bennett left for his round the Empire tour in the summer of 1936, "If the damn lions would only eat him."² More damagingly Manion reported a current item of gossip to his son nine months later,

Borden recently, like the rest of us being tired of all this talk of doctors told someone that he (Bennett) should s--- or get off the pot. Rather strong for the dignified Borden tho' quite appropriate.³

The Conservative Party could not live with Mr. Bennett.

¹P.A.C., R.J. Manion Papers, R.J. Manion to James Manion, August 9, 1937.

²Ibid., Harold Daly to R.J. Manion, August 11, 1936.

³Ibid., R.J. Manion to James Manion, May 9, 1937.

Unfortunately, because it was so much a one-man operation, it could not live without him either. In answer to speculation that he might take over, Manion wrote in 1937 with less than his usual honesty but with a sure eye as to what the situation really was.

I don't want the damn job ---. Really, I hope that Bennett stays, as I think he will, and carries around the rump of the party that he wiped out to a large extent. It would be an almost impossible job to bring it back to life anyway.⁴

Mr. Bennett ended the 1935 campaign a very bitter and disillusioned man. The heroic effort had not worked and, worse still, it had whetted his appetite by leading him to think that the Canadian people were accepting his party when, in reality they were merely curious to see a Prime Minister or a Bennett performance. In particular, Bennett blamed Stevens for the disaster. He complained,

I was warned when I took him into the government after his defeat as to what his real purposes were... While I was in England, he was intriguing against me and had the effrontery to say that 76 members of the last House desired to oust me to make way for him.⁵

Bennett's determination hardened. Stevens would not be readmitted to the party. Stevens was to have no opportunity to gain the leadership which Bennett thought he wanted. In his own mind, he was already deciding to stay until a "suitable" successor could be found. By February 15, 1936, it had become almost an act of charity, "I am only remaining with my party this session

⁴P.A.C., R.J. Manion Papers, R.J. Manion to James Manion, May 9, 1937.

⁵P.A.C., R.B. Bennett Papers, R.B. Bennett to Eccles Gott, November 4, 1935.

because I could not possibly leave our friends under the condition that existed."⁶ Unfortunately for the party, Bennett began to consider himself merely a figurehead keeping the party together and leading it valiantly in the House of Commons. As before the election, he refused to take any really concrete steps toward a restructuring of either policy or organization assuming probably, that this work would be done by the new leader when he was found. Because of the party's shattered condition, it had no real choice but to accept this kind of leadership and hope that things would improve.

The real disaster for party organization came when Mr. Bennett began to insist that he could not foot party bills any longer and that it was time the party stopped depending on him for everything. This phase began in January of 1936 when embarrassing questions were raised in the House of Commons about bills for the campaign radio broadcasts. It emerged that Mr. Bennett personally owed the Canadian Radio Broadcasting Corporation \$11,397.64 for broadcast time. Bennett was furious. He insisted that the bills did not belong to him but to the party organization. Apparently in the heat of the campaign Rod Finlayson and Dick Bell had told the Radio Commission that the bills for the regional broadcasts would be handled on the same basis as the New Deal broadcasts for which Mr. Bennett had paid personally. Gibbons Advertising had paid for the national hookups but the large amount remained. Chief blame for the unusual financing

⁶P.A.C., R.B. Bennett Papers, R.B. Bennett to Eccles Gott, February 15, 1936.

was shouldered by Dick Bell who had apparently dealt with Canadian Radio Broadcasting officials in Ottawa.⁷ Three months after the initial questions (January to March 1936) Bennett paid the bill but he made both Bell's and Hector Charlesworth's (president of Canadian Radio Broadcasting) lives miserable and swore that never again would the party be able to take such advantage of him. From January 1936 on, Bennett was considerably less open-handed with his own funds. His letters grew almost grouchy.

I have already been called upon to pay larger sums of money than I feel I should have to pay... If instead of communicating with me, our friends would go out and do what our Liberal opponents did -- secure monthly contributions from large numbers of people...⁸

The Radio Broadcasting incident was embarrassing for the party in one other way. It confirmed many Canadians' suspicions that Bennett had really "bought" the Conservative Party, that literally he paid all the bills for a party that was really his creature. Public disclosure of a small part of Mr. Bennett's involvement gave credence to the traditional view of the "millionaire's party" and led possible contributors to the conclusion that their money could never match Bennett's and that they might just as well keep it.

Mr. Bennett's withdrawal from party financing left many Conservatives angry. He was not accorded the gratitude that he expected for staying on and keeping the party together. In

⁷P.A.C., R.B. Bennett Papers, Hector Charlesworth to R.B. Bennett, March 6, 1936.

⁸P.A.C., R.B. Bennett Papers, R.B. Bennett to R. Sauve, February 20, 1936.

April 1936, the Conservative Club of Winnipeg threatened to close for lack of funds. When asked for help, Arthur Meighen threw the whole burden back to an unwilling Bennett,

Whether assistance should be organized to help the Club in Winnipeg is a matter which the leader should decide.⁹

The Club closed and another group of Conservatives grew angrier as their personal political lives were affected.

The gap in leadership which showed at the party organization level was equally obvious in the area of party policy. It showed most glaringly when even the party faithful were left confused and out of touch. On November 5, 1936, H.T. Emery of the Calgary Conservative Club wrote to Rod Finlayson announcing that the Club was embarking on a series of debates to stir up interest in current issues. Mr. Emery went on, "It was, however, felt that before this is done the policies of the Conservative Party should be ascertained."¹⁰ Lacking any kind of up-to-date party literature, Finlayson replied that there were three sources, "platforms from conventions, the party record in office, the speeches of the leader." He suggested that the Conservative Party's greatest achievement was the "assembling of the Empire states at Ottawa and the agreements concluded at that meeting."¹¹

Because of the close links between the federal organization

⁹P.A.C., A. Meighen Papers, Arthur Meighen to A.W. Moody, April 30, 1936.

¹⁰P.A.C., R.B. Bennett Papers, H.T. Emery to R. Finlayson, November 5, 1936.

¹¹Ibid., R. Finlayson to H.T. Emery, November 17, 1936.

and the provincial parties, Mr. Bennett's office inevitably became involved in provincial politics as well.¹² The party's record in provincial elections between 1935 and 1938 was almost as depressing as the record just before the 1935 election.¹³ Bennett was often forced to mediate between factions, to make decisions and to contribute sums of money which he begrudged. Provincial problems had an inevitable effect on federal organization. The Nova Scotia party fell apart as one correspondent put it "because Harrington has no personal force."¹⁴ The Confederation Club of Montreal, chief meeting place for a large segment of Quebec Conservatives, went bankrupt and was not rescued. The one remaining Conservative daily L'Illustration disappeared in March of 1936. There was much feuding and recrimination between the Montreal and Quebec voting districts and between French and English.¹⁵

In Ontario, the provincial organization was stronger but was still reeling from the 1934 Hepburn Liberal victory and was racked by internal dissension especially between George Henry's successor Earl Rowe and George Drew, already a dominant figure. Once the party crossed into the prairies, the only small cheer was in Manitoba. Bennett himself summed up the situation,

¹²P.A.C., R.B. Bennett Papers, H.M. Bissett to R.B. Bennett, July 21, 1937.

¹³See the fourth section of this chapter and Appendix H.

¹⁴P.A.C., R.B. Bennett Papers, Senator Dennis to Bennett, June 18, 1936.

¹⁵See letters from R. Sauve to R.B. Bennett and organizational letters in February, 1938 in R.B. Bennett Papers.

All I might say to you is that, in the province of Saskatchewan, I have expended half a million dollars of my own money, and most of that is a complete loss, brought about to no inconsiderable extent by the action of the Anderson government.¹⁶

The party gave considerable thought to co-operation with the C.C.F. in provincial affairs but this co-operation proved futile. The financial statistics tell the story best. Alvin Hamilton, then a student at the University of Saskatchewan was party organizer and was trying to raise money by asking Conservatives to contribute \$1.00 per month to the party. Between December 1937 and the end of January 1938, he succeeded in raising \$40.00.¹⁷ The only reason that the party had any funds at all was that John Diefenbaker, the new leader, had spent \$2,500.00 of his own money.¹⁸ The sad plight of a party out of office, its fortunes complicated by depression economics, permeated every corner of Conservative Party organization. As one disgruntled Alberta Conservative complained, "We have made progress steadily backwards."¹⁹

On August 7, 1937, there was a showdown. At a meeting of M.P.s and Senators, Mr. Bennett tried to tender his resignation. He was persuaded to stay on, partly because there was little enthusiasm for anyone else and partly because there was the strong possibility of an Ontario election in the fall and

¹⁶P.A.C., R.B. Bennett Papers, R.B. Bennett to H.A. McNeill, December 20, 1935.

¹⁷Ibid., Alvin Hamilton to R.B. Bennett, December 27, 1937 and January 26, 1938.

¹⁸Ibid., F.R. MacMillan to R.B. Bennett, January 26, 1938.

¹⁹Ibid., A.B. Hogg to R.B. Bennett, January 1937.

the party did not wish to be caught by Mitchell Hepburn in the throes of choosing a new national leader. Many Conservatives were glum but accepted the renewed leadership. Manion reported,

R.B. stayed -- as I expected. On conditions I understand, such as he is to spend no more money on organization, etc. Nothing was said by anyone. One fellow told me they were all afraid he would quit!²⁰

The party continued in its rut. Bennett said he wanted to resign but he refused to do so when it would leave the party leaderless. The party wanted Bennett to resign but could not find a replacement on whom all the factions could agree. Both party and Bennett agreed on the need for a successor but the type of leadership which Conservatives were receiving and the lack of party finances made the recruiting, publicizing, and development of a new leader virtually impossible.

After the August caucus meeting, Mr. Bennett seemed to recover much of his energy. He began a trans-Canada tour which lasted through much of the fall of 1937. The appointment of a new national organizer was discussed. Three days after the August 7 meeting, Bennett wrote to five key members of parliament, E.E. Perley from Saskatchewan, D.W. Beaubien from Manitoba, A.J. Brookes from New Brunswick, H.J. Barber from British Columbia and P.C. Black from Nova Scotia,²¹ asking them to report on the condition of the party in their area, and to make suggestions for its reorganization. The return reports were a catalogue of

²⁰P.A.C., R.J. Manion Papers, R.J. Manion to James Manion, August 31, 1937.

²¹P.A.C., R.B. Bennett Papers, Identical letters R.B. Bennett to Perley, Beaubien, Brookes, Barber and Black.

what was wrong with the party. Most groups were hopeful that something might be done to correct matters in the near future. A.J. Brooks commented that New Brunswick had a central organization left over from 1935 but that there was little or nothing in the way of local riding associations. He suggested that the ladies clubs which were operating be strengthened and that a youth organization similar to the Liberal Twentieth Century Clubs be set up.²² H.J. Barber gave a constituency by constituency report on British Columbia. He suggested that four constituencies, Cariboo, Comox, Alberni, Kootenay East and New Westminster were hopeless; that Fraser Valley, Kamloops and Skeena were possible and that Kootenay West, Nanaimo and Victoria were all at least well organized. Vancouver was rated as good fighting ground except for Vancouver East which was very doubtful.²³

D.W. Beaubien rated seven constituencies as poor ground, (Churchill, Marquette, Neepawa, Portage La Prairie, Provencher, Selkirk and Springfield) but felt that the party had a chance elsewhere. Even his optimism, however, was tempered by warnings like "good but so are the Liberals" (Lisgar) and "inactive but not dead" (Souris). He complained that the party was handicapped by lack of newspaper support and by the fact that, "We have not yet recovered from the terrible defeat of 1935 with its resulting disorganization of Conservative activity."²⁴

²²P.A.C., R.B. Bennett Papers, A.J. Brooks to R.B. Bennett, August 16, 1935.

²³Ibid., H.J. Barber to R.B. Bennett, no date.

²⁴Ibid., D.W. Beaubien to R.B. Bennett, September 6, 1937.

E.E. Perley reported that only seven Saskatchewan constituencies had an organization (Regina City, Moose Jaw, Saskatoon, Qu'Appelle, Lake Centre, Maple Creek, Melfort and the Battlefords) and that the rest of the province was "hopeless". He reported a real need to organize youth and women in the rural areas and the lack of any central office or regional organizers.²⁵ The letter to Nova Scotia produced an incredible admission. P.C. Black did not know the situation and there was no one in the province who could even give him a list of Conservatives in the constituencies to contact.²⁶ There was no president of the Nova Scotia Conservative Association and Bennett finally got an informal report from Colonel Wetmore, an old party stalwart from the First World War.²⁷

In December 1937, Bennett wrote to Earl Lawson, the campaign manager for the 1935 election asking for suggestions. Lawson suggested that Bennett could publicly and unequivocally announce that he was staying on, then select a national organizer and hold a small dinner among traditional party supporters in Toronto and appeal for funds.²⁸

Bennett, discouraged by the reports he had received and by the results of his national tour did not hold the dinner. By February and March, the flurry of activity was over. On February

²⁵P.A.C., R.B. Bennett Papers, E.E. Perley to R.B. Bennett, October 4, 1937.

²⁶Ibid., P.C. Black to R.B. Bennett, September 20, 1937.

²⁷Ibid., Wetmore to R.B. Bennett, October 29, 1937.

²⁸Ibid., J.E. Lawson to R.B. Bennett, December 23, 1937.

9, the Runge Press of Ottawa wrote asking for help in gaining payment from the National Conservative Federation of a bill for \$44,733.70, the cost of printing the Canadian for the 1935 election campaign. By April, when a second appeal came, Bennett could write with great discouragement,

I think it is unfair for our party friends to expect me to pay this claim but, on the other hand it may be necessary for me to do so.²⁹

In that same month, the total expenditure at National Conservative Headquarters was \$249.09 expended as follows:

Salary (secretary)	\$150.00	
Mailing Room	70.00	
Extra Help	16.00	
Telephone	13.09	
	\$249.09	30

The great organization binge of August 1937 to January 1938 had come to an end. It may be unfair to say that the Communist Party of Canada was spending more on organization but, at least, their headquarters on Dundas Street West in Toronto was larger and better equipped than that of the "plutocratic" Conservatives.

The party organization in the years 1935-1938 then, was absolutely starved for funds. It functioned on the handouts of a few and on the grudging charity of R.B. Bennett. The financial crisis was at the root of the weak local and provincial organizations. However, it is a symptom rather than a cause of what was really wrong with the party. The Conservatives' real problem was the failure to restructure the party -- no new support was

²⁹P.A.C., R.B. Bennett Papers, R.B. Bennett to Fred Runge, April 1, 1938.

³⁰Ibid., National Conservative Headquarters' expenses, April 1938.

gained, no new policies were issued. All was lost in the grudging but smothering benevolence of R.B. Bennett, the leader no one wanted but no one wanted to replace.

The Party in Parliament

The simple statistic that Mr. Bennett contributed forty-seven percent of all the speeches in Hansard for the 1936 session does not completely sum up the Conservative Party's performance in parliament during the years 1935-1938. It is important to look at this performance because the parliamentary news was about all that Canadians had to judge the party by in the period and because it was here that the party was proclaiming its policy day by day. A look at parliament also shows the party's main rivals in action once again.

The main issues of the campaign: depression relief, economic stagnation, trade, railways and foreign affairs, still faced the politicians as parliament was called into session in January of 1936. Much of the Conservatives' future would depend on how well the Liberals handled the issues and how effectively the Liberals lived up to their campaign platform.

Despite the Liberals' strong position in parliament, they too had problems. They had not made the kind of drastic promises that Bennett had in 1930 but Canadians did expect them to cure the depression in fairly short order. There were conflicts in the party itself. Mackenzie King enjoyed men of style like N.W. Rowell. He was suspicious of the rough-spoken radicalism of Ian Mackenzie and somewhat unhappy about Norman Rogers' strong

attacks on Laissez Faire.³¹ All through the 1935-1938 period, there was tension in the Liberal cabinet between the "free spenders" like Norman Rogers (who had adopted the Keynesian economic ideal completely and who felt that Canada should greatly increase her social relief and unemployment insurance expenditures) and the "balanced budget" forces led by Charles Dunning, Minister of Finance. Certainly the Dunning forces won most of the victories in the early period -- probably because King personally leaned toward their point of view. There were definite rifts on the matter of defence as well. Ian Mackenzie, as Minister of Defence, urged large expenditures in this area while Ernest Lapointe, Chubby Power and others felt that these were useless and offensive to Quebec.³² The great co-operation between King and the provincial leaders who had helped him gain power never did materialize. Mitchell Hepburn, rebuffed when his cabinet suggestions were turned down in 1935,³³ became more and more an enemy. The Taschereau regime in Quebec, although returned to power in 1936, was riddled with scandals and was more an embarrassment than a help. Even Alison Dysart embarrassed his federal chief by propounding a compact theory of Confederation which suggested that federal and provincial governments were equal partners -- something highly offensive to King and the federal Liberal Party.

³¹Comments by H.B. Neatby, February 1962.

³²C.G. Power, A Party Politician, (Toronto, 1969), pp. 263-5.

³³Neil McKenty, Mitchell Hepburn, (Toronto: University of Toronto Press), 1967, pp. 194-5.

It was up to the Conservative Party to exploit these divisions and to make them seem greater to the Canadian people than they really were. If the Liberal Party could be depicted as weak, divided and vacillating before the great problems of Canada, Bennett's strong-man image could be usefully exploited as it had been in 1930 and 1935.

Unfortunately for the party, it was in no position to take advantage of some of these weaknesses and was not even aware of others. The Liberal cabinet and caucus were both used as sounding boards for all the possible variations of Liberal policy. Much discussion was permitted. Decisions, then, were both collective and final. There were no surprise "New Deal" broadcasts given without the knowledge of the cabinet. Most ministers ran their own departments with very little interference from Mr. King. As well as managing their departments, Ernest Lapointe, Chubby Power and the other Quebecers in the cabinet had a completely free hand in the political control of their province. Therefore there was none of the resentment and the backbiting of the last years of the Bennett period. The Conservatives did not realize the divisions - neither did the Canadian people. Canadian Forum needled Norman Rogers about his policy positions before being a member of the cabinet and after. It wondered how a Rogers could associate with a Dunning³⁴ but it always came to the conclusions that power had "changed" Rogers, never that Rogers had argued a position, lost and then decided to support the collective cabinet position. Macleans was too busy approving

³⁴Canadian Forum, op. cit., January 1936, March 1936.

of Dunning's attempts to balance the budget to see any divisions in the Liberal cabinet.³⁵ Thus Mackenzie King's brand of leadership, so different from Bennett's, meant that divisions in cabinet and caucus could not give aid and comfort to the opposition.

The provincial disputes again remained within the Liberal Party. They were very real but did not come into the public eye until well after the Bennett era was over. By then the Conservatives were so hopelessly divided that nothing could be done.

To understand why the Conservative opposition was as inept as it was, it is necessary to look at the parliamentary party and at its weaknesses and problems in the sessions 1936-1938. The major Conservative problem was the simple lack of good manpower. In March of 1936, after observing the session for almost three months Macleans summed up Bennett's position,

He lacks sadly for captains. His best men have fallen, vanished from the House. He has but a few veterans left, a few raw recruits, not many of them promising.³⁶

As a result, Mr. Bennett was kept in the House of Commons almost all the time it was sitting. There was no relief from the tedium of the session and certainly no time to think about a successor or to re-organize the Conservative Party. Bennett dominated both the House and his party -- both disastrously because his opposition made no changes in government policy and his leadership of his party kept it weak and prevented change.

³⁵Macleans Magazine, op. cit., February 1, 1936.

³⁶Ibid., March 15, 1936.

The second Conservative problem stemmed from the way in which the government chose to conduct its operations. It began by announcing that trade agreements had been concluded with both the United States and Japan. Bennett's policy was to claim credit for the U.S. agreement and to attack the Japanese. He claimed that the Japanese trade agreement would "bring disaster to Canada"³⁷ by allowing cheap Japanese goods into the Canadian market. Unfortunately this attack was always coupled with statements about the necessity of more trade with the Empire. Canadians were becoming more and more dubious about the value of Empire trade and many did not share Bennett's attachment to the Empire ideal. The United States trade agreement must, in part, be credited to Bennett, but there is no doubt that the personal King-Roosevelt affability helped, as did the lower tariff orientation of the Liberal administration.³⁸ In both cases the Liberals could claim to be extending Conservative policy regarding U.S. trade to the rest of the world and could state the advantages of wider trade links. This made the Conservatives appear as though they were criticizing logical extensions of their own policy. In addition, the Liberals could point to the fact that they had kept a key campaign promise.

The Liberal government chose to refer many of the problems of Canada to Royal Commissions. This defused Conservative attacks because the government could merely state that rash action was a

³⁷The Canadian Annual Review 1935-36, (Toronto, 1937), p. 95.

³⁸D.F. Forster, "The Politics of Combines Policy", (C.J.E.P.S.) August, 1962.

bad thing and that legislation would be produced when the commission in question reported. Again opposition appeared foolish. The Conservatives were left grumbling about the large salaries paid to the judges and experts on the commissions -- hardly a burning political issue.

The third Conservative problem was that the government tended to adopt "safe" stands on some issues which were very much in line with Canadian public opinion. Charles Dunning came closer to achieving balanced budgets than Rhodes had ever done -- to the loud approval of the "Conservative" Montreal press. The repudiation of W.A. Riddell's comments on the Italian invasion of Ethiopia by Ernest Lapointe in December 1935, could be criticized but it was difficult to charge "Quebec domination" when Ontario, too, so manifestly wanted nothing to do with the Ethiopian invasion. The Conservatives were embarrassed -- sentiment dictated that they follow British policy on the issue and Britain was nearly as isolationist as the Quebec element of the Liberal administration.

The final Conservative problem in these years was that the party was so much on the defensive. Bennett saw a personal affront in the parliamentary discussion of the money which he owed to the Canadian Radio Broadcasting Commission. He saw the U.S. trade agreements and the nationalizing of the Bank of Canada as mere extensions of his own policies to be criticized only in their minor details. He made no attempt to revive the New Deal legislation when it was declared ultra vires because he felt that he, personally had been found "wrong" by the highest

court in Canada. Conservative policy then, combined indecisive waffling, (on foreign affairs and economics) waiting for the government (on relief and constitutional reform) and defence of the old government's record (because Mr. Bennett was still leader).

A look at government achievement and the Conservative opposition in the sessions of 1935-1938 clearly shows the features of King's brand of leadership and the problems of the Conservative opposition. Much of the 1936 session was taken up with government ministers gaining control of their departments and feeling their way into their own jobs. One of the most decisive was C.D. Howe who ran into problems because of his impatience to get things done. He was accused by C.H. Cahan of desiring "patronage unprecedented in the administration of any department of government" when he tried to remove harbours from the control of local politicians and place them under a National Harbours Board.³⁹ Bennett was able to charge that the minister was saying,

'Trust me and we will see the law is properly administered' which is the usual excuse made for the exercise of arbitrary power.⁴⁰

Despite gaffes and problems of this sort, the Liberals were able to boast a number of achievements as the session ended. Section 98 of the Criminal Code had been repealed but its substance remained in other parts of the Code (a safe "Mackenzie King" act which removed the symbol of injustice but gave the

³⁹L. Roberts, C.D. Howe, (Toronto: Clarke Irwin), 1957, p. 131.

⁴⁰Ibid., p. 132.

government the arbitrary power it might need). The Canadian Radio Commission had been abolished and the Canadian Broadcasting Corporation set up (to prevent political interference in broadcasting). There had been some tariff reductions. Harbours Boards had been abolished and the administration of ports now fell under the Minister of Transport. The Canadian National Railways had been placed under the Minister of Transport. Public works expenditures had been reduced. A Department of Mines and Resources had been created. The government had assumed control of the appointment of all Bank of Canada directors. The U.S. and Japanese trade agreements had been signed.⁴¹ The government's record, then, was one of safe housekeeping measures which were hard to oppose or of compromise positions like the Section 98 and Bank of Canada acts which removed the issue from public discussion by granting progressives most of what they wanted while not offending conservative elements.

The 1937 session began with a ridiculous debate over the King government's procedure during the abdication crisis. The government had declared George VI King of Canada by order-in-council. Bennett mocked the procedure and said that it smacked of dictatorship. The party, however, divided. Older Tories said that the order-in-council was not necessary, that the instrument of abdication was signed, Canada automatically had a new King. Others argued that parliament should have been called. The party managed to offend most Canadians who were proud of Dominion status

⁴¹P.A.C., R.B. Bennett Papers, List of achievements of 1936 session from National Liberal Federation.

and all who felt that the important thing was to have a King -- not to worry about how he gained ~~power~~ ^{the throne}. The other issues of the 1937 sessions were an increase in defence spending which passed without much opposition, and the still pressing problems of constitutional reform and trade. Bennett denounced the Rowell Commission on Dominion Provincial relations as "a pack of Grits"⁴² but then waited for the Commission's reports before doing anything else. The government's attempt to promote British-U.S.-Canadian trade also came under fire. Bennett asked, "Since when has it become the custom under our civilization to prefer the stranger to one's own family."⁴³ To many Canadians, the question was worse than opposition -- it was quaint. By March and April of 1937, Macleans complained that "Parliament was getting too polite" and added,

Mr. Bennett has been struck dumb... The opposition hasn't opposed with anything like vigour. The (Conservative) Party appears to be drifting -- without an organizer, without a national secretary, without anything resembling a headquarters' staff.⁴⁴

By the session of 1938, the party seemed too uncertain as to what its policies were to offer any opposition. Mr. Bennett's cross-Canada tour and the burst of organization which had characterized the post-session period in late 1937, had evaporated. Only the grumbling about the cost of Royal Commissions remained as an issue. Canadian Forum announced that the Liberal platform in the 1939 election would be,

⁴³Macleans Magazine, op. cit., March 1, 1937.

⁴⁴Ibid., April 1, 1937.

Mix a little national unity with a few dashes of good will between capital and labour, add a few well chosen words about the traditional policies of the Grand Old Party and the cocktail will be complete.⁴⁵

The only time that the 1938 session really came alive was in its last five days. Mr. Bennett rose and, in his last speech in parliament, delivered a slashing attack on the King government for its refusal to allow the Royal Air Force to establish and maintain training bases in Canada. Bennett, the dedicated Empire visionary saw this as the final destruction of Canada's special relationship with Britain. Canada was denying her mother country and her heritage. King, the autonomist, argued that no sovereign nation could ever permit foreign military bases on its territory and remain in full control of its affairs. Here was a clear cut issue on which there was a real division. Bennett assumed that Canada and Britain had one identity in any emergency; King retained all of his pre-emergency suspicions. The attack on the government failed because Canadians were still jealous of their autonomy and intensely isolationist. No immediate war threatened. Worst of all, Bennett's criticism and Arthur Meighen's speech backing it were to threaten the 1938 Conservative Convention with a genuine rupture.

Long before this crisis, however, Macleans⁴⁶ had written the picture of Mr. Bennett and his party which would linger long after 1937 and 1938 were over.

Mr. Bennett says nothing. Up in his office in the parliament building, backed by the faithful Rod

⁴⁵Canadian Forum, op. cit., May 1938.

⁴⁶Macleans, op. cit., January 1, 1938.

Findlayson, he works on seeing only an occasional visitor...⁴⁷

One Conservative interviewed for the same article stated,

The party's in a receivership. Bennett's the receiver and none of us knows what he's going to do about it.

The Conservative Party, then, achieved very little in the three years of parliamentary opposition under R.B. Bennett. The domination of the party by one man continued, the new policies which were badly needed were made impossible either by the kind of government the Conservatives were opposing or by the nature of the party and its leader. Any real change had to come from outside the parliamentary party, from the Conservative organizations, supporters and potential leaders who were considering the issues of the period in something other than a parliamentary context.

Outside parliament, the three party factions could continue to influence policy without the constraints imposed by Liberal activity. In the 1935-38 period, however, the emphasis was, perhaps, more on survival than on devising a new Toryism.

The Party and Domestic Issues

Despite the party's lacklustre record in opposition, there were strong feelings against many Liberal policies among many groups of Canadians. The Conservatives' chief problem was to find a concensus which would unite all these groups. The performance in parliament did not produce this concensus; the performance outside parliament reopened all the old wounds and

⁴⁷Macleans, op. cit., January 1, 1938.

divided Conservatives still further.

For the major part of the 1935-1938 period, the search for an issue took place in public rather than in parliament, simply because parliament often skirted the issues or delegated them to a Royal Commission. Many of the most influential Conservatives were outside parliament after 1935 so discussion took place at meetings, in the newspapers and through party pamphlets and magazines.

There were numerous issues to be discussed. A look at Canadian newspapers for the period reveals the tariff, economic reform, Dominion-Provincial relations and railways as the chief domestic issues of the late 1930's. As we have already noted, the party had been deprived of the basis for its traditional national policy approach. Thus, it was in search of both an issue and a viewpoint.

One issue on which virtually all Conservatives agree was the necessity for maintaining a protective tariff. The party proudly pointed to its 1931 tariff structure and to the 1932 Empire trade agreements all through the 1930's. Unfortunately, this limited its appeal to western farmers and made Maritime support doubtful at best. Many central Canadians were tired of hearing about Empire trade after 1935 and did not wish to be reminded again of the vastly overrated Conservative achievement. The "loyalty" element in the party was horrified by the Liberal extension of trade concessions to the United States in 1936 and 1937. The Conservative Party was in real difficulty here because it had initiated the negotiations in the first place. It did not

get the credit which it felt was its due yet it could not claim this credit too loudly without offending the pro-British group within its own ranks.

Neither the Liberals nor the Conservatives made notable impressions on the Canadian people with their economic reform programs. The King government at times seemed to be heading toward a sophisticated centralized fiscal and monetary control system but was held back by two problems. The first was a series of strong objections from the provinces. In the "honeymoon" period immediately after the 1935 election, the federal government offered to increase grants in aid for relief up to seventy-five percent and indicated that it would establish a National Employment Commission.⁴⁸ To further aid the centralized recovery process, the government suggested that it would guarantee the interest on provincial bond issues through a Loan Council. Both the relief grants and the bond guarantees were dropped, mainly because of strong opposition from the very provinces they were designed to help.⁴⁹

The second problem for the Liberals was the division in the cabinet between fiscal conservatives like King himself, or Charles Dunning and more radical men like Norman Rogers. The division caused the Liberal government to ignore almost completely the National Employment Commission headed by W.A. Purvis. At least, however, the Liberals had a policy. H.B. Neatby comments,

⁴⁸H.B. Neatby, "The Liberal Way: Fiscal and Monetary Policy in the 1930's" in Hoar, The Great Depression, op. cit., pp. 102-103.

⁴⁹Ibid., p. 105.

The National Employment Commission...passed into oblivion, unhonoured and soon forgotten. It deserves more than an epitaph, however, because it marks a significant advance in the analysis in Canada of the role of government fiscal policy. The coordination of relief and employment measures by the federal government which so horrified King, was justified in the report by a sophisticated advocacy of counter-cyclical financing and the need for increased expenditures, reduced taxation and the easing of credit during periods of unemployment. King did not get the message at this time but Norman Rogers did and even the intransigent orthodoxy of King and Dunning may have been subtly undermined. How important this was, it is not easy to say, but the commission may have prepared the way for the shift in federal fiscal policy in 1938.⁵⁰

As the Liberals groped for a program, the Conservatives were almost entirely silent. In the early part of the period, they explained that they were waiting for the findings of the Judicial Committee of the Privy Council on the constitutionality of the New Deal. Later, it became easy to use the Purvis and Rowell Commissions as an excuse. In fact, any suggestions would have been greeted with howls of "Why didn't you do that when you were in office?" The party had also realized what a divisive force the New Deal had been and was trying to avoid a similar crisis. Mr. Bennett suppressed his reform sentiments through the 1936-1937 period and, by late 1937, when the Liberals were moving toward a revised "Purvis" position, was too preoccupied with Empire affairs to be concerned with domestic reform.

Inevitably the issue of economic reform caused the problem of Dominion Provincial relations to gain greater prominence. Everyone admitted that the British North America Act was out of

⁵⁰H.B. Neatby, "The Liberal Way: Fiscal and Monetary Policy in the 1930's in Hoar, The Great Depression, op. cit., p. 109.

date. There were endless suggestions for amendment but, because of the battles between provincial and federal governments, nothing was done. Both Conservatives and Liberals welcomed the Rowell (later Rowell Sirois) Commission as a chance to gain some breathing space and expert opinion before having to formulate party policy. The Conservatives (except for C.H. Cahan) did not press for British North America Act amendments giving the central government more power even though they were urged to -- especially after the New Deal legislation was found ultra-vires in 1937.⁵¹

The traditional issue of railway policy and the Canadian National Railway's debt continued to be a topic of conversation and magazine articles until the outbreak of war in 1939. The Conservatives really had two quite distinct railway policies. The Manion view which the doctor held consistently was that the terms of the 1933-34 Canadian National - Canadian Pacific Act should be adhered to. As we saw in chapter two, the Act had produced some co-operation between the Canadian rail systems but it was limited because of Sir Edward Beatty's publicly expressed desire to amalgamate the two systems and because of the defensiveness of C.N.R. officials. Neither management had any real interest in making co-operation work.

The second Conservative view which became more prevalent as the decade wore on was held by most Montreal Tories and eventually by Arthur Meighen. It advocated the joining of the two systems either by direct amalgamation or by an extended lease arrangement.

⁵¹J.R.H. Wilbur, The Bennett New Deal: Fraud or Portent? (Toronto, 1968), pp. 101-106.

Despite constant prodding from Sir Edward Beatty, Bennett never accepted this view and the two men had a most bitter correspondence in which each accused the other of being directly responsible for the 1935 election defeat.⁵²

The railway issue made trouble for the Conservative Party from several points of view. First, it divided the party along traditional faction lines and caused much bitterness. Second, it led Canadians to remember that the Conservative Party had created the Canadian National in the first place and led them to question why the private railway lines had just not been allowed to slide into bankruptcy regardless of the effect on Canadian credit and the Canadian economy. It was difficult to convince depression-embittered Canadians that the Conservative Party had not merely rescued the Grand Trunk stockholders, the Mackenzie and Mann interests and the Bank of Commerce. Thirdly, the railway issue produced an embarrassing book, D'Arcy Marsh's The Tragedy of Henry Thornton. Marsh admitted Thornton's mistakes while president of the Canadian National -- the building of a second hotel in Halifax, the construction of the Bessborough Hotel in Saskatoon, the enlargement of Jasper Park Lodge, the attempt to muscle in on the Canadian Pacific's West Coast steamship business with the "Prince" boats, the building of the "Lady" steamers for a non-paying West Indies service and the endless branch lines. He justified all of this by pointing to the optimism of the 1920's and to the Canadian Pacific's excesses --

⁵²P.A.C., R.B. Bennett Papers, E. Beatty to Bennett, January 8, 1937.

the other Halifax hotel, the Royal York in Toronto, the Empress of Britain, the Kentville and Yarmouth resort hotels, the additions at Banff and Lake Louise and, most shocking of all, the development called Lucerne in Quebec which Beatty had rescued by turning it into a millionaire's playground called the Seigneury Club. Marsh then exposed Bennett's close relations with Beatty and criticized Manion's "ungrateful" treatment of Thornton. The book was widely serialized in the press and made any Conservative utterance on the railway issue suspect.

The Conservative Party, then, did not find any grand issue outside parliament on which to unite itself. It was forced to make compromises, greater in some cases than those made by the Liberals. Its various elements could not agree on a tariff policy that was much different from that of the Liberals. Business Tories had so violently opposed the "New Deal" that any move in the direction of the Purvis Commission was impossible in 1937. This party's business wing made a more creative railway policy difficult. Often the only compromise possible was silence. The party's failure to find, unite on and exploit an attractive issue shows only too strongly in the election results for the 1935-38 period.

The Party and Foreign Affairs

Foreign policy had not been a major concern of Canadians during the early 1930's. As in most other western nations, feelings of isolation and the great economic emergency had driven them to an introspective, self-centered foreign policy

style. Most of the legations and embassies which had been opened during the 1920's as tangible evidence of Canada's autonomy remained operational but staffs were generally not expanded.

The Conservative Party, during its period in office, tended to continue the policies of the Liberal administration between 1921 and 1930. These are neatly summarized by R.A. Mackay and E.B. Rogers in Canada Looks Abroad, the most popular foreign affairs text of the late 1930's,

The policy of no commitments in advance to participate in the defence of the Commonwealth, enunciated more than thirty years ago by Laurier, appears now to be the very sheet anchor of Canadian policy. As we shall see later, it has been the basis of policy toward the League of Nations as well as the British Commonwealth of Nations.

In order to avoid being morally committed to support by arms or other means imperial foreign policy in general, Canada now takes no part in the control of imperial foreign policy except where her interests are definitely at stake.

Canada is prepared to consult and co-operate with Great Britain and other member states of the Commonwealth in the formulation of foreign policy where Canadian interests are at stake...

Canada now has control, in fact if not in form, of matters of foreign policy of interest to herself alone. In such matters she is, however, under obligation to keep other member states of the Commonwealth fully informed in order that their interests may be safe-guarded.⁵²

The major deviations from this policy in the 1930-35 period were caused by the different concept of the Empire held by certain Conservatives. A large number of party members, including R.B. Bennett and Tom Church were, above all else, sentimental Imperialists. They looked back with great affection to the days when Britannia ruled the waves and found that it was

⁵²R.A. Mackay and E.B. Rogers, Canada Looks Abroad, (Toronto: Oxford Press), 1938, p. 92.

most difficult to adjust to any other basic foreign policy. Bennett, himself, was realistic enough to be aware of the changes but his sentiments poured through whenever he did not control himself carefully or prepare his speech fully. In 1932, he grew extremely enthusiastic about the piecemeal Ottawa trade agreements and claimed that they "constitute a definite advance toward closer Empire economic association."⁵³ Mackenzie King, who recognized that Canada needed both a wider trading market and a different kind of Empire relationship never talked in terms of the unity of the Empire under any circumstances. Thus, just as the traditional national policy on which the Conservatives had based their domestic platform was made obsolete by the 1930's, so sentimental Imperialism was fast becoming a danger to the party rather than one of its strengths.

The three groupings within the party reacted differently to the changes in the world situation. One group of strong Imperialists (Tom Church is the best example) steadfastly refused to admit that Canada could have interests different from those of Britain. This view was forthrightly and continuously expressed by Church in parliament and by some Montreal Tories through the columns of the Montreal Star. The business and protectionist wing of the party saw advantages in Empire trade but tended not to back the Empire with much more than words. Some of them were now gaining part of their wealth from the gold mines and paper mills of Northern Ontario and Quebec which did not depend on Empire

⁵³W.A. Riddell, Documents on Canadian Foreign Policy 1917-1939, (Toronto: Oxford Press), 1962, p. 609.

preference or Imperial trade. Influential figures in the party after 1938 like C. George McCullagh, owed both their wealth and their influence to their connections with gold mining. In the late 1930's, the party began to change slowly -- too slowly for McCullagh and too quickly for the Montrealers. Tory Democrats tended to reflect the Mackay-Rogers Liberal ideas and were heavily influenced by American rather than British models. The W.G. Herridge view of Empire was highly pragmatic and was not based on either the sentimental considerations of the old time Tories or the business views of the Montrealers.

The Conservative Party, then, had a triple embarrassment when it came to making foreign policy statements. First, its opponents could quite justly accuse it of developing very little in the way of policy while it was in office. Secondly, it was split quite rigidly between Imperialist and non-Imperialist factions. Thirdly, its brand of concensus was so similar to that of the Liberal Party that little opposition could be raised.

The party did not really adjust to the rising crises of the 1936-38 period until very late in 1937. When it did realize that world troubles were brewing, both Bennett and Meighen tended to find shelter in the British Empire. Bennett only vaguely realized the significance of world events in 1936 and 1937 although his fascination with conspiracies had still not deserted him. He played a major role in fanning the spy scares of the middle thirties. He seems to have taken the presence of German spies as a matter of course and to have worried very much about Canadian security. He corresponded with large number of people

who reported the nefarious doings of the Germans to him. For instance, James Ross stated definitely that there were German agents in the Wetaskiwin Alberta area being paid \$90.00 per month⁵⁴ and a Mrs. Mildred Brown knew a German waiter who went to Germany every summer and could not possibly afford it and therefore had to be a spy. Mrs. Brown reported that "Woodside Wilson (sic) had toured Germany on a bicycle and had found ammunition plants hidden in the woods."⁵⁵

Bennett himself gave credence to the idea that the Germans were trying to buy Anticosti Island and persecuted a perfectly innocent part-time teacher and university student named Karl Gerhart because of a confusion in names.⁵⁶ If the incidents show nothing else, they show how jittery some Canadians were by 1938. The Conservative Party only answered their jitters with bland resolutions like the one passed at the party conference in 1938 or with pro-Empire appeals. Neither of these was particularly reassuring to women who were spied on by German waiters -- nor to any other Canadians for that matter.

The Liberal Party had an even more diverse group of supporters. Its policy deliberations had to take into account the fact that one-third of its parliamentary support came from Quebec and that some Ontario elements of the party were very close to the sentimental Imperialist position. Mackenzie King

⁵⁴P.A.C., R.B. Bennett Papers, J.A. Ross to R.B. Bennett, April 19, 1938.

⁵⁵Ibid., Mildred Brown to R.B. Bennett, June 7, 1938.

⁵⁶Macleans, April 1938.

had three clear advantages. He was in power which meant that he controlled the speed at which internal events moved and the timing of announcements. He had originated the general outlines of the policy to which practical considerations had driven Bennett and was therefore much more familiar with its operation. He was not hampered by the kind of sentimental longings which bedevilled Bennett personally and was therefore able to be more effective. King was so much in tune with events during this period that he is listed (along with General Smuts and Jawaharlal Nehru) as one of the three great "men of Commonwealth" in Nicholas Mansergh's The Commonwealth Experience.⁵⁷

Lest Mansergh's fulsome praise blind us, we should be aware that King was not infallible. In 1937, he made the unfortunate prophecy,

I doubt very much if the British government itself will ever send another expeditionary force to Europe. I think it is extremely doubtful if any of the British Dominions will ever send another expeditionary force to Europe.⁵⁸

However, this prophecy was exactly in line with what Canadians felt and believed in 1937. King's policy in foreign affairs was a masterful reflection of Canadian thought. Above all, he stressed that any foreign policy consideration was secondary to keeping Canada united. For King, the main issues were Canada's relations to Britain and the United States which placed the

⁵⁷N. Mansergh, The Commonwealth Experience, (London: Weidenfield and Nicholson), 1969, pp. 378-388.

⁵⁸P.A.C., R.J. Manion Papers, W.L.M. King quoted in a letter from R.J. Manion to Bob Manion, March 25, 1937.

League of Nations in a distant third position. He strongly rejected any obligation on Canada's part to either a Commonwealth war or to League sanctions and insisted that parliament would make all major foreign affairs decisions.⁵⁹ Against such a comprehensive position, the Conservatives could do little except nit-pick on specific issues.

The course of Conservative policy and the reasons that the policy did not make the party appealing for many Canadians show clearly in the major parliamentary debates on foreign policy during 1936-37 and '38. Four key debates best show the clashes on foreign policy and the lack of Conservative effectiveness: the debate on the Riddell incident of 1936, the debate on a C.C.F. motion urging neutrality in the event of a war of January 1937, the debate on defence estimates of March 1937 and the debate on R.A.F. use of Canadian air bases in May and June of 1938.

The debate on the Riddell incident occurred long after the actual Abyssinian crisis was over. On November 2, 1935, W.A. Riddell, Canada's permanent envoy to the League had risen in the League committee discussing what action the organization should take to punish Italy for her invasion of Abyssinia. The group had already agreed to prohibition of arms exports to Italy, an ending of all loans to Italy and the boycotting of Italian products. Riddell, confused by his instructions, suggested adding oil, coal and iron to the prohibited list. The so-called

⁵⁹Escott Reid, "Mr. King's Foreign Policy", University of Toronto Quarterly, January 1937.

"Canadian proposal was downgraded to the status of a personal thought on November 4 and then rejected by Ernest Lapointe in a press release on December 2,"⁶⁰

The government is not taking the initiative in proposing the extension of the measures with regard to the prohibition of exportation to Italy and does not propose to take the initiative in such measures... participation by the Canadian government has been and will be limited to co-operation in purely financial and economic measures of a purely pacific character... The Canadian government has not and does not propose to take the initiative...and the opinion which was expressed by the Canadian member of the committee... represented only his own personal opinion and his views as a member of the committee...⁶¹

When parliament opened in February, Mr. Bennett's policy was to disagree not with the substance of Liberal policy but with the way in which it had been carried out. He criticized the government for making Canada seem like a repudiator of her word and indicated that the Liberals had given the Italians "moral comfort".⁶² When the matter was finally debated in June 1936, Addis Ababa had fallen to the Italians and further criticism was purely academic. Mr. Bennett added little to his previous comments except a large dose of sentimental Imperialism. In the words of F.H. Soward,

He regretted the Canadian attitude upon the oil embargo and its impression upon world opinion'... which I should have preferred had not been left there.' The Conservative leader was greatly impressed with South Africa's preference for the continuance of sanctions, but, as he later ad-

⁶⁰F.H. Soward et al. Canada in World Affairs (the pre-war years), (Toronto: Oxford Press), 1941, pp. 24-27.

⁶¹Mackay and Rogers, Canada Looks Abroad, op. cit., p. 349.

⁶²Ibid., p. 351.

mitted, he was still uncertain what course of action was feasible. Mr. Bennett also doubted Canada's capacity to play a prominent part in Geneva and urged Canadians to realize '...that the greatest assurance you have for the maintenance of peace lies in the strengthening of every tie that binds you to the members of the British Empire.'⁶³

Thus Conservative policy over the Abyssinian affairs could hardly be distinguished from that of the Liberals. Although their attacks on the government made Riddell a martyr, it is unlikely that they made much impression on most Canadians who were relieved that their nation had sunk back into its quiet "follower" role at Geneva instead of being placed in the spotlight. Timing, skill and a sense of what Canadians wanted had won a victory for the Liberals.

In January 1937, the C.C.F., led by J.S. Woodsworth proposed that Canada declare that she would be neutral in any war.⁶⁴ Both Liberals and Conservatives opposed this idea but the Conservatives remained strangely silent in the debate. When questioned about his party's silence Bennett replied that,

...During the last few weeks, we on this side of the House have refrained from making any observations on this subject believing that the government was best able to determine what was desirable in the public interest...⁶⁵

The authors of Canadian World Affairs speculate that this strange behaviour was the result of a conscious strategy. They suggest

⁶³F.H. Soward, "Canada and Foreign Affairs", The Canadian Historical Review, June 1937.

⁶⁴Soward et al. Canada in World Affairs, op. cit., p. 43.

⁶⁵Mackay and Rogers, op. cit., p. 41.

that the party wished to keep its ranks closed while hoping that the Liberals would divide on the C.C.F. resolution. They indicate that Bennett was using the same strategy that Borden had used so effectively during the pre-1911 election period. There is little evidence to support such a grand strategy. Mr. Bennett had just returned to the House from his Empire tour of June to December 1936 and was therefore out of touch with Canadian affairs. The alliance with Maurice Duplessis and other Quebecers which R.J. Manion would work so hard to forge in 1938 and 1939 was not really in anyone's mind in January 1937. Bennett was not the man to build such an alliance in any case. Another statement by Mr. Bennett in the same debate hints at a more likely explanation, "The foreign policy of this country is so obvious that it does not require much discussion."⁶⁶ The Conservatives simply had not found an alternative to Liberal foreign policy. Indeed the only other Conservative speaker in the debate was Denton Massey who lamented the lack of national unity and attacked both isolation and neutrality -- who, in short, made a good Mackenzie King speech. To remind Canadians that the Conservative Party was not entirely united, however, Senator W.A. Griesback from Nova Scotia wrote in the Queens Quarterly, advocating a "united empire front" in these terms,

a definite declaration of Empire solidarity in war, or to sugar coat the pill a bit, collective security within the Empire would be a declaration of immense importance just now.⁶⁷

⁶⁶P.A.C., R.B. Bennett Papers, text of speech for delivery February 9, 1937.

⁶⁷W.A. Griesbach, "A United Empire Front", Queens Quarterly, spring, 1937.

It was somewhat unlikely that Canadians really wanted Empire unity -- sugar-coated or otherwise.

By the spring of 1937, the situation had changed. Canadians were now more worried about the developing European crisis, and were more disillusioned with the League. Mackenzie King returned from the 1937 Imperial Conference fully aware that most of the Empire ministers did not trust the League and more convinced in his own mind that it was primarily a European institution. Both Conservative and Liberal parties changed their positions slightly. The Liberals allowed Ian MacKenzie, Minister of Defence, to introduce estimates for his department totalling \$34,089,883, up 70% from the 1936 level. The Conservatives urged greater co-operation with Britain, especially in the area of naval defence. Mr. Bennett made a long speech on March 25, using quotations from Wilfrid Laurier to urge greater co-operation between Canada and Britain. He concluded,

The minister says he contemplates calling for tenders for four minesweepers; and we have the training ship now being built for which we made provision in place of the Aurora, the magnificent ship we obtained from the admiralty at the end of the war and which went out of commission. Now, in the face of the admitted danger to which Sir Wilfrid Laurier referred in 1913, in view of the admittedly disturbed conditions in Europe, in view of the threats that have been directed at the very life of the empire, I do not see why by displaying a unity that would indicate to all the world that we had forgotten ancient grievances and animosities that had sprung out of the war, we should not hope that when the Prime Minister and his delegation go to England and confer with the admiralty they might be able to arrive at a common understanding which would look not merely to the defence of our own shores but, in the words of the late Sir Wilfrid Laurier, more to the defence of

civilization and the maintenance of world peace by the defence of the British Empire itself.⁶⁸

Mr. King archly congratulated Mr. Bennett on his "vindication" of the Laurier policy. Macleans magazine commented,

Mr. Bennett's own defense record is not overly impressive yet no man is more at home in the role of patriot.⁶⁹

Thus the Conservatives in the House, hedged by their own record and by the Liberal government, appeared to the public as a pale imitation of the Liberal Party. In the Senate, Arthur Meighen deplored "the absence of any word of appreciation for Britain's struggle to hold the world in peace" and argued that "never a word...there could not have been spoken by an American citizen."⁷⁰ Meighen reinforced the Imperialist image and, to some extent, seemed to be in conflict with what had been said in the House. Mackenzie King had neatly characterized his opponents and staked a firm claim to the middle ground in a massive speech on foreign policy and war participation in January 1937.

There is what I might call the Imperialistic school, and I hope that those who share its view will not feel that I am misnaming it in any way, those who take the position that the British Empire is one and indivisible, and that in matters of defence there should be a common policy, which of necessity means a common foreign policy for the Empire. Those who hold this view link the Dominions irrevocably with the British Isles with respect to any decision which the latter may make in regard to war. That is the extreme on one side; 'a thorough-going Imperialism' it has been termed.

Then there is another group, the isolationist, which takes what has been referred to as the 'regardless

⁶⁸Mackay and Rogers, op. cit., pp. 382-3.

⁶⁹Macleans, April 1937.

⁷⁰F.H. Soward, op. cit., p. 66.

nationalism' view, a thorough-going isolation; the view that Canada should be completely severed from all contacts with countries engaged in war whether the contacts be with other parts of the British Commonwealth or with other nations; that we should be an isolated country refusing in any way to be drawn into conflicts across the Atlantic, or to the south of our boundary.

These are the two extreme views. It is impossible to say in how extreme a form any individual may hold either of these views. Also a point is reached where it may be difficult to say just where one opinion shades into the other, but just as there is a difference between day and night, so there is a difference between these two extremes. As between the two there is a central moderate attitude, to which it seems to me most of the people of Canada adhere. It fills a middle area in which there is room for a diversity of views and policies having however one thing in common, that the policy must be Canadian throughout. Those holding this attitude are neither Imperialistic nor isolationist in their outlook, but they are distinctly Canadian in their outlook. They believe in deciding questions relating to defence or foreign policy by reference to what is Canada's interest. Decisions must be made by Canada primarily in the interests of Canada. In considering her own welfare Canada will naturally take into account the interests of all those with whom she may be associated, but her position will be based upon what appears to be in the interest of Canada... at the time.⁷¹

The Liberals maintained this position throughout 1937 and 1938; most Canadian newspapers seemed to approve.

In 1938, the Conservatives became increasingly shrill about the lack of defence preparations and about the need to publicly recognize England as the chief bullwark in Canadian defence. They were presented with an ideal issue for this purpose when it was rumoured that the government had refused informal approaches from the British government to allow the

⁷¹N. Mansergh, Documents and Speeches, op. cit., pp. 392-3.

training of R.A.F. pilots in Canada. Arthur Meighen first raised the question in the Senate on June 14 and Mr. Bennett made it the subject of his last exchange with Mackenzie King early in July. His closing statement indicated that, in the face of the growing world emergency, Bennett was steering away from a Liberal style foreign policy and back to some form of Empire unity.

If it was the last word I ever uttered in this House or with the last breath in my body, I would say that no Canadian is worthy of his great heritage and his great traditions and his magnificent hope of the future who would try to deny to the old partner who established us the right in this country to create those centres which she may not have at home to preserve her life and the life of every man who enjoys freedom and liberty under the protecting aegis of that flag.⁷²

Bennett's choice of Arthur Meighen as a convention keynote speaker for July 1938 and Meighen's speech (see chapter five) indicate a strengthening of this trend through the summer.

The movement away from the quasi-Liberal foreign policy was almost disastrous at the convention and threatened to end the new and uneasy relationship which the Conservatives were beginning to develop with some elements in Quebec politics. It would take far more than the selection of a Catholic with a French wife to lay to rest the suspicion that most Conservatives, after all, were Imperialists thinly disguised. Despite the bland defence resolution passed in 1938 and despite R.J. Manion's decidedly non-Imperialist approach to foreign policy, many doubts remained.

⁷²F.H. Soward, Canada in World Affairs, op. cit., p. 92.

Thus, throughout this period, the Conservative Party was unable to escape from its past to any form of new foreign policy which would appeal to all of its elements let alone to any overwhelming number of Canadian voters.

The Party in Elections

In the absence of Gallup polls and similar surveys, about the only way to judge the effect of party performance on the electorate in the 1930's is to examine the results of by-elections and provincial elections in the period. Such results are not usually good indicators. Federal by-elections are often fought on either local issues or the personality of the candidates involved to a much greater extent than national general elections. The opposition parties have a great advantage because they do not have to defend a legislative record and can make promises for which they will not really be held accountable. Often, by-election returns give a false picture of government weakness and opposition strength. Provincial elections tend to be dominated by a host of issues which do not impinge on federal politics and frequently the federal and provincial segments of Canadian parties argue violently with one another.

In the late 1930's by-elections and provincial elections were an exception to this generalization at least in that they clearly showed Conservative weakness. Despite the party's obvious advantages, its federal by-election record is spotty. Its provincial record is affected by the relative popularity of the King government in Ottawa and the great popularity of the provincial Liberal leaders who had swept provincial

Conservatives from power just before the 1935 election. Election results in the 1935-38 era, then, are a better than average indicator of Conservative weakness. Appendices G and H present the results in detail without comment and the percentages of the popular vote won by each party in all by-elections and provincial elections. They form a more complete statistical survey than this chapter which will deal only with elections significant for the Conservative Party.

The first chance that the Conservatives had to test the federal Liberals after the 1935 election was a by-election in Assiniboia on January 6, 1936 intended to elect Jimmy Gardiner, the former Premier of Saskatchewan to the federal cabinet. The campaign provides an interesting study in local optimism and national realism as well as a picture of the Gardiner machine in action at the federal level.

Just after the by-election was announced, F.W. Turnbull, party association president in Saskatchewan wrote to Rod Finlayson suggesting a real battle. The issue, he said, should be Quebec control and large amounts of eastern Conservative money should be poured into the fight. Turnbull estimated that \$4,000 would be needed and admitted that local sources of revenue were very few.⁷³ Earl Lawson of the federal party was more realistic,

At this time, the Liberal Party is riding the crest of the wave. We have as much chance of winning as the dog of ice has of catching the asbestos cat travelling through Hell.⁷⁴

⁷³P.A.C., R.B. Bennett Papers, F.W. Turnbull to Rod Finlayson, December 2, 1935.

⁷⁴Ibid., Earl Lawson to Rod Finlayson, December 7, 1935.

The party rejected the idea of running John McFarland, recently fired from the Canadian Wheat Board and decided not to run a candidate. The C.C.F. did oppose Gardiner and found themselves utterly swamped. Between 500 and 1000 workers were imported by Gardiner, nine cabinet ministers and five prominent M.P.s spoke in the riding, members of the local Conservative organization were persuaded to endorse Gardiner and even the roads in strong Liberal sections of the riding were freshly cleared of snow on election day.⁷⁵ Gardiner won handily.

On June 8, 1936, a by-election was called for Victoria. The Conservatives were fortunate to secure the former Premier of British Columbia, Simon Fraser Tolmie as their candidate. Tolmie received much advice from head office -- including the correct analysis that the real enemy was the C.C.F. He was told to attack the new party on the grounds that it was a hybrid (how could farmers and labourers ever really co-operate when their interests were so different?) and on its socialization policy (obviously a government could not confiscate private industry and, if it were to nationalize through purchase, where would the money come from?)⁷⁶ Tolmie used the attacks very successfully in his campaign and was victorious. The result, however, was no show of confidence for the Conservative Party but a sentimental vote for the grand old man of B.C. politics and a negative ballot against the "horrors" of socialism. Tolmie had a very small majority in a three-way split vote and the constituency went

⁷⁵P.A.C., R.B. Bennett Papers, William Irvine to R.B. Bennett, January 9, 1936.

⁷⁶Ibid., R.B. Bennett to S.F. Tolmie, May 21, 1936.

Liberal in the by-election held after Tolmie's death in 1937. The Conservative Party had been lucky in gaining a good candidate and in analyzing the issue correctly (the C.C.F. did place second ahead of the Liberals).

The party did not bother to contest the long-time Liberal stronghold of Ottawa East in October of 1936 but was remarkably encouraged by the results of the next three elections. In Bonaventure on March 22, 1937, the Conservative candidate, running with help from Maurice Duplessis, made a strong showing. In Hamilton West, John Marsh, a Hamilton alderman, won and in Renfrew North, which usually voted Liberal Dr. Wood, the Conservative candidate, made a good showing. The Hamilton victory was essential for the party. Mr. Bennett had actively campaigned in the riding and would have completely lost face if Marsh had not been the victor. The relative strength of the Conservative organization, moreover, was increased by a split in the Liberal Party. Mitchell Hepburn was already angry at King for ignoring Hepburn's list of potential cabinet choices. The Hamilton city organization was under the control of Hepburn and his Minister of Highways, T.B. McQuesten. The Hamilton West Liberals, purportedly under the influence of Norman Lambert, still Liberal national organizer, chose a non-Hepburn candidate and produced a serious split in local Liberal ranks.⁷⁷

In Renfrew North, Dr. Wood had the disadvantage of being from Westmeath rather than from Pembroke which was the real centre of the riding. Nevertheless, he attacked the trade and

⁷⁷P.A.C., R.B. Bennett Papers, R.B. Bennett to A. Wood, March 31, 1937.

unemployment policies of the Liberals and made an issue of "order-in-council" government arguing that the Canadian-U.S. trade agreement, the sanctions issue, the Canadian Wheat Board and the abdication of Edward VI had not really been discussed by parliament.⁷⁸ The Wood campaign shows the essential negativism of the Conservative approach -- no new platform had been developed and the old touchstones of Empire trade and loyalty were still very prominent.

The party's lucky streak ended in the second Victoria by-election. Dr. Tolmie had died shortly after being elected and there was no candidate of similar stature to take his place. R.D. Harvey of the riding organization reported urgently,

We will need all our resources to hold the seat...
It is necessary that you yourself take part in the
local campaign.⁷⁹

Bennett sent \$2,000 to Senator A.P. Green to help with the campaign and promised to speak himself.⁸⁰

The problems were obvious from the first. The Liberals had found a strong candidate in Robert Mayhew, a local businessman who was much more acceptable to the traditionally Conservative Oak Bay section than was Bruce McKelvie, a newspaper columnist, who was the Conservative candidate. Mayhew was a local philanthropist and had strong service club backing.⁸¹ A strange local issue cropped up. Victorians were beginning to fear a Japanese

⁷⁸N.J. McKenty, Mitchell Hepburn, (Toronto: University of Toronto Press), 1967, p. 127.

⁷⁹Ibid., R.D. Harvey to R.B. Bennett, October 15, 1937.

⁸⁰Ibid., R.B. Bennett to A.P. Green, October 21, 1937.

⁸¹Ibid., A.P. Green to R.B. Bennett, November 30, 1937.

invasion and, according to Conservatives, the Liberals threatened to stop building defence works unless a Liberal was returned.⁸² These factors, coupled with a large Liberal campaign fund (estimated at \$27,000) and the all too frequent Conservative campaign disorganization (radio was not used and even advertising was late in appearing) caused the loss.

The loss showed that the government could attract strong candidates and provide them with effective campaigns even between elections. It was especially disastrous for the Conservatives, partly because every member counted when you had fewer than forty seats and partly because, this time, Mr. Bennett's interference had not stemmed the tide. The party was badly discouraged and did not run candidates in the two Quebec by-elections which followed.

In 1938, the record was slightly better. Despite losses in Edmonton East and Brandon, it succeeded in carrying Waterloo South and in electing the two personalities who were to dominate the 1938-1940 period, George Héon in Argenteuil and R.J. Manion in London. Neither of these constituencies, however, signified a real trend to the Conservatives. Manion was not opposed by the Liberals and easily defeated his C.C.F. rival. Héon was a strong personality and was running in the most pro-Conservative riding in the Province of Quebec (it had been George Perley's seat for many elections). Many "traditional" Conservatives would question whether Héon was an advantage to the party after

⁸²P.A.C., R.B. Bennett Papers, Hugh Allen to R.B. Bennett, November 30, 1937.

the 1938 convention.

Judging by federal by-election results, then, the Conservative Party made very little impression on the Canadian electorate in this period. The victories were in traditional seats or were due to local personalities. More significant than the losses were the absences of Conservative candidates, particularly in French-speaking ridings. The Bennett party seemed to be making less impression on Quebec than even Arthur Meighen had.

In provincial elections, much the same story held. The record (outlined in Appendix H) is far from notable. The Prince Edward Island party simply did not recover from its 30-0 defeat in July of 1935. In Nova Scotia, things were not much better. The party had been discredited in the 1934 election and was up against a formidable opponent in Angus L. Macdonald. There was great internal tension between E.N. Rhodes, the former Finance Minister (and before that Premier of the province) and G.S. Harrington, the man who replaced him.⁸³ There was also a feud between Harrington and Senator Dennis, publisher of the Halifax Chronicle, the only even slightly Conservative paper in Nova Scotia. This fight was patched up in April 1936⁸⁴ but reopened after the disastrous defeat of Harrington's Conservatives in June 1937. Dennis announced Harrington's "bad case of ego-mania" and gave the provincial party very little support.⁸⁵

⁸³P.A.C., R.B. Bennett Papers, F. Macdonald to R.B. Bennett, July 24, 1936.

⁸⁴Ibid., John W. MacLeod to R.B. Bennett, April 28, 1936.

⁸⁵Ibid., Senator Dennis to R.B. Bennett, August 1, 1937.

In New Brunswick, party fortunes were even lower. John D. Palmer reported to Bennett,

There is no organization functioning as a provincial Conservative organization, just a ways and means committee. It will be difficult to secure two members to meet with other provincial organizations in Ottawa unless their expenses are paid.⁸⁶

The party in New Brunswick did not have to fight another election in this period after its defeat in 1935 -- if it had, it might have lost even the five members it had retained from that debacle.

In Quebec, the period is marked by the disappearance of the party. When the Union Nationale was formed, it left no splinter behind from which to start a new provincial Conservative party. From 1936 on, the party's policy in Quebec was not to take part in provincial elections in the hope that the Union Nationale organization would support the Conservatives federally. Although the technique worked successfully in some by-elections, it was disastrous in 1940. One can, perhaps, admire the Conservative party's honesty in admitting that they had no chance against their former provincial president Maurice Duplessis, but the effect on Conservative morale was serious. Said one Quebec Conservative, "Our party in this province is going through the worst crisis ever known."⁸⁷ He was not exaggerating.

Ontario was the centre of the Conservative movement. Almost three-quarters of the federal members came from the province and large amounts of revenue came from Ontario companies and indivi-

⁸⁶P.A.C., R.B. Bennett Papers, John D. Palmer to R.B. Bennett, December 31, 1937.

⁸⁷Ibid., Lucien Morand to R.B. Bennett, February 15, 1938.

duals. The provincial party had been demoralized by its defeat at the hands of Mitchell Hepburn in 1934 and had great difficulty replacing George Henry, its sincere if somewhat inept leader. In 1936, Earl Rowe had taken over and had attempted to fight Hepburn on three issues where he felt Hepburn was weak. He attacked Hepburn's handling of the Oshawa General Motors strike in which Hepburn had used the Ontario Provincial Police (the "sons of Mitches" as the strikers called them) to keep the American C.I.O. from organizing the Canadian auto industry. He raised the issue of Hepburn's repudiation of power contracts between the Hydro Electric Power Commission of Ontario and various Quebec power companies arguing that it had damaged the province's reputation. He also attacked the Hepburn government's aid to the province's separate school system and argued that separate schools should not be allowed any provincial tax revenue.

Rowe's choice of issues resulted in almost total disaster for the party. The problems began in April of 1937 with a decision by George Drew, who was serving as provincial organizer, to follow C. George McCullagh of the Globe and Mail in advocating a union government to deal with Ontario's problems. Drew justified his action to Rowe,

I fear that you do not fully understand why I urged you to accept Mr. Hepburn's proposal for a coalition, before you saw him this morning. In the first place, I am thoroughly convinced that the C.I.O. is far more serious than even Mr. Hepburn indicated. I base this opinion on confidential information from sources which cannot be open to question...

Even assuming that the threat of the C.I.O. was greatly exaggerated, I still believe that this is an opportunity to do things for the future welfare of the province that it seems to me unlikely could ever

be done by one party alone...in the civil service and the administration of the Hydro Electric Power Commission...

I cannot agree with the argument that there is no ground for any definite stand against the C.I.O. because they have not broken any laws in Ontario... I urge you to recognize that an issue has arisen which can no longer be faced on the basis of party expediency.⁸⁸

On May 6, 1937, Drew announced his resignation from the party and his agreement with Hepburn on the C.I.O. issue. Neil McKenty argues that it was Rowe's refusal to join a union government which provoked the split.⁸⁹ While this is probably a valid view, it oversimplifies the situation since Union Government and blocking the C.I.O. were irretrievably linked in Drew's mind. Others besides Drew expressed their concern less dramatically. Don Hogarth wrote to Rowe,

I have felt for some time that our fortunes have been prejudiced by reason of misrepresentation and calculated propaganda in respect to your attitude to the C.I.O... While your declaration of policy at Arthur would seemingly satisfy people who would reach their conclusions through facts, it is obvious to me that such is not the case as through press misrepresentation and propaganda, Hepburn is earmarked as the Defender of the Faith, whilst you, as the leader of the Conservative Party, are looked upon as a sympathizer of the C.I.O.⁹⁰

Rumours spread that Howard Ferguson and Charles McRae, the former Premier and Minister of Mines, had broken with Rowe.⁹¹ The best Bennett could do was try to make peace from a distance.

⁸⁸Brown and Prang, Confederation to 1949, op. cit., p. 249.

⁸⁹N.J. McKenty, Mitchell Hepburn, op. cit., p. 124.

⁹⁰Ibid., p. 132.

⁹¹p.A.C., R.B. Bennett Papers, W.G. Slaughter to R.B. Bennett, June 12, 1937.

I hope that our supporters will forget their personal differences and their likes and dislikes and unite together.⁹²

The hope was vain and throughout the campaign (especially in the London area where Drew was running as an independent Conservative in Wellington South), the Ontario party's divisions were glaringly obvious.

Worse still, Hogarth's predictions were correct. The Conservative Party was placed in the unlikely position of being labelled as the friend of a "communistic" American union. The Hepburn government reduced power rates in the province just before the election and claimed that repudiation of the power contracts had allowed them to do it.

Even the school issue backfired. Rowe was not militant enough to suit the Orange Lodge. Hepburn was able to keep Separate School supporters from agitating by promising them more help after the election. He retained a significant number of Protestant voters. Even in its centre of strength, then, the Conservative Party could not build a successful election alliance. Its divisions were public knowledge and its views unpalatable. George Lynch-Staunton who was almost a caricature of the Ontario Tory in ideals and attitudes saw the problems,

We lost Ontario because Rowe went race, religion and C.I.O. I told him he was finishing himself but whom the gods would destroy never recognize that Radicals will not vote for any party labelled Conservative nor will Conservatives vote for any party suspected of radicalism.⁹³

⁹²P.A.C., R.B. Bennett Papers, R.B. Bennett to John MacNicol, August 9, 1937.

⁹³Ibid., G. Lynch-Staunton to R.B. Bennett, February 15, 1938.

The Ontario Party had to await the fall of Mitchell Hepburn, the Liberal feuding of the early 1940's and a reunion with George Drew before gaining victory.

Manitoba provided the one bright spot of the entire provincial scene. Errick Willis, young, bright and well organized, inherited the party in 1935 and led it to a strong showing in the July 1936 provincial election. He exploited the beginnings of disintegration in the Manitoba Liberal Progressive movement, the failure of the provincial government to solve depression problems and John Bracken's rather weak campaign to win 16 seats. The Liberal Progressives took 23 but at least in Manitoba, the party was within striking distance of power for much of the late 1930's. Willis, himself, became, along with Ontario's Denton Massey, one of the "young hopes" of the party.

The condition of the Saskatchewan party was much more typical -- it was being kept alive by the hard work of one man, John Diefenbaker, and the faithfulness of the old party "few". The party's main election strategy in the early part of 1930 was to try to arrange saw-offs with the C.C.F. so that the two parties would not split the anti-Liberal vote. Both F.W. Turnbull and E.E. Perley had discussed the matter with Tommy Douglas. Perley reported,

The discussions have proceeded to the point where we think that a fusion or saw-off in seats can be arranged.⁹⁴

Turnbull was even more optimistic. He saw a change for outright

⁹⁴p.A.C., R.B. Bennett Papers, E.E. Perley to R.B. Bennett, December 10, 1937.

fusion saying that the C.C.F. would drop nationalization and "accept the name Conservative perhaps with Progressive attached to it." He added, "You are more and more being looked upon in the west as the great reformer."⁹⁵ Bennett actively discouraged this for obvious reasons adding,

It [fusion] would, in my opinion, be greatly misunderstood but I believe it would also lessen the influence and power of our party.⁹⁶

He was definitely in favour of the saw-offs however,

All the anti-government forces should be united for the purpose of destroying the present administration in Saskatchewan.⁹⁷

Problems intervened. The Saskatchewan party ran out of money. John Diefenbaker had spent \$2,500 of his own money and party donations reached the dizzying height of \$350.00.⁹⁸ The C.C.F. began to sense Conservative weakness and their own strength and split into two factions on the saw-off idea: The Douglas faction (mainly from the federal party) which was willing to arrange it and the Williams faction (mainly from the provincial party) which wanted to run candidates in every seat. By April, all possibility of co-operation was gone and the Conservatives were left without time to nominate candidates in some seats.

Arthur Meighen received a report,

I believe certain intermediaries endeavoured to effect an arrangement whereby the Conservatives

⁹⁵P.A.C., R.B. Bennett Papers, F.W. Turnbull to R.B. Bennett, March 2, 1938.

⁹⁶Ibid., R.B. Bennett to F.W. Turnbull, March 12, 1938.

⁹⁷Ibid., R.B. Bennett to C.H.J. Burrows, March 9, 1938.

⁹⁸Ibid., F.R. MacMillan to R.B. Bennett, January 26, 1938.

would not nominate candidates in constituencies where prospects of success were negligible and in return the C.C.F. would not nominate where, during the last election they were in third place, but, if there ever was such an understanding, it has blown up...⁹⁹

To complicate things even more, the Social Credit Party invaded Saskatchewan using all the tried techniques and personnel from the 1935 Alberta election. The Liberals effectively urged Conservative supporters not to split the non-radical vote. Turnbull wrote ruefully,

Hundreds of Regina businessmen, who have voted nothing but Conservative in fifty years, marked their ballots for Liberal candidates under definite instructions from their eastern connections.¹⁰⁰

The Conservatives did not elect a member in the June 8 election and the party members were so dispirited and poor that by the time of the July National Convention the provincial party announced,

We are unable to gather substantial enough parties travelling on one railway in sufficient numbers to take advantage of the best railway returns. Ability to finance the trip will be the main factor in choosing delegates.¹⁰¹

In Alberta and British Columbia, the story was much the same. The Alberta party had two M.P.s throughout this period and, despite criticisms, the Patullo Liberals elected 31 to the Conservatives 8 in the 1937 B.C. election. For much of the year before, the Conservative Party did not have a leader. No

⁹⁹A. Meighen Papers, F.B. Bagshaw to Arthur Meighen, April 28, 1938.

¹⁰⁰P.A.C., R.B. Bennett Papers, F.W. Turnbull to R.B. Bennett, June 9, 1938.

¹⁰¹Ibid., June 16, 1938.

one could be found to replace Simon F. Tolmie.¹⁰²

This chapter has shown just how much difficulty the party was in during the 1935-1938 period. Its campaign machinery decayed completely during these years. It could not work effectively in parliament because of the strength of the Liberals, the weakness of its own front bench and the overwhelming dominance of R.B. Bennett. It could not find an issue on which to arouse the electorate, present an effective opposition or even take a united stand that was different from the Liberals. The results of the elections show only too clearly how close to disappearance the party was as a national force.

The two keystones of the 1932-1935 period, tariff reform and the New Deal now seemed irrelevant as well. At the 1937 Imperial Conference, one of the first agreements was that discussion of renewal of the Ottawa trade treaties would be carried on outside the main agenda through bilateral negotiation between the parties concerned.¹⁰³ This recognized what in fact had happened in 1932 but it was a long way from Bennett's Empire trade dreams. The diplomats in 1937 had recognized that Empire trade could not end the depression. Besides, they had more pressing concerns like the fate of the League and the rumours of war which appeared from all sides. In 1937, the Judicial Committee of the Privy Council found much of the 1935 New Deal

¹⁰²P.A.C., R.B. Bennett Papers, A.S. Johnson to R.B. Bennett, March 3, 1936.

¹⁰³N. Mansergh, Commonwealth Affairs, op. cit., p. 164.

ultra vires.¹⁰⁴ There was little or no comment from the Conservative Party. In parliament, Mr. Bennett was concerned chiefly with justifying his own actions,

...with the Privy Council decisions on the radio case and the aeronautics case, we had an entirely new conception of our powers...¹⁰⁵

His chief concern in the brief debate was that the case which had gone to the Privy Council was a hypothetical one rather than a real case based on an attempt to put the New Deal measures into practice. Bennett claimed that, because of this, the opinion has no more binding effect on parliament than had the opinion of the Minister of Justice.¹⁰⁶ Despite this claim, neither the Conservative Party nor the government was prepared to salvage any of the "unconstitutional" sections of the New Deal. Action on most matters awaited the report of the Rowell Commission and lengthy discussions with the provinces. Ironically, the group which was most upset by the affair was the C.C.F. Canadian Forum and F.R. Scott attacked the "ignorant foreign judges" and bemoaned the loss of federal power represented by the decisions.¹⁰⁷

In March 1938, Mr. Bennett announced publicly and finally that he would resign and that a leadership convention should be called. He would persevere no longer.

¹⁰⁴J.R.H. Wilbur, The New Deal, op. cit., pp. 192-193.

¹⁰⁵Ibid., p. 206.

¹⁰⁶Ibid., p. 207.

¹⁰⁷Ibid., pp. 208-215.

CHAPTER FIVE: A NEW BEGINNING AND FALSE HOPES 1938

The Bennett Resignation

"Bennett's armour is shiny from his putting it off, only to put it on again" commented "Backstage at Ottawa" in Macleans from January 1, 1937.¹ The magazine was only expressing publicly what many Conservatives had already concluded. Many wished that their leader had resigned at the end of the unsuccessful election campaign in 1935. Their numbers grew steadily stronger as the months slipped by.

As in 1935, however, there was no obvious replacement. Bennett had trained nobody and his "one man opposition" like his "one man cabinet" had allowed no one from the parliamentary party to gain the experience and reputation necessary. The chief had not even delegated organizational tasks so that an individual might become known among the party faithful. As the months drifted by, members of the old Bennett cabinet like Wes Gordon, R.B. Hanson, R.J. Manion grew more and more estranged from their party. The Conservatives had no way of rewarding their services and most of them were totally out of touch with political life. The Manion Papers for this period contain virtually no political correspondence and only Manion's letters to James give any indication of how carefully he was continuing to observe the political scene. Manion was unemployed -- living on his lucky

¹Macleans, January 1, 1937.

mining investments, trying to get luckier, and amusing himself writing his memoirs (published as Life is an Adventure) and a highly^{un}successful play (not published at all). He was growing steadily more impatient and disgusted.

As for R.B. no one knows, least of all himself, I should think. But in the end, he will decide to do what he feels is best for R.B. That is his character... [He] will look around on his return and if he decides his chance of coming back is good, he will stay. I hope he does for he is largely to blame for the party's present condition and it is his duty to try to rehabilitate it, no matter what his own course may be. I may say that publicly some day, though at the moment all this is for your eyes alone.²

If one were to consult Manion's letters alone, R.B. Bennett would emerge as a power-hungry grasping leader -- the terror of the caucus. Ironically, Bennett did not want the job by 1937, any more than Manion and others wanted him to have it. His letters for this period are almost plaintive and his speeches in the House of Commons are far fewer in number and far more conciliatory than those of 1936. In May of 1937 he wrote,

I am not unaware of my own limitations. I have made many mistakes but I served this country as disinterestedly as any man who ever occupied public office and I have never expected more than loyalty from those with whom I was associated. That I did not receive it may perhaps be a criticism of myself.³

By the time caucus met in August 1937, Bennett was ready to resign if given the slightest excuse. He was not -- indeed most members of caucus wanted him to stay because they could see no possible successor from inside the parliamentary party and

²P.A.C., R.J. Manion Papers, R.J. Manion to Paul Manion, July 11, 1937.

³P.A.C., R.B. Bennett Papers, R.B. Bennett to A.E. Ross, May 19, 1937.

were afraid to face the Ontario elections with a new leader. Bennett reluctantly embarked on the reorganization and tour of late 1937, convinced that the party still needed him.

The Conservative Party in Ontario and the federal party were closely related in this period. John R. MacNicol, longtime president of the National Conservative Association undertook to organize the Conservative provincial campaign. He wrote to Rod Finlayson,

Dear Roddy,

I only took on this work for two reasons.

1. If I can elect Rowe it will help tremendously to redeem the federal party in Ontario.
2. It will help me to recreate a federal organization in Ontario.⁴

The projected federal reorganization and the Ontario revival ended abruptly with the crushing defeat of Earl Rowe at the hands of Mitchell Hepburn on October 6, 1937. No other provincial election or by-election discussed in chapter four was as crucial as the Ontario election. The national tour and the session of 1938 went on but, except for the sharp exchange over the air training scheme at the end of this session, Bennett was dispirited.

On March 4 and 5, 1938, a conference was called to discuss the party's future. The entire caucus and representatives from the federal and provincial organizations had to wait until the second day of this meeting to hear officially that Mr. Bennett planned to resign and that a National Convention should be called

⁴p.A.C., R.B. Bennett Papers, J.R. MacNicol to Rod Finlayson, August 21, 1937.

for the near future.⁵ After some discussion, arrangements for the convention were turned over to a smaller committee composed of representatives from all provinces.

Why did Bennett linger as long as he did? Many observers have agreed with Manion that he was merely power-hungry and hoped to put himself and his party back in office. Certainly, there is some element of truth in this. One must always remember that Bennett regarded himself as the indispensable man -- indeed his brand of leadership made him so. The final explanation, I feel, grows from this feeling of indispensability. Bennett was an honourable man -- he could not run out on his party when it was in difficult times, yet he did not really have the vigour to lead it. A misplaced sense of honour and "fair play" plus an overwhelming self-esteem kept him at a job for which he was not really fit.

Bennett was probably the only leader who had any semblance of appeal to all three factions of the party. He was strongly pro-tariff and pro-Empire and therefore appealed to men like Howard Ferguson and Arthur Meighen as no other leader could have. He retained a grudging following among Tory Democrats even though it was obvious from his reaction to the Privy Council dismemberment of the New Deal that he had long since reverted to more traditional Tory policies.

Looking at the selection of candidates for the party leadership, one can understand Bennett's reluctance to resign and his

⁵P.A.C., H. Naugler "R.J. Manion and the Conservative Party, 1938-1940", unpublished, M.A. Thesis, Queen's University, 1964.

friends' concern that he not be allowed to do so. The most likely candidates for the succession in March 1937 were R.J. Manion, Gordon Harrington, Arthur Meighen and William Herridge.⁶ All had major disadvantages.

Manion was a Roman Catholic and, although everyone denied prejudice, it was there. Worse still, he had been a Liberal before 1917 and was still suspect. Manion was definitely a member of the party's Tory Democrat wing. His "Bennett recovery program" of 1934, his relative sympathy for the "On to Ottawa" trekkers and the underdog in general, his friendship with Harry Stevens all marked him as being different from the other segments of the party. Manion had practiced government interference long before the New Deal by his defence of the Canadian National Railway and his refusal to bow to Canadian Pacific pressure. He had, in short, offended the "big" interests. J.L. Granststein summarizes it neatly,

As Minister of Railways and Canals, he had filled one of the hottest seats in Canadian politics and in the opinion of the Canadian Pacific Railway, he had been judged wanting.⁷

Manion had an excellent platform manner and many friends in the party. Unfortunately, he also had a reputation as a "lightweight" -- a man who was pleasant company but was not a leader. Even his vast number of friendships had not gained him any kind of job offer after his defeat in 1935 and it was not until 1937 that Bennett

⁶Based on a list in Saturday Night, March 24, 1937.

⁷J.L. Granatstein in Studies in Canadian Party Finance, Volume 2 of the Report of the Parliamentary Committee on Election Expenses (Ottawa: Queen's Printer), 1966.

offered to find him a seat in parliament. After his resignation in 1940, it was Mackenzie King who found him a position as Director of Air Raid Precautions for Canada.⁸ If Manion became leader, most Tory Democrats would be satisfied. However, he could not really hope for the loyalty of the protectionist Montrealers nor did he have the image which would appeal to traditional Tories. Manion would have immense difficulty in uniting the three traditional facets of Canadian Conservatism.

Gordon Harrington's chances at the leadership evaporated when he was crushingly defeated by Angus L. Macdonald's Liberals on June 29, 1937. His fate was like that of many other Conservatives in the provincial field -- a defeat here meant certain death in the federal ring. The only bright light in the provinces by 1938 was Errick Willis of Manitoba who was too young to be considered for national leader.

Arthur Meighen could have had the job if he had wanted it. He was the darling of the sentimental Imperialists and at least some of the Montrealers seemed prepared to forget their former opposition. He certainly was acceptable to all those who demanded high tariffs. Bennett was fairly enthusiastic about him in 1937 and was almost over-eager in 1938. The Quebec party disliked him intensely but a union of all other Conservatives would have out-voted it. He was generally recognized as the best speaker and most qualified leader the party possessed. It was a real measure of the party's desperation that it should forget the problems and

⁸J.W. Pickersgill, The Mackenzie King Record, Vol. 1, (Toronto: University of Toronto Press), 1961, p. 78.

lack of organization which had beset Meighen before the 1927 Convention and led to his resignation.

William Herridge, who as one wag put it had "given up law to practice brother-in-law",⁹ was a favourite newspaper candidate. He gained the support of almost all the reformers and "Tory Democrats". The problem was that, by 1937, there were very few "New Deal" reformers left. The party had buried the Canadian New Deal and the recession of that year saw much of Roosevelt's lustre disappear. Herridge had no firm geographical bloc of votes on which to draw and, in the minds of party members, was too closely identified with Bennett's "wild excesses" of 1935. He was loathed by most former cabinet ministers because he had usurped their position as advisor to the Prime Minister. His chances of gaining wide support were doubtful.

After the March meeting, however, new choices were constantly talked of and it was all over but the valedictories for R.B. Bennett. The articles written about him must have made him wonder if Canadian journalists had taken leave of their senses. Canadian Forum described him this way,

...erratic, vehement, domineering, he has one superior virtue: the capacity to learn and change his mind. Two years of Mr. Mackenzie King have made us realize again how priceless a virtue that is.¹⁰

Grattan O'Leary, probably the journalist closest to Bennett, gave a much more honest portrait. He described Bennett as "a radical" with a "non-conformist conscience, radical and revivalist" and pointed out that "his reason was eternally

⁹Canadian Forum, April 1938.

¹⁰Macleans, May 1, 1938.

tangled with his emotions". He concluded,

He never held mastery over his party as Macdonald did, or Laurier, nor appealed to its reason as did Meighen. Nor did he command affection. Respect of his followers he had and discipline he enforced but he did not excite, uplift or thrill them. Nine times out of ten he baffled them, they did not know what to make of what he said... He did not seem to think he needed a party, nor colleagues, nor friendly newspapers, nor propaganda for the public. His work would be enough. HIS work.¹¹

Almost a year before, O'Leary had published some strong advice to the party. As it moved toward a convention, the advice seemed worthwhile. He had argued that Toryism was the curse of the party. "Reactionaries and antedeluvians have thought it their duty to gain and dictate to a party whose label appealed to them." He then added the following six points:

1. Get away from "Babbitry", from solid men, and recruit younger ones.
2. Purge the reactionaries.
3. Allow more democracy in the party organization.
4. Discover what Conservative principles are. Do not preach statism one minute and rugged individualism the next.
5. Make protectionism less of a virtue.
6. Get a press.¹²

Whatever the Conservatives thought of the advice, its appearance in a national magazine publicly revealed just how sick their party was.

The Convention is Called

Preparations for the great convention began almost immediately after the March fourth and fifth meeting. It was to be the largest political convention held in Canada up to that time; it

¹¹Macleans, May 1, 1938.

¹²Ibid., May 15, 1937.

was to be in the words of Arthur Ford of the London Free Press, "the dullest convention" held by the party; it was not really to change the party at all because the same divisions, vacillations and problems dragged on into the post-convention period.

The minutes of the March meeting had outlined a four-part program. They had suggested a national convention as early as possible in the summer of 1938, to be held in either Ottawa or Winnipeg, the agenda to include changing the name of the party from Liberal Conservative to National Conservative. A national committee was set up to organize the affair with two delegates from Prince Edward Island, nine from Ontario and Quebec, one from the Yukon and three from each of the other provinces.¹³

The estimated cost of the National Convention was \$15,000. Of this, \$7,500 was to come from Montreal and George Foster was asked to obtain this. Also, \$7,500 was to be obtained through J.M. MacDonnell of Toronto. The Montreal fund was soon over-subscribed. Donations totalling \$8,000 came from many of the traditional party sources (see AppendixA).

The Toronto fund appeal was also successful. MacDonnell appealed to Harry Hatch (of Gooderman and Worts distillery), Percy Gardiner, Fred Morrow, Allan Ross, D.M. Hogarth and Charles McCrae and got his portion from and through them.¹⁴ Despite some difficulties in getting all the committee members together, three

¹³P.A.C., R.B. Bennett Papers, Minutes of the meeting of March 4 and 5 taken by J. Harris.

¹⁴P.A.C., R.J. Manion Papers, List of donors to Conservative Convention Fund.

subcommittees to deal with organization, finance and policy were soon in operation. A system of alternates was arranged to reduce travelling expenses and to ensure a quorum at committee meetings.

On April 9, 1938, a general meeting was held to make final plans. It was decided to hold the meeting in Ottawa to lessen travelling expenses for the Maritime and Quebec delegates. Because of the Saskatchewan election, it was decided not to hold the meeting in June but to wait until July. There were some who wished to wait until the fall but they were overruled by a number who feared a general election in 1938. Definite arrangements were made for publicity, transportation, finance and local liaison. The Coliseum of the Central Canada Exhibition was booked and arrangements made with the local hotels. Many of the arrangements were modelled on those of the 1927 Winnipeg Convention and the same passes, documents and railway reductions were available to delegates.

While these physical arrangements were being made, political arrangements were also blooming. There was great pressure to put Arthur Meighen back into the office he had vacated in 1927.

Grattan O'Leary wrote,

I would count it a great day for the party and for myself if you were to come back to the platform from which you never should have gone...

Meanwhile, I confess to deep misgivings over the names of some who are being mentioned as leader. I fear, too, the danger of the party gambling for quick victory by an alliance with Duplessis, a thing which in the long run might well invite disaster.¹⁵

¹⁵P.A.C., A. Meighen Papers, Grattan O'Leary to Arthur Meighen, March 7, 1938.

Meighen, too, had his doubts about the only man who could ally with Duplessis to achieve "quick victory", R.J. Manion. He wrote to Harold Milner,

On the score of loyalty, courage and long service, he (Manion) is the best entitled. At the same time I have very serious questions if he can win and have still greater questions as to how he would handle the job after he did win. With all his ability he lacks a certain deftness of utterance -- the capacity to formulate his pronouncements in a definite and well considered way, to make them forceful and at the same time well fortified and defensible. This is very vital in a leader.¹⁶

Meighen's doubts about Manion and his desire not to resume the leadership soon led him into a search for an alternative. He began to correspond with Senator Dennis and with Henry Borden about other potential candidates. At first he was so discreet that he did not mention names and he and Dennis became enthusiastic about two different people. Soon, all three were agreed that Sydney Smith, president of the University of Manitoba, a man without political experience or background, would be an ideal choice. The plot thickened. Meighen wrote to A.D. McRae,

I think on your way back it would be well for you to call and see this man and let him know the lay of the land, if you see fit, and most important of all, get your size of him.¹⁷

Henry Borden arranged a meeting between Smith and Senator John T. Haig at Lady Borden's home. After this meeting, there was a distinct cooling of the Smith candidacy. Smith had no money of his own and was unwilling to venture unless he were guaranteed

¹⁶P.A.C., A. Meighen Papers, Arthur Meighen to H. Milner, April 14, 1938.

¹⁷Ibid., Arthur Meighen to A.D. McRae, April 2, 1938.

that Bennett would not recontest the office. Meighen, Borden and Haig could not guarantee this and the candidacy died completely. The party establishment continued its search for a Galahad elsewhere. By June, Meighen was resigned,

If Mr. Bennett does not contest, it looks to me as if Dr. Manion will be chosen.¹⁸

This did not end the demand that he announce his own candidature. Even the day before the convention he was told,

Stevens should be definitely out. Manion is not a big enough man and is wedded to the C.N.R. Earl Lawson...can hardly measure up to the responsibility... I had a chat with Sir Edward Beatty and he agrees that you are Canada's only hope for a sound aggressive government.¹⁹

Nothing, however, could persuade Meighen to leave his business interests and his life in the Senate to run for the leadership of something as doubtful as the Conservative Party in 1938. He was neither attracted by a mythical chance at power nor goaded by the almost lemming-like sense of duty which overwhelmed him in 1942.

R.B. Bennett had a different invitation for Meighen. He was to address the convention on opening day as one of two keynote speakers. Bennett particularly wanted Meighen to deal with foreign affairs. After some persuasion, Meighen agreed and even changed his speech from the one which he had intended to give. Meighen's speech rocked the convention. As he had previously done in the Senate, he violently attacked the King government for

¹⁸p.A.C., A. Meighen Papers, Arthur Meighen to J.A. Clark, June 21, 1938.

¹⁹Ibid., C.H. Carlisle to Arthur Meighen, July 5, 1938.

its stand on R.A.F. training bases in Canada and went on to reassert traditional Conservative foreign policy. He deplored,

...the disposition of some to be forever fighting the battle of autonomy which was won and conceded decades ago.

(He announced that] ...'the noble lion is enduring humiliations never before endured... [and asked],

Is there any such thing as the separate and independent defence of this Dominion? Have we come to the hour when Canada locks the gate on Britain?²⁰

The speech created a sensation. It was quoted as official Conservative policy by the Canadian Institute for International Affairs.²¹ It brought English-speaking Conservatives to their feet applauding. It disgusted the Quebec wing of the party.

Georges Héon reportedly said,

If Senator Meighen makes another speech like that, we will take the first train home.²²

Later, Héon made a public speech of his own,

No man has a right to pass judgement on the loyalty of the French Canadian until he has taken into account the history of the French Canadian race... I believe that the purpose of this Convention would be defeated if we were to be dictated to by any single person...a dictator in the ranks of the Conservative party would be absolutely out of place. I do not want this meeting to believe I have somebody in mind when I say that, but I do not mind you drawing your own conclusions... the menace overhanging this convention has now disappeared and our friends [the French Canadian group] will stay to the end of the convention...²³

After this bitter exchange and the divisions it provoked between

²⁰P.A.C., R.J. Manion Papers, Duplicated transcript of proceedings at the National Liberal Conservative Convention held at Ottawa July 5, 6 and 7, 1938 in files of National Conservative Association, Ottawa.

²¹See C.I.I.A. Canadian Papers 1938, series E, number 1, 1938.

²²The Globe and Mail, July 6, 1938.

²³Transcript of Proceedings, op. cit.

the groups within the party, the convention never really settled down again. The chairmen really did not control the proceedings and many public statements were either veiled threats like Héon's speech or desperate attempts to pretend nothing had happened. General McRae was presented with a clock (which someone forgot to bring from the Chateau Laurier) for his great work in the 1930 campaign. In his speech of reply, he refused to bow to pressure and become national organizer again. Bennett made his swan song speech, one of the best of the convention, stressing close relations with the Empire and attacking Liberal policy on the Wheat Board, the Bank of Canada, tariffs, sales taxes and U.S. trade. In view of what had happened, his speech was slightly irrelevant.

Meanwhile the candidates stood ready to be nominated and to make their addresses to the delegates. The major question mark was whether Bennett would run again. Despite the valedictory address and a "gold watch" portrait presentation, many delegates felt that there was a genuine chance that he might reverse his announced decision. Arthur Ford, who was at the convention, states,

There is not much doubt that Rt. Hon. R.B. Bennett, although he stated time and again that he was retiring, would have agreed to take the leadership if it was offered to him. Pressure was brought to bear on Dr. Manion to retire in favour of Mr. Bennett.²⁴

There were rumours that Bennett was actively seeking another term as party leader. To a great extent, the "Bennett boom" was an exaggeration of the newspapers and the rumour mongers at the

²⁴Arthur Ford, As the Word Wags On, (Toronto: Clark Irwin), 1950, p. 110.

convention. Bennett obviously wanted out and much of his party obviously wanted him out. Why did he not make a firm statement? The answer is, I think, two-fold. First, Bennett still regarded himself as essential. He could not see that the Conservative Party would go on without him and he could not accept that any of the list of candidates was more suitable to lead the party than he was. Second, no refusal would have satisfied his ardent admirers and those members of the party establishment who hated Manion and wished to see anyone in his place. After the Smith boom had ended, they had been left with no place to turn and many of them had been forced back to the Bennett camp. Influenced by their counsel, Bennett seriously considered running again. Meighen, the wiser of the two men, spent the first day of the convention talking him out of it,

My own definite conviction then was, first that a change at that time was unfair to other candidates; and, second, that it would be deemed unfair to other candidates by the convention generally. By reason of these considerations, I very definitely feared that Mr. Bennett could be defeated. His defeat, if it did occur, would be not only humiliating to himself, but could result in a serious cleavage to the Conservative Party. Therefore my influence, whatever it may have amounted to, was against this change of front on his part. He agreed.²⁵

It is somewhat doubtful that Bennett would have seriously put himself forward again if he had withdrawn from the heat of the convention to think it over. As long as he remained in that milieu, however, his old instinct that he was needed asserted itself and was exploited by his friends and Manion's enemies.

²⁵Roger Graham, Arthur Meighen, Vol. III, No Surrender, (Toronto: Clark-Irwin), 1963.

Other equally desperate moves to hinder Manion were taking place. Sir Edward Beatty, determined to stop his company's chief enemy, held long talks with H.H. Stevens.²⁶ It was ironic that the man who had been touted as big business' greatest enemy in 1935 should be courted by the archetypal Canadian tycoon in 1938. Beatty abruptly dropped his attempt at king-making when he discovered that Stevens could not even carry the B.C. delegation. Stevens assessed his position realistically and decided not to run.²⁷ By the time nominations closed, there were five choices: R.J. Manion, J. Earl Lawson, former Minister of Revenue and now financial critic; Denton Massey, the youthful Toronto representative; J.H. Harris, Toronto coal merchant; and M.A. MacPherson, the former Attorney General of Saskatchewan.

Manion, despite his lack of support among the old guard, was definitely in the strongest position. He "had all the availability of a typical U.S. presidential candidate: he was a Roman Catholic of Irish ancestry, was married to a French Canadian yet had broken with the Liberals in 1917 over the conscription issue."²⁸ As early as December 8, 1937, he had urged a convention in a speech in Toronto. He announced what was all too obvious, "No person really knows what Conservative policy is."²⁹ Many saw this speech as the opening of his

²⁶P.A.C., H.M. Stevens Papers, W.K. Cook to Stevens, May 6, 1938 and Stevens to Cook, May 11, 1938.

²⁷Ibid., Stevens to Cook, June 24, 1938.

²⁸F.C. Engelman and M.A. Schwartz, Political Parties and the Canadian Social Structure, (Toronto: Prentice Hall), 1967, p. 38.

²⁹The Toronto Star, December 8, 1937.

campaign for the party leadership. He himself denied this and even privately, showed less enthusiasm for the leadership and a real awareness of the problems he would have,

I am now being mentioned frequently for the leadership. I have made no move of any kind but have been getting some booms from a few papers -- the Quebec Chronicle, Sydney, N.S. Post, St. Catherines Standard... The powers in Quebec are all for me... Orangemen are among my strongest friends... There is a great running around by some in search for another white hope, whether because of religion or for the reason given, that some entirely unknown man (professor preferred) would not smell of past associations... I shall not aid them in getting this super-educator to make a sacrifice of himself although I was approached by a senator to do so...³⁰

Whatever his other defects, Manion's political grapevine was excellent. On March 26 when the above letter was written, Meighen was not even using Sydney Smith's name in his letters. After the failure to nominate "super-educator", Manion noted the problems of Meighen, Borden, Haig and the others.

The powers flitted from one white hope to another as follows: Meighen, Denton Massey, George Drew, Smith of Manitoba U., Bennett and now it appears as if their last shot is Lawson...³¹

Manion felt that he was the victim of a smear campaign by "the powers". The Quebec Chronicle Telegraph accused Lawson of writing poison pen letters stressing the danger of a Roman Catholic leader and Manion himself announced that he was being labelled "the elder statesman" (he was the oldest in the race by four years), "a turncoat Protestant", "renegade Catholic", "a French Canadian", "an ignorant country doctor" and "a stooge for Stevens". Despite

³⁰P.A.C., R.J. Manion Papers, R.J. Manion to James Manion, March 26, 1938.

³¹Ibid., June 19, 1938.

obvious attempts to block Manion, it is doubtful that "the powers" resorted to anything this crude. The message was there, however.

The "stop Manion" campaign was doomed to failure. He came to the convention with the Quebec bloc completely under his control and with large support in Ontario and Manitoba. Even though three of the other candidates (Lawson, Harris and Massey) had the advantage of having seats in parliament, they lacked the long experience that Manion had had. Lawson was the only one who had served in a cabinet and he had only been in Bennett's for about four months. (He was appointed in the cabinet shuffle of August 1935). All three had the added disadvantage of coming from Toronto (which was resented by many delegates), of being connected with "big business" and of being marred by the 1935 Bennett failure. The one exception, the total unknown, was Murdoch MacPherson, former Solicitor General in the Saskatchewan government. He arrived with little or no party backing but he was a fresh face and he did represent an escape from the factionalism of the Bennett years.

The nominations and speeches were quite typical of all the candidates. Manion showed his obvious national strength in being nominated by Errick Willis of Manitoba and being seconded by Georges Héon from Quebec. His association with the two most spectacular winners the party could produce was effective as was the geographical spread of candidate, nominator and seconder. Manion was the only candidate to speak French -- indeed, he spoke almost the only French heard at the entire convention. Despite these advantages, he made a poor speech. In trying to be serious about

trade, unemployment, railways and peace, he lacked his usual platform bantering and lightness of style. The speech reads like a careful school-student exercise, well researched but showing too much evidence of its sources and too little of the person making it.³²

Earl Lawson was nominated by a woman (Mrs. Van Koughnet of the Women Conservatives) and seconded by a representative of Youth (Ongley of the Hamilton Young Conservatives). This dodge, however, could not hide the fact that Lawson was a central Ontario candidate and nothing more. His speech was nervous and short with major stress on defence and Canada's contribution to the Empire. Lawson did not paraphrase Meighen but it was obvious that he agreed with him.

Joe Harris' nominators both came from Ontario as well. He gave a speech of which the Globe and Mail and the Gazette would have approved, stressing the need for business-like management of government, organization of the party and unity. Unfortunately, Harris had no real connection with the power structure in either the Toronto or Montreal business communities. If he represented anyone, it was the smaller businessman who had not bought Stevens' rhetoric and who had stayed with a more traditional party alliance.

Denton Massey had a strong nominator and seconder, Howard Green from Vancouver and Rod Rinlayson from Ottawa. His speech, however, was filled with the evangelical rhetoric which Massey

³²P.A.C., R.J. Manion Papers, Speeches file, 1938.

loved. He forgot that the convention was not his York Bible Class.

Four candidates had spoken and all four had proved to be great disappointments. The convention was restless and many partisans were threatening to escape back to the Chateau, the Roxborough or the Bytown Inn.

Murdoch MacPherson had drawn last place. It had some disadvantages but he used his position skillfully. He was nominated by two Smiths: A.L. Smith of Alberta and C.B. Smith of Nova Scotia. Neither was a real influence in the party but the desperate MacPherson campaign had patched together a gimmick which worked. MacPherson made a magnificent speech. It combined humour, "In 1935, the Canadian people were offered 'King or Chaos'. They asked for King and they got both",³³ with a savage attack on the King administration. MacPherson was the only candidate to use the word Commonwealth instead of Empire. He promised to fight for constitutional amendments and to end government inaction on relief. At the end of MacPherson's speech, the convention was excited for the first time that evening and Arthur Meighen had found his last hope. The only question was whether he could elect him.

Between the ballots for the new leader, the convention met to discuss platform. Two things militated against any honest discussion. The platform in essence had already been drawn up by Harris, Meighen and C.H. Caban with reference to Mr. Bennett and

³³Transcript of Proceedings, op. cit.

others. These men were determined to see it passed and had the power to get it through. Secondly, the great division which had appeared after Meighen's speech on the opening day made both the leaders of the convention and most of their followers very anxious not to offend anyone. Such discussion as there was tended to be confined to committees or to the reception areas at Lansdowne Park. The first resolution which changed the name of the party to the National Conservative Party passed without discussion. Second came the resolution on foreign affairs. It was extremely mild -- and it utterly ignored Arthur Meighen's speech.

We reaffirm our abiding loyalty to the Crown and the democratic system of representative self-government of which the Crown is a symbol. We recognize in the British Commonwealth of Nations a mighty influence making for world peace... We believe that the defence of Canada and the reservation of our liberties can best be promoted by consultation and co-operation between all the members of the British Commonwealth of Nations.³⁴

Even with this innocuous resolution, a floor fight developed. Reynolds Butler of the Quebec delegation declared, "the Conservative Party should oppose the sending of armed forces outside Canada without a referendum of the people." The Quebec group feared, "a government might arise in England tomorrow which would precipitate us into a war in which we believe we have little interest."³⁵ Sam Hughes rumbled from the floor, "Eleven years ago in Winnipeg...the policy enunciated by these amendments today was given the trouncing it deserved."³⁶ The amendments were eventually

³⁴The Canadian Institute of International Affairs, Series E, number 1, Canadian Papers 1938.

³⁵Transcript of Proceedings, op. cit.

³⁶Ibid.

defeated and the resolution, such as it was, stood.

The foreign affairs resolution set the tone for most of the rest of the platform. Despite some objections, the party decided to wait for the report of the Rowell Commission before setting a policy on Dominion-Provincial relations. It announced itself to be in favour of the development of Canada's natural resources and of the retention of protective tariffs and Commonwealth preferences. Despite Mr. Bennett's private opposition, it opposed railway unification and came out in favour of a Trans Canada Highway.³⁷ Amendments from the Toronto group that the party should "face the railway problem without vacillation" and "adopt a fearless solution" were defeated.³⁸ The party promised to aid agriculture (although it didn't say how), use the Bank of Canada to regulate interest levels and reduce taxes. There was no mention of the New Deal -- and very little mention that a serious depression still existed. There was little discussion of the later resolutions because the party members were impatiently awaiting the result of the second leadership ballot. Indeed, the only excitement of the later part of the resolutions session was the violent speech of William Herridge who, like a voice from the past, denounced the ignoring of New Deal policies and called the economic resolution "a lot of useless junk".³⁹ In 1938, the man who had been Bennett's closest advisor was a very lonely voice.

³⁷Bennett had suggested that the opposition to railway unification be dropped from the platform. P.A.C., R.B. Bennett Papers, R.B. Bennett to J.H. Harris, July 2, 1938.

³⁸Transcript of Proceedings, op. cit.

³⁹Canadian Forum, August, 1938.

Two leadership ballots were necessary because Manion did not receive the required majority on the first vote. The results are shown in Appendix I. The actual numbers of votes were read after the first ballot but not after the second. Only two things were surprising -- Earl Lawson's very poor showing and Murdoch MacPherson's surprising second place finish. MacPherson prevented Manion from winning on the first ballot. Great credit for the MacPherson showing must go to Arthur Meighen and others who worked hard in the one day they had available. Much of the credit, however, belongs to MacPherson himself. He had succeeded in sparking enthusiasm where everyone else had failed. Generally speaking, votes crossed from Lawson to MacPherson on the second ballot and from Massey and Harris to Manion.⁴⁰ Lawson was disgusted with the desertion by the "interests" but it is doubtful that he had really expected to win.

Manion ended the convention with a modest speech of acceptance. He seemed strangely subdued, announcing "I am your leader; I am not your commander,"⁴¹ and warning the party to "get ready for the next election which may sneak up on us like a thief in the night"⁴² 1940 would show how right he was.

The reaction to Manion's election was not excited because it had been expected and even the MacPherson and Bennett "booms" had not changed the newspapers' assessment of the situation. The Ottawa Journal (despite Grattan O'Leary's misgivings) was pleasant,

⁴⁰H. Naugler, R.J. Manion and the Conservative Party, op. cit. p. 139.

⁴¹Montreal Gazette, July 8, 1938.

He will be a human leader. Engaging and winsome in personality, there is something lovable in his character.⁴³

The Winnipeg Free Press was so relieved to see Mr. Bennett depart that it even praised Manion faintly,

Dr. Manion is the average man -- greatly magnified because he is more energetic, cleverer and handsomer.⁴⁴

The Ottawa Citizen doubted that change was possible in view of the Conservative platform and Leslie Roberts, writing in The Montrealer was even more honest,

The air is alive with cries of alarum, some from the unification dervishes, more from highly placed "insiders" who haven't discovered that the requirements of 1938 are not identical with those of 1867. It would appear, therefore that these elements are not going to permit the Tory leader to lead.⁴⁵

The 1938 convention was impressive in its physical proportions. There had been almost 1500 delegates, 7 from the Yukon, 70 from B.C., 60 from Alberta, 70 from Saskatchewan, 115 from Manitoba, 600 from Ontario, 400 from Quebec, 70 from New Brunswick, 70 from Nova Scotia and 35 from Prince Edward Island.⁴⁶ The statistics, however, do not reflect the convention. It had been badly organized -- there was no overall list of delegates and voting had been confused. Duplicate credentials had been mailed in some cases (Arthur Meighen wound up with three sets). Many western constituencies had not sent representatives and had

⁴³The Ottawa Journal, July 10, 1938.

⁴⁴The Winnipeg Free Press, July 12, 1938.

⁴⁵Leslie Roberts in The Montrealer, October 1938.

⁴⁶Ruth Bell, "Conservative National Conventions", op. cit., p. 26.

resorted to "ringing in" delegates who could afford to go. Ability to pay train fare had been the chief consideration in many areas. In Quebec, delegates were often selected because they wanted a cheap three-day holiday in Ottawa. Even at the constituency level, it was often difficult to find out exactly who the representatives were.⁴⁷ Worse than this, the convention had not produced the expected party unity. The Imperialists did not find Manion strong enough on issues like the R.A.F. training bases problem to suit their views. Manion was not a reflex Imperialist. As we have already noted, Manion was not acceptable to the Montreal business community who dominated the party's high tariff wing.

It was obvious that the bulk of the party favoured some new consensus, far from the traditional national policy and that Manion was the candidate best qualified to lead it in this direction and to respond to the economic and political crises of the late 1930's in a manner acceptable to a reasonable number of Canadians. Many Conservatives who supported Manion were not thinking in rational terms or of building a new consensus. They merely saw Manion as a human, popular figure who might provoke a response from depression-weary Canadians, with a French Canadian wife who might have some appeal to Quebec votes. However, Manion could not achieve this without the financial and journalistic support of the Imperialists and the businessmen. A new Conservatism would be difficult to build.

⁴⁷Ruth Bell, "Conservative National Conventions", op. cit., p. 28.

A New Leader - and Old Troubles

The Conservative Party had a new leader. He was fifty-three years old, son of a Fort William shopkeeper. He had come from the quasi-frontier of this area to be trained at Toronto and later at the University of Edinburgh, in medicine. He had finally returned to Fort William to practice medicine and had entered politics through the time-honoured service club, Canadian Club, municipal politician route. His son called him "a general practitioner by profession and a politician by avocation."⁴⁸ Certainly, he was vastly interested in politics and had made no attempt to go back to medicine in the three years he had been out of parliament. Manion was bright -- he had taken a gold medal at Toronto but impressed people most with his unspectacular methodical progress and his genuine good humour as he progressed through various cabinet offices to become Minister of Railways and Canals in the Bennett government. He himself did not stress brilliant displays noting once, "A fact which impressed me in those early years was the importance of steady work and common sense rather than brilliancy."⁴⁹ Thus his record as minister was filled with workmanlike attempts to manage the C.N.R. through a most trying period. He had good reason to believe in his philosophy of steadiness. He had survived while the two most spectacular men he had encountered, R.B. Bennett and Henry Thornton, had both tasted defeat.

⁴⁸James Manion, A Canadian Errant, (Toronto: Ryerson Press), 1956, p. 2.

⁴⁹R.J. Manion, Life is an Adventure, (Toronto: Ryerson Press). 1936. p. 43.

As already noted, Manion came to the office with three major disadvantages, all based on prejudice. He was a Roman Catholic (the first to lead the Conservative Party since Sir John Thompson) and he had been a Liberal (one of the few not to return to the King fold when the Union Government broke up in 1920-21). Also, he was a Tory Democrat and had offended the "big" interests in his attempts to manage the C.N.R. and to avoid amalgamation of the government line with Edward Beatty's C.P.R.

To these might be added three more defects. He had a hot temper and was likely to say things he did not really mean. He became slightly nervous on public platforms and therefore gave awkward speeches in which he sometimes was carried away by his own phrase-making. He was also perhaps a little naive. His son comments,

He did not know the deviousness of electioneering, the arrangements, the promises and the compromises which he would have to enter into... He was always a great glad hander and a happy extrovert...⁵⁰

Perhaps Manion's greatest strength and his greatest weakness was his extreme ordinariness. He was a welcome relief after R.B. Bennett but he could never command the respect given Arthur Meighen or the fear felt toward R.B. Many Conservatives were convinced that if Manion could lead the party, so could they.

The new leader inherited a difficult situation, and many problems which the convention had not solved. Besides electing a new leader, the convention had been supposed to give the party

⁵⁰James Manion, A Canadian Errant, op. cit., p. 2.

a new look. It had not succeeded. The platform was a hopeless series of compromises. Canadian Forum described it as "a stilted literary monstrosity, without a touch of distinction, notable chiefly as an exercise in evasion."⁵¹ This prejudiced view was all too correct.

Canadian Forum summed up the convention by stating that it "had got rid of Mr. Bennett, hauled down Mr. Herridge and generally shown that it would have no truck with new ideas. Bennett said 'he had suffered for ten years from reactionaries within his party.' He will suffer no more; they have finally beaten him."⁵²

The convention had also been intended to reconcile the various groups in the party. As we have seen, it offended French Canadian Conservatives to the point that they almost walked out. It offended other interests too. The C.P.R. liked neither the choice of Manion as leader nor the railway plank in the platform. Thus Manion himself alienated one important group and the convention at which he was elected alienated another. Traditional Tories, business Conservatives and Tory Democrats seemed doomed to continue arguing and fragmenting their party. The Conservatives had relegated themselves to being a permanent opposition based chiefly in Southern Ontario, Manitoba and British Columbia.

On July 26, 1938, Manion appointed Dr. J.M. Robb of Blind River, Ontario as national organizer. It was certainly an in-

⁵¹Canadian Forum, July 1938.

⁵²Ibid., August 1938.

offensive choice and smoothed over ruffled feelings between the Toronto group and what was left of the Montreal Tory organization. Unfortunately, Dr. Robb was too much like Manion himself in both personality and geographical origin. He had never managed a large national campaign and had no connections with the moneyed elements of Conservative support. This was a real problem because the party still owed \$35,000 from the 1935 campaign.⁵³ In trying to be inoffensive, Manion had settled for incompetence.

The day before Robb's appointment, Manion had made one great step forward. He had finally settled the Stevens feud and had reabsorbed the Reconstruction Party. He and Stevens had been friends for years and, despite Manion's bitterness after his 1935 defeat, they had never totally lost touch. Stevens had come to the 1938 convention as a sort of prodigal son and Manion agreed to take him back. To heal the breach, Stevens wrote,

I should be very glad indeed to co-operate with you in every way possible. I do believe that my experience of recent years, and studies, may be of great help to the party, and it has been a pleasure to me to assure everyone with whom I meet that in you we have a leader who will take the "Forward View"⁵⁴

Healing the Stevens breach and preventing another one over the appointment of an organizer were not enough, however. Manion was soon in difficulties, partly because of the events of the

⁵³J.L. Granatstein, The Politics of Survival, op. cit., p. 24.

⁵⁴P.A.C., H.H. Stevens Papers, Harry Stevens to R.J. Manion, July 25, 1938.

convention, partly because of the attitude of the old leaders, Meighen and Bennett, to him and partly because he tried to assert his own leadership.

The press reports of the convention had been overshadowed by another round of "Will he or won't he resign?" starring R.B. Bennett. Bennett himself was supposed to have made up his mind once and for all at the March meeting, but that did not stop those hostile to Manion and those who really admired Bennett from circulating rumours. Bennett had not seen fit to deny these rumours and had ignored the press at the convention. Two myths about the convention had quickly grown. The first was that Meighen had deliberately made or had been tricked into making his speech on opening day in order to embarrass Manion and to drive the Quebec delegation out of the convention. Meighen was amazed at this. Macleans reported, "He was talking (as he thought) for the party. And Meighen was for Manion. The writer of this notebook can say that ^{he} has no doubt about it."⁵⁵ Meighen himself denied any kind of plot,

The response accorded to what I thought was a very moderate presentation of the minimum of Empire fidelity was exceedingly disappointing so far as the delegation from Quebec was concerned.⁵⁶

As always when he made a political mistake Meighen had no realization that he had done so and had good logical reasons for his

⁵⁵"Backstage at Ottawa", Macleans, August 15, 1938.

⁵⁶P.A.C., A. Meighen Papers, Arthur Meighen to M. Jenkins, July 7, 1938.

actions. The dispute over Meighen's speech and over the myths which grew up around it embarrassed the party in Quebec and embarrassed the new leader. The worst of it was that the rumours had some basis in fact. Meighen showed his lack of enthusiasm for Manion, publicly by refusing to accept the official Conservative railway policy, and privately in a letter to an acquaintance, Mrs. John Scott,

I would rather not make any comment on matters of party policy and leadership. Certainly nothing is further from my mind than to lead any rebellion.⁵⁷

With friends like Meighen behind him, Manion certainly did not need Liberal or C.C.F. enemies.

The second myth to emerge from the convention was that Bennett had consciously sought renomination. The Telegram had headlined its July 5 editions, "Bennett Boom Sweeps Tory Convention"⁵⁸ and the Financial Post under the headline "Mr. Bennett Hangs On" had reported,

Mr. Bennett's position was uncertain up until the very last minute on nomination day... Not only did Mr. Bennett actively oppose the Manion candidature, but his hesitancy to finally withdraw made it embarrassing for other aspirants.⁵⁹

The paper noted that he looked "glum and downcast" during the nominations and "on voting day he failed to make an appearance".⁶⁰ Mr. Bennett wrote to Floyd Chalmers, the editor, indicating that

⁵⁷P.A.C., A. Meighen Papers, Arthur Meighen to Mrs. John Scott, June 3, 1939.

⁵⁸The Toronto Telegram, July 5, 1938.

⁵⁹The Financial Post, July 10, 1938.

⁶⁰Ibid.

his resignation had been final in March. However, he showed the pressures on him by indicating that delegates still supported him and he received unanimous support from all except the Quebec delegation but did not feel that he should influence the choice of leader and therefore made no public statements. In the letter Bennett stated that he actually supported Mr. Meighen for the leadership...."not that I was opposed to Dr. Manion but because I believed Mr. Meighen to be the best qualified person." He further indicated that Massey, Lawson, and MacPherson all discussed their plans with him and that although others might have been in doubt about his plans, the candidates were not. Bennett claimed that he stayed away from the voting to avoid a draft, that he had been "glum and downcast" because he had been thinking of his sister and the passage of time.⁶¹ The Financial Post published the letter despite an urgent telegram to Chalmers asking him not to. Bennett was extremely embarrassed -- particularly because of his reference to Manion and Meighen⁶² but the damage had already been done and much of the aura of unity was destroyed. In private, divisions were much more bitter. Mrs. John Scott wrote to Meighen, "And the Conservative Party electing a Catholic as leader! Aren't we all fools!"⁶³

In the same letter, she quoted a note she had had from

⁶¹P.A.C., R.B. Bennett Papers, R.B. Bennett to Floyd Chalmers, July 22, 1938.

⁶²Ibid., R.B. Bennett to Grattan O'Leary, July 29, 1938.

⁶³P.A.C., A. Meighen Papers, Mrs. John Scott to Arthur Meighen, May 31, 1939.

Georges Héon after she had written him criticizing his conduct at the convention. Héon had replied in total exasperation,

The cheap arrogant tone of your letter renders you most undeserving of an explanation. You hold no position in the councils of the party and you are not in the least authorized to speak on its behalf. In fact, you render the party a precious service if you remained absolutely silent. However, some of your English-speaking friends have invoked your advanced age as an excuse and that is why I am not holding anything against you.⁶⁴

It was from such material that Manion was to try and fashion a united group of followers.

Manion's position was further complicated by the attitude of Meighen and Bennett to him personally. Both men hovered like unhappy grandparents watching a struggling mother raise a recalcitrant grandchild the wrong way. Their letters to each other grew more and more magnanimous and both seemed to suffer delusions of grandeur. Meighen wrote to Bennett on July 12,

You took the proper course Thursday [in withdrawing from the convention without naming a successor]. Things had gone too far and besides, it is my sincere though much regretted opinion that we are nearing something in the nature of a crisis in respect of our inter-Empire relations and that you can probably serve more effectively when the fitting hour arrives, from the outside than from within.⁶⁵

Bennett replied on July 22,

It may be that you and I will have to carry heavy responsibilities in connection with inter-Empire relations, which I propose to discuss fully with our friends in Great Britain... I think there is a general desire to support

⁶⁴P.A.C., A. Meighen Papers, Mrs. John Scott to Arthur Meighen, May 31, 1939.

⁶⁵Ibid.

Bob but great resentment as to the methods employed by Héon and others at the convention.⁶⁶

Both men patronized Manion and retired to the Olympian heights to see what he would do with "their" party.

Bennett would not allow Manion to use the office of the Leader of the Opposition until Manion was officially elected to the House of Commons and sworn in. This became a real embarrassment for Manion and a bit of a joke for the newspapers, who pictured Manion frantically running the party out of a small office lent to him by the Clerk of the House while Bennett lounged in the more luxurious leader's office. On July 23, Bennett, obviously annoyed, wrote,

I think you can understand that this whole discussion is distasteful to me. All I want is what I am entitled to as an M.P. namely office accommodation in the parliament buildings. I am still in this room because I have not yet had alloted to me any other.⁶⁷

Bennett did relent sufficiently by September to send Manion \$999.99 -- the salary and motor car allowance for the Leader of the Opposition for the month of August. Despite this gesture, his whole attitude to Manion was legalistic and cold -- there was no letter with the September cheque. A final luncheon between the two men, although arranged, never took place.

Manion's third problem arose from his attempts to make an impression on the Canadian electorate and to point out that he

⁶⁶P.A.C., R.B. Bennett Papers, Arthur Meighen to R.B. Bennett, July 12, 1938.

⁶⁷P.A.C., R.J. Manion Papers, R.B. Bennett to R.J. Manion, July 23, 1938.

was his own man. Soon after his election, he began a series of speeches which started in Ontario and took him through the Maritimes and the West. In the series, he tended to ignore many of the old Conservative standbys. There was no mention of the Empire, very little mention of the 1932 trade agreements and no Meighen-like attacks on the lack of defence preparation. In their place, Manion stressed a "work and wages" program pointing out the desperate need for reform of the economic system. Many of his ideas came straight from the "Bennett Reform Programme" which he had suggested in 1934.

In his first speech at Barrys Bay, Ontario, Manion announced that the alternative to reform was "revolution".⁶⁸ He advocated "planning" and a "redistribution of wealth".⁶⁹ The reaction from the Montreal papers was immediate, vicious and sarcastic. The Gazette trumpeted,

Now we find Dr. Manion talking the language of Mr. Bennett, even the language of Mr. Herridge. In his own interest, he should be warned against a false step. At the recent convention the party dispensed with Mr. Bennett as its leader and it would have nothing to do with Mr. Herridge or his heresies... If the new leader has any inclination to move to the left he can, of course, indulge it but he cannot take the Conservative Party with him.⁷⁰

The Star was even more direct,

Revolution. Tush, Tush Dr. Manion. Turn over. You are sleeping on your back.⁷¹

⁶⁸Saturday Night, August 20, 1938.

⁶⁹Ibid.

⁷⁰The Montreal Gazette, August 12, 1938.

⁷¹The Montreal Star, August 11, 1938.

By October, Frank R. Scott was almost gloating,

The Conservative Party appears to be on the way out and it is likely to take something bigger than Dr. Manion to revive it.⁷²

The Convention of 1938 was supposed to start a new era for the party and lead to victory in the general election of 1939. It did not begin the new era and it did not lead to victory. Manion had been chosen, partly because he was the only obvious choice but also because of his supposed appeal to French Canadians. The party, in its desperation, assumed that because someone was an Irish Roman Catholic, he would appeal to French Roman Catholics and that because he was married to a French Canadian, he would appeal to all French Canadians. It ignored the fact that Manion was tarred with the same brush as Meighen -- he had deserted Laurier in 1917 and had supported conscription. It ignored the fact that Manion could not speak French and that Mrs. Manion had no platform presence at all. It ignored the fact that its own pro-Empire, anti-French wing would still allow the Liberals to use all the old anti-conscription attacks left from 1917. The election of Manion as leader shows the party's move from its old position. Despite the Barrys Bay speech, however, Manion was still very much a moderate. Although he alienated the Imperialists, the Montreal businessmen, the anti-Catholics and others, most of his positions were too close to those of Mackenzie King to attract a large volume of new support. Tory Democrat rhetoric, especially when delivered by Manion sounded uncomfortably like "the Liberal way". The non-platform

⁷²R.R. Scott in Canadian Forum, October 1938, p. 166.

written at the 1938 Convention was a joke rather than an aid. In place of policy, Manion turned to political alliances - one dubious, one possible.

He tried to exploit the Hepburn-King feud and to create a Manion-Hepburn-Duplessis alliance. Hepburn is reported to have said that he would vote for Manion because at least Manion was "human".⁷³

What Manion never seemed to realize was that an alliance with Hepburn did not necessarily mean an alliance with the Ontario Liberal Party and its supporters. Hepburn, even by 1939, was becoming much more of a liability than an asset. The Duplessis alliance looked much more useful. It was destroyed by the coming of war. A party whose members were prone to demanding conscription, led by a man who had broken with the Liberals over the issue only 20 years before, was not a fit ally for the wartime Union Nationale which used anti-conscription Quebec nationalism as its key issue.

Manion's moderation caused divisions in the parliamentary party as well. He remained a staunch supporter of the Canadian National Railway and refused to consider unification of the government line with the Canadian Pacific. Unfortunately, Arthur Meighen had finally convinced himself that there was no other way out of the railway dilemma. The party had two quite distinct railway policies, one in the House of Commons and the other in the Senate. Manion did not have the prestige or the power to

⁷³H. Naugler, R.J. Manion and the Conservative Party, op. cit., p. 170.

bring Meighen to heel and he needed Meighen's help too badly to read him out of the party. The defence expenditure issue also split the party with Meighen urging greater expenditures than the Liberals were prepared to make and the Quebec wing of the Conservatives objecting violently.

The splits in the party began to take vivid form in 1939 with the appearance of two radical spin-offs from the Conservative party, proclaiming, "The old political tools are neither broken nor worn out; they are just dirty."⁷⁴ George McCullagh of the Toronto Globe and Mail organized the Leadership League. Ballots were printed in the Globe and Mail and Ottawa was deluged with paper urging greater "leadership" from the federal parties. Because the Leadership League was a product of dissatisfaction, it never formulated definite policies and it failed after a year. However, it deprived the Conservatives of enthusiastic and effective campaign workers and it showed publicly how ineffective Manion was at controlling factions. William Herridge was not a force in the Conservative Party after his violent speech at the 1930 Convention. In 1939, he organized the New Democracy Movement. Manion sneered, "Herridge was only a Conservative by marriage anyway,"⁷⁵ but the New Democracy Movement utterly destroyed the Conservative Party in Alberta and weakened it in Saskatchewan and British Columbia.

⁷⁴P.A.C., A. Meighen Papers, Text of radio address by C.G. McCullagh, no date.

⁷⁵P.A.C., R.J. Manion Papers, R.J. Manion to James Manion, March 7, 1939.

More and more the party saw a way out of its problems in the advocacy of a national government, an idea which had been urged by the Montreal Gazette and Star since the early 1930's. National government would give the party some taste of power and would flesh out the very weak Conservative front bench with other effective men. Many Conservatives saw it as a way of appeasing the Montreal interests and Manion's enemies saw a chance to rob him of any real power. The idea became ridiculous as more and more Liberals announced that they would never join such a monstrosity but the party clung to it right through the snap election of 1940.

Thus the Conservative Party retained all its old divisions and internal feuds throughout the two years which followed the 1938 Convention. It did not change; it did not gain new recruits. The party weaknesses were exaggerated, not aided, by the moderate position of R.J. Manion, at least in part because he did not have the prestige or the power of R.B. Bennett. The national government idea was the crudest attempt to wallpaper over party divisions in the party's history.

Just as Bennett's violent attempt to shift the Conservatives towards Tory Democracy in 1935 had failed, so the more moderate urgings of Manion and his supporters resulted in nothing but division. By 1940, wartime conditions had made "work and wages" and Tory Democracy irrelevant. Economic problems centered on the extreme scarcity of goods not on vast surpluses. Strong leadership of the Bennett type was demanded. Loyalty to Britain again became fashionable (although in a slightly different context).

Conservative union under Manion became impossible. So, however, did the hope of power for the Conservative Party. Canadians so distrusted the official opposition which had groped indecisively for a policy that they trounced the Conservatives in the snap election of 1940 and found their leadership in a Liberal party which had adjusted quickly to wartime realities.

CHAPTER SIX: CONCLUSION - THE ANATOMY
OF DECLINE

Why did the party fail so badly in the three crucial years 1935-1938? Why did the divisions and problems worsen after the election defeat? The answer can be summed up in three words: image, organization and leadership. The party's image was confused at best. To the traditional Tory, it appeared that the party had rejected all he stood for, that loyalty, belief in big business, balanced budgets and lack of government interference in private affairs were all vanishing. At a time when these ideals were under attack from many sources in his society, he did not want to be stabbed in the back by his own political party. To the Laissez-faire big business Conservative, the New Deal and other Conservative policies of the mid 1930's came as a terrible shock. He could not trust his party leadership because, although they had dropped these policies in large part even by the election of 1935, they did not really ever announce this and produced no real statements of policy. The 1938 platform was so general that it did nothing to help him either. To the Tory Democrat or Reformer, the period was an exercise in total frustration. The Montreal group seemed to have enough influence to destroy reform and yet some of the party leaders kept making reformist speeches. The reform programs disappeared and the reformers convicted the party of insincerity and dis-

honesty. Well-informed Canadians outside the party saw only the confusion and were not attracted. Less well-informed Canadians felt that the party had never changed and assumed that it was still pro-Empire and big business at a time when these beliefs were either unfashionable or irrelevant. The "Conservative" newspapers of the period like the Gazette, the Montreal Star and the Toronto Telegram did nothing to inform this group because they still cast the party in its old role and criticized it resoundingly when it deviated toward something else.

As we have seen, the party organization was weak and divided. A vicious circle was set up. Weakness in organization meant that few funds were available. This created greater weakness in organization making fewer funds available... The lack of interest in the mechanics of organization extended through the entire party leadership from R.B. Bennett to provincial leaders like Rowe, Harrington, Anderson etc. The only honourable exceptions in this area were Manion and Errick Willis, one lacking in prestige and power and the other too young to aid the party when he was needed.

It is far too easy to put the blame for the party's leadership weakness on R.B. Bennett alone. Certainly his failure to recruit an adequate cabinet and his domination of the party all through the 1927-1938 period are partly responsible. As we have seen, the party had a "love-hate" relationship with Bennett and the failure to obtain a new leader after 1935 was tragic. It could not live with him, but it could not live without him.

J.L. Granatstein rightly describes the atmosphere which surrounded the leadership selection process as "Byzantine".¹ The party, must share the blame for this with R.B. Bennett. It did not have a strong Young Conservative organization where its youth could gain experience and prestige. It had lost almost all contact with the Canadian intellectual community which was unlikely to furnish leaders but could furnish the policies and background which a leader needed. Being able to recruit Stephen Leacock to write a preface to a pamphlet or having Sydney Smith "available" for the party leadership (if Arthur Meighen worked hard enough to prepare the way) could not compare to having a Norman Rogers in the cabinet. A two-way process caused damage. The party organization froze potential leaders out at the bottom and R.B. Bennett froze them out at the top.

The 1935-1938 period, then, is the period of decline for the Conservative Party. Faults in image, organization and leadership proved almost fatal for the party. R.J. Manion began what J.L. Granatstein has called the period of "survival". He at least revived the confidence of the few Conservative M.P.'s and began a new organization. Survival, however, was all that Conservatives could aspire to for the Hanson, Bracken, Drew period. Party divisions and Canadian disillusionment had done their work well. It was a long road back to power in 1957.

¹J.L. Granatstein in Studies in Canadian Party Finance, op. cit., p. 196.

A NOTE ON SOURCES

A great deal has been written about the decade 1930-1940 during the past five years. The opening of private manuscript sources and the publication of a number of memoirs and "official" biographies has sparked a real interest. Despite this fact, the most useful single source for this thesis was still the private papers of the individuals involved. I examined the files of the four key figures of the Bennett cabinet, men who remained vital figures up to 1938, although they were sometimes outside the parliamentary party.

The Bennett Papers have suffered from lack of proper handling. They were left to the Bonar Law - Bennett Library at the University of New Brunswick and were never really sorted. At the Public Archives of Canada, the first priority has been to prepare micro-film copies and so the papers remain very much as they were when they were pulled from Mr. Bennett's filing cabinets. The labels on the boxes do not give a real guide to what is inside. One of the other problems of the collection is that Mr. Bennett destroyed many very personal letters (for instance all the letters to Mildred Herridge) and what remains is a fine collection of routine business and political correspondence. Often one must read between the lines to appreciate what is really going on.

The cabinet ministers' papers vary greatly in quality. The Cahan Papers are obviously incomplete and extremely disappointing. The Manion Papers are a veritable gold mine. Manion seems to have poured out his deepest feelings to his son James in a unique series of father-son letters that begin in 1933 and end in 1937. He was less frank with other correspondents but their letters to him are often interesting. The Stevens Papers are remarkable chiefly for their massive clipping files and for the interesting interviews which are included. Two "bystander's" papers were also consulted. Arthur Meighen was playing "elder statesman" in this period and, as a result, many people of different party factions wrote to him seeking approval. His attempts to guide the 1938 convention ended early but are well shown in the letter files. J.W. Dafoe maintained a regular correspondence with Grant Dexter, Chester Bloom and other correspondents. The Dafoe Papers are the finest source of political gossip for the entire period.

The Progressive Conservative Party files are exceedingly thin and quite disappointing. Massive destruction of material has taken place each time the party has moved offices and there is little left that is not in the Bennett or Manion Papers. The party's magazine The Canadian, shows official party policy but contains very little in the way of party news. After the 1935 election, it was edited in Mr. Bennett's office and became little more than a reprinted handout.

The magazines of the period are an excellent and useful source. Saturday Night was a weekly, interested in political news and packed full of "in depth" analysis. It is definitely anti-Conservative but its criticisms tend to be perceptive. Macleans was and is self-consciously capital C Canadian. The "Backstage at Ottawa" column does not have the depth or thoughtfulness that it had later under Blair Fraser, but it does contain interesting gossip. The articles (particularly those on Manion and on the issues of the period) were well written and obviously timely. Despite its lack of finances, Canadian Forum contains some of the best political writing of the period. My only complaint was that the magazine was strongly inbred -- it had the atmosphere of friends writing for friends or "the converted" preaching to "the believers".

One of the major problems of the Conservative Party in this period was its failure to attract consistent newspaper support. With the exception of the St. Catharines Standard and the Quebec Chronicle-Telegraph, virtually no papers supported the official Conservative line. The supposedly "friendly" papers -- the Mail and Empire, the Globe and Mail, the Ottawa Journal, the Gazette and the Montreal Star all attacked the party resoundingly whenever it deviated from their version of "the truth". A reading of all of them makes me glad that I did not have to depend on them for news. They consistently failed to separate "hard news" from editorial content and published some of the most repetitious prose ever written. The editorial pages were better - but not much.

If the M.A. theses, Ph.D. theses and research memoranda now being written are any indication, the Canadian Historical Review will bulge with excellent articles during the next five years. In particular, I would mention Ruth Bell's masterful discussion of Conservative conventions, Conservative Party National Conventions 1927-1956. It contains an excellent summary of the 1938 convention and a real "insider's view" of the Diefenbaker convention. Harold Naugler's R.J. Manion deals effectively with the issues Manion had to face but does not discuss what placed Manion in power in 1938 or what Manion's objectives really were. The first chapter of J.L. Granatstein's book, The Politics of Survival, does far more to put Manion in perspective.

The articles selected from scholarly journals varied greatly in quality and in usefulness. First prize for perceptiveness and interest goes to Escott Reid whose articles on "The Election of 1935" and "Mr. Mackenzie King's Foreign Policy" were masterpieces. The best modern articles were J.R.H. Wilbur's two on H.H. Stevens and R.B. Bennett, and Don Forster's "The Politics of Combines Policy". If I would criticize Mr. Forster for anything, it is for the completely misleading title attached to an excellent article on most of the economic aspects of Bennett's downfall.

I was impressed with the series called Canadian Papers by the Canadian Institute of International Affairs. They are remarkable, considering the very few Canadians aware of what exactly was happening in the international arena.

The books in the bibliography divide themselves into six categories: books on the American New Deal, books on Canadian foreign affairs, general books on politics, books on the period 1930-1940, memoirs of politicians and books about the Conservative Party.

The sources on the Roosevelt New Deal are, of course, fascinating reading. The massive biography of Roosevelt by Arthur Schlesinger is of great interest, partly because of its lucid style, but also because the prejudices of subject and biographer are so closely related. For the thesis, two short essays, James Patterson's "Federalism in Crisis: A Comparative Study of Canada and the United States in the Depression of the 1930's" and William Leuchtenburg's "The Constitutional Revolution of 1937" both in Victor Hoar. (ed.) The Great Depression were most enlightening as guidelines by which to approach the larger American works.

The Oxford University Press, partly out of interest and partly out of colonial duty, has produced a fine body of foreign policy publications on the 1930's. They range from W.A. Riddell's edited documents to the first volume of the "Canadian World Affairs Series". Too much of it is dull and the rest suffers from a bad overdose of "autonomy fever". One wishes that James Eayrs had been around in 1939 - or that someone else had possessed his deftness of touch.

The most interesting general political book is Hugh Thorburn's Party Politics in Canada, a fine collection of articles with good introductions. I would mention three others - H. Scarrow's Canada Votes, D.O. Carrigan's Canadian Party Platforms and J.M. Beck's Pendulum of Power. None is very original -- rather they are convenient one volume compilations of material which one had to dig to find before and will save hours of looking at old newspapers and reports. The least useful general book in this entire list is Political Parties and the Canadian Social Structure which is living proof that sociologists should not try to write history and that sociological "research" is often fanciful at best.

The general books on the period are by and large excellent. They range from the generalized journalese of Ralph Allen's Ordeal by Fire to the excellent set of articles in Cook's The Politics of Discontent to the fine biographies. One book which I found most disappointing was the third volume of Roger Graham's Arthur Meighen entitled No Surrender. The book is a good picture of Meighen as senate leader and discusses the railway and foreign affairs issues well but it devotes little time to Meighen as a

businessman, or to discussion of his role in the Conservative Party or to the great rise in prestige of the Senate, simply because Meighen was its leader. For this thesis, the lack of material on Meighen and the party was particularly a problem. Meighen always insisted that he had nothing to do with the workings of the party (he did not even campaign in 1935) but his letters reflect a concern for what was happening. Graham unfortunately, ignores the reasons why Meighen remained publicly non-partisan and privately a potential king-maker.

The memoirs of the period are entertaining -- and in some cases very bad history. C.L. Burton's A Sense of Urgency is aptly titled -- it seems to have been written in a vast hurry from memory with no recourse to diaries or research sources. I suspect that it is much sounder on the history of Simpson's than it is on politics. His recollections of the Stevens' affair are so vague as to be useless but they do place R.B. Bennett in the anti-Stevens camp from the very beginning. One has trouble trusting an account in which Arthur Merriam, Bennett's private secretary, emerges as "faithful Miriam". Herbert Bruce's Varied Operations and C.G. Power's A Party Politician are models for political memoirs -- witty, opinionated and honest. One could say the same for Arthur Ford's As the World Wags On if only the book had some sort of overall organization or pattern. Mr. Ford seems to have turned on the dictaphone and never revised anything. R.J. Manion's Life is Adventure, suffers from the same deficiency but at least it begins in childhood and ends in 1935.

The Conservative Party has been badly served by Canadian historians and political scientists. Its failure to attract intellectuals in the 1930-1960 period means that there are no reasoned examinations of policy, no histories and few writings of any kind. The biographies of Bennett, Friends and Watkins, R.B. Bennett, are slim pickings at best. If Beaverbrook had wanted to write a book about his charitable acts to a down and out Canadian politician, he should not have made it masquerade as a biographical memoir. Mr. Watkins has not used the Bennett Papers and therefore has neither the advantages of research nor the advantages of contemporary observation. The general histories of the party, too, leave much to be desired. John Williams' is both dull and undetailed. Heath MacQuarries' sounds like a freshman essay cribbed from Roger Graham and Donald Creighton. Where he has no good source to borrow from, the story deteriorates.

The one major exception is J.L. Granatstein's The Politics of Survival which will hopefully set the standard and style for a series of party histories. Mr. Granatstein is obviously appalled at the state the party was in but retains both sympathy for its members and an iconoclastic view of their foibles and weaknesses. If the party received the same treatment in other periods, its historiographical fortunes, if not its political ones, may revive.

BIBLIOGRAPHYPAPERS

1. The R.B. Bennett Papers - Public Archives of Canada - Series F boxes 472, 473, 474, 486, 503. Series G Boxes 836, 837, 838, 839, 840, 841, 842, 843, 860.
2. The C.H. Cahan Papers - Public Archives of Canada - all.
3. The J.W. Dafoe Papers - Public Archives of Canada - letter files 1934-35-36.
4. The W.L.M. King Papers - organization and party correspondence 1933-34-35-36.
5. The R.J. Manion Papers - Public Archives of Canada - Vols. 4, 13, 18, 19, 41, 42, 57, 59, 65, 73, 84, 89, 98, 99, 102, 105.
6. The A. Meighen Papers - Public Archives of Canada - Series 5, Vols. 151, 152, 153, 156, 160, 173, 174, 176, 186, 188. Series 6, Vols. 214, 220, 232.
7. The H.H. Stevens Papers - Vols, 58, 62, 66, 70, 71, 72, 73, 74, 134, 135, 136, 137, 138, 139, 140, 141, 142, 163.
8. The Progressive Conservative Party files - Progressive Conservative Party National Headquarters (Ottawa).

PERIODICALS

9. The Canadian, Liberal Conservative Party of Canada (Ottawa), issued monthly 1935-1936, somewhat irregularly 1937-38.
10. The Canadian Forum, Canadian Forum Publishing Company (Toronto), 1934-1938.
11. Macleans Magazine, Maclean Hunter Publishing Co. (Toronto), 1935-1938.
12. Saturday Night, (Toronto), 1935-1938.

PARTY PUBLICATIONS

13. Bennett, R.B. Text of the Five New Deal Speeches, published with introductions by Stephen Leacock et al., (Ottawa) 1935.

14. Speaker's Handbook. National Liberal Conservative Party, 1935.
15. Speaker's Handbook. Ontario Liberal Conservative Party, 1934.
16. Stevens, H.H. Fair Trading, text of a speech to the National Shoe Retailers Convention, January 15, 1934.

NEWSPAPERS

17. The Gazette (Montreal), January 1935-July 1938.
18. The Globe (Toronto), selected issues January 1935-July 1936.
19. The Globe and Mail (Toronto), selected issues July 1936-July 1938.
20. The Mail and Empire (Toronto), selected issues January 1935-July 1936.
21. The Montreal Star, selected issues January 1935-July 1938.
22. The Ottawa Journal, selected issues January 1935-July 1938.
23. The Regina Leader Post, January 1935-July 1936.
24. The Vancouver Province, selected issues January 1935-July 1938.

M.A. AND PH.D. THESES

25. Bell, Ruth. "Conservative Party National Conventions 1927-1936". M.A. Thesis, Carleton University, 1965.
26. Lederle, John. "The National Organization of the Liberal and Conservative Parties in Canada". Ph.D. Thesis, Duke University (Durham N.C.), 1956.
27. Naugler, Harold. "R.J. Manion and the Conservative Party 1938-1940". M.A. Thesis, Queen's University (Kingston), 1964.
28. Young, Brian. "C. George McCullough and the Leadership League". M.A. Thesis, Queen's University (Kingston), 1964.

GOVERNMENT DOCUMENTS

29. The Report of the Parliamentary Committee on Election Expenses (2 Vols.), Ottawa: Queen's Printer, 1966.

30. The Report of the Royal Commission on Price Spreads and Mass Buying (Stevens Commission), 3 Vols., Ottawa: King's Printer, 1935.

REVIEWS

31. The Canadian Almanac, 1935-1938. Toronto: The Canadian 1936-1939 (3 Vols.).
32. Hopkins, C. (ed.) The Canadian Annual Review 1935-1936. Toronto: Canadian Annual Review Publishing Co., 1937.
33. Hopkins, C. (ed.) The Canadian Annual Review 1937-1938. Toronto: Canadian Annual Review Publishing Co., 1939.
34. Normandin, A.L. (ed.) The Canadian Parliamentary Guide. Ottawa: Mortimer Press, 1936.

ARTICLES

35. Alway, R. "Hepburn, King, and the Rowell-Sirois Commission", The Canadian Historical Review, (Toronto), (June, 1967).
36. Anonymous. "Political Parties in Canada and External Affairs", Canadian Papers, 1938, Series E number 1, Toronto: The Canadian Institute for International Affairs.
37. Brooke, Clayton. "Social Reform and the Constitution". The Canadian Journal of Economics and Political Science, (Toronto), (Fall, 1935).
38. Cripps, John. "The Canadian Elections", Political Quarterly VI, (Winter, 1935).
39. Curtis, C.A. "Dominion Legislation of 1935, An Economists' View", Canadian Journal of Economics and Political Science, (Toronto), (Fall, 1935).
40. Dafoe, J.W. "The Imperial Conference of 1937", University of Toronto Quarterly, (Toronto), (October, 1937).
41. Dawson, R.M. "The Imperial Conference". Canadian Journal of Economics & Political Science, (Toronto), (October, 1937).
42. Forster, D.F. "The Politics of Combines Policy", Canadian Journal of Economics & Political Science (Toronto), (August, 1962).

43. Lederle, J. "National Party Conferences: Canada Shows the Way", Southwestern Social Science Quarterly, (September, 1944).
44. McGeachy, J.B. "Provinces and Dominion", Canadian Papers, 1938 Series B number 1 Canadian Institute for International Affairs (Toronto).
45. Ormsby, M. "T.D. Pattullo and the Little New Deal", Canadian Historical Review (Toronto), (December, 1962).
46. Reid, Escott. "The Canadian General Election of 1935 and After", American Political Science Review, Vol. 30, (1936).
47. _____ . "Mr. Mackenzie King's Foreign Policy 1935-36", Canadian Journal of Economics & Political Science (Toronto), February, 1937).
48. Scott, F.R., "The Privy Council and Mr. Bennett's New Deal Legislation", C.J.E.P.S. (May, 1937).
49. Soward, F.H. "Canada and Foreign Affairs", Canadian Journal of Economics & Political Science (Toronto), (June, 1937).
50. Underhill, F.H. "Canadian Political Parties" (pamphlet), Canadian Historical Association, (Ottawa, 1959).
51. Wilbur, J.R.H. "H.H. Stevens and R.B. Bennett 1930-34", Canadian Historical Review, (Toronto), (March, 1962).
52. _____ . "H.H. Stevens and the Reconstruction Party", Canadian Historical Review, (Toronto), (March, 1964).
53. Young, Brian. "C.G. McCullagh and the Leadership League", Canadian Historical Review, (Toronto), (September, 1966).

BOOKS

54. Allen, Ralph. Ordeal by Fire. Toronto: Doubleday, 1959.
55. Aitchison, J.N. The Political Process in Canada. Toronto: Longmans, 1958.
56. Lord Beaverbrook. Friends Sixty Years of Intimate Relations with Richard Bedford Bennett. London: Heineman & Co., 1959.

57. Beck, J.M. Pendulum of Power. Toronto: Prentice Hall, 1968.
58. Bliss, J.M. Canadian History in Documents. Toronto: Ryerson Press, 1966.
59. Brown, R.C. and Prang, M. Confederation to 1949. Toronto: Prentice Hall, 1966.
60. Bruce, H. Varied Operations. Toronto: Longmans, 1959.
61. Canada Public Archives, A Guide to Canadian Ministries since Confederation. Canada Public Archives: Ottawa, 1968.
62. Clarrigan, D.O. Canadian Party Platforms. Toronto: Copp Clark, 1968.
63. Cook, Ramsay (ed.). The Politics of Discontent. Toronto: University of Toronto Press, 1967.
64. _____ . The Politics of J.W. Dafoe and the Free Press. Toronto: University of Toronto Press, 1963.
65. Dawson, R.M. William Lyon Mackenzie King. Vol. 1, Toronto: University of Toronto Press, 1956.
66. Engelman, R. and Schwartz, H. Political Parties and the Canadian Social Structure. Toronto: Prentice Hall, 1967.
67. Ford, Arthur. As the World Wags On. Toronto: Clarke Irwin, 1950.
68. Graham, Roger. Arthur Meighen. 3 Vols. Toronto: Clarke Irwin 1960, 1962, 1965.
69. Granatstein, J.L. The Politics of Survival. Toronto: University of Toronto Press, 1967.
70. Hoar, Victor (ed.) The Great Depression. Toronto: Copp Clark, 1969.
71. _____ . The On to Ottawa Trek. Toronto: Copp Clark, 1969.
72. Hogan, George. The Conservative in Canada. Toronto: McClelland and Stewart, 1963.
73. Hutchison, Bruce. Mr. Prime Minister. Toronto: Longmans, 1964.
74. _____ . The Incredible Canadian. Toronto: Longmans Green & Co., 1953.

75. Leuchtenberg, W.E. Franklin D. Roosevelt and the New Deal. New York: Hopkins, 1963.
76. Liberal Party of Canada, The Liberal Way. Toronto: 1938.
77. MacKay, R.A. and Rogers, F.B. Canada Looks Abroad. Toronto: Oxford Press, 1938.
78. MacKindy, K.A. et al. Changing Perspectives in Canadian History. Toronto: J.M. Dent & Sons, 1967.
79. MacNicol, J.R. The National Liberal Conservative Convention Winnipeg 1927. Toronto: Southam Press, 1930.
80. MacQuarrie, Heath. A History of the Conservative Party of Canada. Toronto: McLelland and Stewart, 1965.
81. Manion, R.J. Life is an Adventure. Toronto: 1936.
82. Mansergh, Nicholas. Documents and Speeches on British Commonwealth Affairs, 1931-1952. (Vol 1) London: Oxford University Press, 1953.
83. _____ . The Commonwealth Experience. London: Weidenfeld and Nicholson, 1969.
84. Marsh, D. The Tragedy of Henry Thornton. Toronto: MacMillan, 1935.
85. Massey, Vincent. What's Past is Prologue. Toronto: MacMillan, 1966.
86. Meighen, A. Unrevised and Unrepented. Toronto: McLelland and Stewart, 1950.
87. Miller-Barstow. D.H. Beatty of the C.P.R. Toronto: McLelland and Stewart, 1951.
88. Neatby, H.B. William Lyon Mackenzie King. Vol. 2, Toronto: University of Toronto Press, 1963.
89. Pickersgill, J.W. The Mackenzie King Record. Volume 1, Toronto: University of Toronto Press, 1960.
90. Pickersgill J.W. and Forster, Donald. The Mackenzie King Record. (Vol. 2) Toronto: University of Toronto Press, 1968.
91. Riddell, W.A. (ed.) Documents on Canadian Foreign Policy, 1917-1939. Toronto: Oxford University Press, 1962.

92. Roberts, L. The Life and Times of C.D. Howe. Toronto: Clarke Irwin, 1957.
93. Rogers, Norman. William Lyon Mackenzie King. Toronto: G.N. Morang - Thomas Nelson & Sons, 1935.
94. Scarrow, H. Canada Votes. New Orleans: The Hauser Press, 1962.
95. Schlesinger, Arthur. The Crisis of the Old Order. Boston: Houghton Mifflin, 1957.
96. _____ . The Coming of the New Deal. Boston: Houghton Mifflin, 1959.
97. Seligman, L.G. and Cornwell, E.E. New Deal Mosaic. Eugene: University of Oregon Books, 1965.
98. Soward, F.H. et al. Canada in World Affairs. Vol. 1, Toronto: Oxford University Press, 1941.
99. Thorburn, H. Party Politics in Canada. Toronto: Prentice Hall, 1967.
100. Ward, Norman (ed.) A Party Politician: the Memoirs of C.G. (Chubby) Power. Toronto: MacMillan, 1966.
101. Warren, F.A. & Wreszin, M. (eds.) The New Deal. New York: Thomas Cromell, 1968.
102. Watkins, Ernest. R.B. Bennett. London: Secker and Warburg, 1963.
103. Wilbur, J.R.H. The Bennett New Deal: Fraud or Portent? Toronto: Copp Clark, 1968.
104. Williams, J.R. The Conservative Party. Durham: Duke University Press, 1956.

APPENDICES

- APPENDIX A - Conservative Party finances 1930-1940.
- APPENDIX B - Popular Vote, Percentage of popular vote and number of seats won by each party in the general elections of 1926, 1930 and 1935.
- APPENDIX C - Popular votes and percentages by provinces in the above three elections.
- APPENDIX D - Number of seats won by province in the above three elections.
- APPENDIX E - Patterns of voting in 1926, 1930 and 1935.
- APPENDIX F - The effect of "third" parties in 1935.
- APPENDIX G - Results of federal by-elections 1935-1938.
- APPENDIX H - Results of provincial elections 1935-1938.
- APPENDIX I - Voting at the Conservative National Convention July 1938.

APPENDIX AConservative Party Finances 1930-1940

The lists which make up most of the Appendix are taken from the R.J. Manion and R.B. Bennett Papers in the Public Archives of Canada. They obviously do not represent a complete listing of party monetary sources. Nowhere are there records of Mr. Bennett's generosity and nowhere are local financial records available. Despite the great gaps, the lists spell out in quite astonishing detail, the decline in party financial strength and are at least indicative of Conservative relations with the Montreal business community.

The party raised its funds almost exclusively from large donations by wealthy individuals and corporations. These were collected by respectable party bagmen, Senator Dennis in Halifax, George Foster in Montreal, J.E. MacDonnell and Harry Price in Toronto. The lists in the Appendix might be regarded as individual "sample studies" rather than a continuing history.

LIST 1Moneys raised from the Montreal Business Community in 1930

(published source Parliamentary Committee on Election Expenses Vol. 2 of Studies in Canadian Party Finance (Ottawa: Queen's Printer, 1966).

It is likely that this list represents most of the large donations received by the party in Montreal.

Atlantic Sugar Company	\$10,000
Hon. C.C. Ballantyne	2,500
Bank of Montreal	50,000
Belding-Corticelli Ltd.	2,500
Henry Birk and Sons	2,500
Brandram-Henderson Co.	2,000 and 1,500 subsequently
B.C. Telephone Co.	5,000
Canada Cement Co.	17,500
Canada Starch Co.	3,000
Canada Sugar Refining Co.	10,000
Canadian Bag Co.)	
Consumers Cordage Co.)	3,000
Canadian Car and Foundry Co.	35,000
Canadian Cottons	6,500
Canadian Fairbanks-Morse Co.	1,000
Canadian Industries	10,000
Canadian Pacific Railway	50,000
B.J. Coughlin Co.	500
Canadian Consolidated Rubber Co.	7,000
Canadian Vickers	7,000
Dominion Bridge Co.	20,000 and 5,000 subsequently
Dominion Oilcloth Co.	10,000 and 5,000 subsequently
Dominion Textile Co.)	
Montreal Cottons Co.)	20,000 and 10,000 subsequently
Patton Manufacturing Co.)	
Drummond, McColl Co.	1,000
Dominion Glass Co.	5,000
Foundation Co.	10,000
Fraser Co.	5,000
Elwood Hosmer	1,000
Imperial Tobacco Co.	15,000
F.P. Jones	1,000
Hugh Mackay	500

J.W. McConnell	\$20,000	
G.E. McCuaig	1,000	
McDougall and Cowans	4,000	
Melcher's Distilleries	1,000	
Meredith, Holden, etc.	1,000	
Molson's Brewery	12,500	
Montreal Light, Heat and Power Interests	32,500	
Montreal Star	25,000	
A. McA. Murphy	100	
National Breweries	25,000	
National Steel Car Co.	10,000	
J.C. Newman	5,000	
Ogilvie Milling Co.	7,840	
A.E. and G.L. Ogilvie	100	
W.C. Pitfield	5,000	
Rolland Paper Co.	5,000	
Royal Bank of Canada	25,000	
Shawinigan Water and Power	25,000	
Sherwin Williams Co.	2,500	
R.O. Sweezy	10,000	
Hon. Lorne Webster	5,000	
Hon. Smeaton White	3,000	
C.R. Whitehead	5,000	
	<hr/>	
	\$544,040	\$ 21,500
Aluminum Ltd.		10,500
		<hr/>
		\$ 31,500

LIST 2Moneys raised from the Montreal Business Community in 1935(Source P.A.C., R.J. Manion Papers)

This list is roughly parallel to List 1 (1930). Note that the total amount is dramatically less and that individual donations from influential companies like Montreal Light, Heat and Power (M.L.H. & P.) (the Holt interests), the Bank of Montreal and Molson Breweries, all are reduced.

A.	\$100,000
Can. Cement	10,000
Imp. Tob.	10,000

Can Ind.	20,000
Mol. Brew.	10,000
Dom. Bridge	10,000
Mtl. Loc.	10,000
McCall Fr.	10,000
Nat. Brew.	25,000
D.O.C.	2,500
Royal Bank	25,000
Shaw.	9,000
Dom. Rub.	2,000
Can. Transfer	1,000
Bank of Montreal	30,000
Dom. Tex.	15,000
Dom. Glass	5,000
Dom. Steel and Coal	25,000
Can. Cot.	5,000
Lindsay	2,500
C.P.R.	50,000
M.L.H. & P.	10,000
Steel Co.	5,000
Eaton	5,000
Jones	500
H. Smith	2,000
Bell Tel.	5,000
North Elec.	5,000
Atlantic Sugar	2,500
Ogilvie Flour	6,860.54
Can. Cel. Ltd.	10,000
Int. Paints	500
Newman	8,500
Can. Iron Forg.	1,000
B.C. Tel.	1,500
Beauharnois	5,000
Beld. Cori.	2,500
Cons. Paper	2,000
C.S.L.	2,000
Can. Bronze Co.	1,000
Jenkins Bros.	500
Thorp-Hambrock	500
Watson Foster Co.	500
Darling Bros.	250
Anonymous	250
W.M. Lowney Co.	250
Lyman	250
Can. Bag	1,000
Can. Starch	1,000
Simmons	500
Acme Glove	250
C.F. Frosst Co.	250

\$458,360.54

LIST 3Accounts as of December 31, 1937(Source P.A.C., R.J. Manion Papers)

This page of accounts demonstrates the vast change in the financial state of the party. Even in 1935, a \$1,000 donation was not unusual. By 1937, \$3.75 for stencils is carefully counted.

Outstanding Accounts

	At November 30/37	At December 31/37	
J.E.D. salary	\$173,74	J.E.D.	\$150.00
B.A.Mac. salary	130.00	B.A.Mac.	155.00
Mailing room Oct.	50.00		
Other assistance	90.00		
1937 session accts.-			
Mimeograph paper, ink, mailing room supplies	237.39	Stencil	3.75
Runge Press (printing Canadian)	586.92	Rent	75.00
Light and telephone	35.00	Light and Phone	<u>20.00</u>
Rent Nov. and Dec.	150.00		\$403.75
Newspaper subscript	<u>25.00</u>		
	\$1,478 .05		

LIST 4Montreal Contributions Toward the Cost of Organizing the 1938 Convention.(Source P.A.C., R.J. Manion Papers)

This list shows the great change in both fund-raising power and expectations. Many of the traditional names from 1920 and

1935 have vanished. Many others seem to feel that \$500 is quite adequate. Under the circumstances, George Foster considered that he had done well. He had only expected to raise \$7,500 and he found \$8,000.

Contributors

H.R. Drummond	\$ 500.00
Bank of Montreal	500.00
J.C. Newman	500.00
Canada Cement Co.	500.00
Shawinigan Water & Power	1,000.00
Sherwin Williams Paints	500.00
Montreal Light, Heat & Power	500.00
M.W. Wilson (Pres. Royal Bank)	500.00
Imperial Tobacco Co.	1,000.00
Canadian Pacific Railway	500.00
Molson's Brewery	500.00
National Breweries	1,000.00
Canadian Car & Foundry	<u>500.00</u>
Total:	\$8,000.00

LIST 5

Some contributions to the 1940 Election Campaign

(Source P.A.C., R.J. Manion Papers)

The party was seriously in debt during much of the Manion period. Expenses between August 25, 1938 and October 31, 1939 came to \$94,544.68. J.M. Robb, Manion's national organizer was able to pay \$86,673.67, leaving the party \$7,871.01 in debt.¹

This list of contributions is dated April 22, 1940. Note that virtually all traditional business sources are not present, that a number of the companies are mines with which R.J. Manion had

¹P.A.C., R.J. Manion Papers, Robb to R.J. Manion, November 8, 1939.

connections and that the size of donations is still smaller than in 1935.

Contributions April 22/40

Goodyear Tire	\$ 1,500.00	
Imperial Oil	10,000.00	- 5,000.00
L.A. le Long Lac Mines	2,500.00	
BA Oil	10,000.00	
Bank of Nova Scotia	5,000.00	
Algoma Steel	5,000.00	
Gen. Steel Works	5,000.00	
Hollinger	5,000.00	
Pickle Crow Mines	5,000.00	
Int. Nickel	5,000.00	
Famous Players	2,500.00	

APPENDIX BPopular vote, percentage of popular vote and number of seats won by each party in the general election of 1926, 1930 and 1935.

(Source John R. Williams. The Conservative Party of Canada.
Duke University Press: Durham N.C., 1956).

<u>PARTY</u>	<u>POPULAR VOTE</u>	<u>PERCENTAGE</u>	<u>NUMBER OF SEATS</u>
<u>Election of 1926</u>			
Conservative	1,504,855	46	91
Liberal	1,421,804	43	118
Other	329,849	10	36
<u>Election of 1930</u>			
Conservative	1,909,955	49	137
Liberal	1,714,860	43	88
Other	274,150	7	20
<u>Election of 1935</u>			
Conservative	1,222,250	30	39
Liberal	1,877,460	46	171
Other	922,857	22	35

Although the total vote figures are virtually meaningless because of the increasing size of the electorate, the percentages offered are an excellent indication of trends in the popular vote.

APPENDIX CPopular vote and percentages by provinces for the General Elections of 1926, 1930 and 1935.(Source Williams, John R. Conservative Party Election of 1926).Election of 1926

<u>PROVINCE</u>	<u>CONSERVATIVES</u>	<u>LIBERALS</u>	<u>OTHER</u>
B.C.	100,006 - 56%	68,317 - 38%	16,087 - 5%
Alberta	49,514 - 31%	38,451 - 24%	69,051 - 42%
Saskatchewan	67,524 - 27%	125,849 - 51%	51,747 - 21%
Manitoba	83,100 - 42%	36,242 - 18%	77,665 - 39%
Ontario	680,740 - 55%	441,254 - 36%	100,110 - 8%
Quebec	286,824 - 35%	507,775 - 63%	8,787 - 1%
N.B.	87,080 - 54%	74,465 - 46%	-----
Nova Scotia	122,965 - 53%	99,581 - 43%	6,412 - 2%
P.E.I.	26,217 - 47%	29,222 - 52%	-----
Yukon	832 - 55%	648 - 44%	-----

Election of 1930

B.C.	119,074 - 49%	98,933 - 40%	23,626 - 9%
Alberta	67,808 - 33%	60,148 - 30%	72,420 - 36%
Saskatchewan	129,420 - 39%	153,673 - 46%	47,099 - 14%
Manitoba	111,312 - 47%	37,234 - 15%	84,855 - 36%
Ontario	745,414 - 55%	590,071 - 43%	24,091 - 1%
Quebec	456,038 - 44%	542,135 - 53%	22,089 - 2%
N.B.	109,839 - 59%	75,221 - 40%	-----
Nova Scotia	140,513 - 52%	127,189 - 47%	-----

APPENDIX C (continued)

<u>PROVINCE</u>	<u>CONSERVATIVES</u>	<u>LIBERALS</u>	<u>OTHER</u>
P.E.I.	29,692 - 50%	29,698 - 50%	-----
Yukon	846 - 60%	558 - 39%	-----
<u>Election of 1935</u>			
B.C.	53,798 - 23%	73,247 - 32%	101,472 - 44%
Alberta	34,053 - 18%	40,027 - 20%	116,901 - 60%
Saskatchewan	55,402 - 21%	107,427 - 41%	98,779 - 33%
Manitoba	62,411 - 26%	97,195 - 40%	78,526 - 32%
Ontario	559,266 - 35%	680,018 - 43%	339,593 - 20%
Quebec	287,252 - 28%	598,990 - 59%	124,299 - 12%
N.B.	55,655 - 31%	100,846 - 57%	18,381 - 10%
Nova Scotia	87,896 - 32%	143,199 - 52%	43,524 - 15%
P.E.I.	23,835 - 38%	35,965 - 58%	2,192 - 3%
Yukon	682 - 55%	558 - 44%	-----

APPENDIX D

Number of seats won by each party on a provincial basis for the general elections of 1926, 1930 and 1935.

(Source A.L. Normandin (ed.) The Canadian Parliamentary Guide. Mortimer Press, Ottawa, 1935).

Election of 1926

	<u>Liberals</u>	<u>Cons.</u>	<u>U.F.A.</u>	<u>Progs.</u>	<u>Lib. Prog.</u>	<u>Other</u>
B.C.	1	12				1
Alta.	3	1	11			1
Sask.	16			5		
Man.	4			4	7	2
Ont.	23	53		4	2	
P.Q.	60	4				1
N.B.	4	7				
N.S.	2	12				
P.E.I.	3	1				
Yukon		1				
TOTAL	<u>116</u>	<u>91</u>	<u>11</u>	<u>13</u>	<u>9</u>	<u>5</u>

Election of 1930

B.C.	5	7				2
Alta.	3	4	9			
Sask.	11	8		2		
Man.	1	11			3	2
Ont.	22	59	1			
Que.	40	24				1
N.B.	1	10				

APPENDIX D (continued)Election of 1930 cont'd

	<u>Liberals</u>	<u>Cons.</u>	<u>U.F.A.</u>	<u>Progs.</u>	<u>Lib. Prog.</u>	<u>Other</u>
N.S.	4	10				
P.E.I.	1	3				
Yukon		1				
TOTAL	<u>88</u>	<u>137</u>	<u>10</u>	<u>2</u>	<u>3</u>	<u>5</u>

Election of 1935

	<u>Liberals</u>	<u>Cons.</u>	<u>Socred</u>	<u>C.C.F.</u>	<u>Recon.</u>	<u>Other</u>
B.C.	6	1		3	1	1
Alta.	1		15			
Sask.	16		2	2		
Man.	12	5		2		2
Ont.	56	26				1
Que.	55	5				5
N.B.	9	1				
N.S.	12	1				
P.E.I.	4					
Yukon						1
TOTAL	<u>171</u>	<u>39</u>	<u>17</u>	<u>7</u>	<u>1</u>	<u>10</u>

APPENDIX E

Patterns of voting in the general elections of 1926, 1930 and 1935.
 These patterns are based on the number of seats won in various areas and although quite arbitrarily chosen represent definite trends bearing on the election of 1935.

(Source A.L. Normandin. Canadian Parliamentary Guide 1935).

The first party name listed is the one which carried any constituency in 1926, the second party name is the one which carried in 1930 and the third represents the party which won in 1935. Thus, many constituencies stay Liberal or Conservative but, in a number of cases, there is a Lib.-Cons.-Lib. pattern. As will be seen, this is especially notable in the province of Quebec. Electoral changes from the United Farmers of Alberta to Social Credit and from Labour to C.C.F. apply to the elections of 1930 and 1935 only.

PATTERNS OF VOTING IN 1926, 1930 AND 1935

	<u>N.S.</u>	<u>P.E.I.</u>	<u>N.B.</u>	<u>P.Q.</u>	<u>ONT.</u>	<u>MAN.</u>	<u>SASK.</u>	<u>ALTA.</u>	<u>B.C.</u>	<u>TOTAL</u>
Lib.Cons.Lib.		2	3	21	5	9(*)	5			45
Lib.Lib.Lib.	2	1	2	39	17	5	10(*)	1	2	79
Cons.Cons.Lib.	8	1	5		25					39
Prog.Cons.Lib.					2					2
Cons.Lib.Lib.	1				5				4	10
Lib.Lib.Cons.					2	1	1			4
Cons.Cons.Cons.			1	5	23			1	3	33
Libs.C.C.F.							1		1	2
Libs.Socreds							1	1		2
Cons.C.C.F.							1		1	2

APPENDIX E (continued)PATTERNS OF VOTING IN 1926, 1930 AND 1935

	<u>N.S.</u>	<u>P.E.I.</u>	<u>N.B.</u>	<u>P.Q.</u>	<u>ONT.</u>	<u>MAN.</u>	<u>SASK.</u>	<u>ALTA.</u>	<u>B.C.</u>	<u>TOTAL</u>
Cons. Socreds								4		4
U.F.A. Progs. Socreds							1	10		11
Labour C.C.F.						2				2

(*) - includes Liberal Progressives

APPENDIX FThe effect of the three "third parties" on the election result in 1935.

This Appendix consists of a list of constituencies where it is almost certain that the smaller parties had a definite effect. In each case, the determining factor is the vote spread between the parties and the number of votes obtained by the "third" party. If the party which lost the seat had gained all the votes granted to the "third" party, it would have carried the seat in each of the following cases. Thus, if the Conservative Party had gained all of the Reconstruction party votes, it would have gained the following seats:

<u>Ontario</u>	<u>Quebec</u>
Brantford City	Beauce (no Conservative candidate)
Bruce	Dorchester
Durham	Jacques Cartier
Essex South	Lake St. John Roberval
Fort William	Maisonneuve Rosemont
Grey North	Megantic Frontenac
Halton	Mercier
Hastings Peterborough	Hull
Hastings South	<u>New Brunswick</u>
Huron North	Charlotte
Lambton Kent	Royal
Ottawa West	St. John Albert
Oxford	Victoria Carleton
Peterborough West	York Sunbury
Renfrew South	<u>Nova Scotia</u>
Toronto St. Pauls	Antigonish Guysborough (no Conservative candidate)
Toronto Trinity	Cape Breton North Victoria
Victoria	Cape Breton South
<u>Manitoba</u>	Colchester Hants
Lisgar	Cumberland
	Pictou

If the Liberal Party had gained all the Reconstruction Party votes, it would have gained the following seats:

<u>Ontario</u>	<u>Quebec</u>
Lanark	Stanstead
Leeds	
Lincoln	
London	
Parkdale	
Prince Edward Lennox	
Wentworth	

If the Conservative Party had gained all of the votes which went to the C.C.F. Party, it would have won the following constituencies:

Ontario - Essex West, Brantford City

Manitoba - Brandon, Churchill, Dauphin, Souris, Winnipeg, South Centre

Saskatchewan - Lake Centre, Regina City

B.C. - Cariboo

If the Liberal Party had gained all of the C.C.F. votes, it would have gained the following constituencies:

Ontario - Peel, Danforth, Greenwood

Manitoba - Brandon

Alberta - Acadia and Battle River (both lost to the Socreds)

B.C. - Fraser Valley

The Social Credit candidates seemed to either carry their constituencies or lose their deposits. There was no "middle way".

Making an assumption that all the votes gained by one party would have gone to another party is both ridiculous and un-historical because of the great number of "ifs" involved. However, in a general way, we can see that the Reconstruction Party

affected more Conservatives than Liberals in the election of 1935. Certain obvious trends discussed in Chapter 3 become plain upon the examination of electoral returns.

APPENDIX GResults of Federal By-Elections 1935-1938.(Source H. Scarrow. Canada Votes (New Orleans) 1962).

The winning number of votes and percentages is underlined in each case.

<u>Riding</u>	<u>Date</u>	<u>Cons. Vote</u> %	<u>Lib. Vote</u> %	<u>CCF Vote</u> %	<u>Socred Vote</u> %	<u>Other Vote</u> %
Assini- boia	Jan.36		7282-66.2	3717-33.8		
Victoria	June36	5977-34.0	5725-33.8	5887-33.5		
Ottawa East	Oct.36		9726-41.2			13856-58.7
Bonaven- ture	Mar.37	6076-43.3	7735-55.1			225-1.6
Hamilton West	Mar.37	8102-42.8	7295-38.85			3536-18.87
Renfrew North	Apr.37	5459-48.2	5863-51.8			
Victoria	Nov.37	7654-32.3	9493-40.1	6550-27.6		
Lotbin- iere	Dec.37		9910-65.4			12277-42.5
St Henri	Jan/38		16594-57.4			405-4.7
Argen- teuil	Feb.38	4939-57.3	3281-38.0			
Edmonton East	Mar.38	2466-12.2	7920-39.0		9904-48.8	
Brandon	Nov.38	5600-35.5	6583-41.8	3577-22.7		
London	Nov.38	11364-58.2		8166-41.8		
Waterloo South	Nov.38	7776-51.7	3730-24.8	3544-23.5		

APPENDIX HResults of Provincial Elections 1935-1938.(Source H. Scarrow. Canada Votes (New Orleans) 1962.)Prince Edward Island
July 23, 1935.

<u>Conservatives</u>	0 members returned 42.0% of popular vote
<u>Liberals</u>	30 members returned 58.0% of popular vote

Nova Scotia
June 29, 1937.

<u>Conservatives</u>	5 members returned 46.0% of popular vote
<u>Liberals</u>	25 members returned 52.9% of popular vote
<u>Labour</u>	1 member returned 1.1% of popular vote

New Brunswick
June 27, 1935.

<u>Conservatives</u>	5 members returned 40.2% of popular vote
<u>Liberals</u>	43 members returned 59.6% of popular vote

Quebec
November 25, 1935.

<u>Conservatives</u>	18 members returned 19.3% of popular vote
<u>Liberals</u>	47 members returned 46.5% of popular vote
<u>Other</u>	26 seats 34.2% of popular vote (includes 1 Independent Liberal and 25 Action Liberale Nationale members)

Quebec (cont'd)
August 17, 1936

Conservatives
Union Nationale

disappeared.
76 members returned
56.9% of popular vote
14 seats
39.4% of popular vote

Liberals

Ontario
October 6, 1937

Conservatives

23 members returned
39.8% of popular vote
66 members returned
51.1% of popular vote

Liberals

Manitoba
July 27, 1936.

Conservatives

16 members returned
28.5% of popular vote

Liberal
Progressives

23 members returned
36.0% of popular vote

C.C.F.

7 members returned
12.3% of popular vote

Socred

5 members returned
9.3% of popular vote

Saskatchewan
June 8, 1938.

Conservatives

0 members returned
12.1% of popular vote

Liberals

38 members returned
45.5% of popular vote

C.C.F.

10 members returned
18.8% of popular vote

Socred

2 members returned
15.8% of popular vote

Alberta
August 22, 1935.

Conservatives

2 members returned
6.5% of popular vote

Liberals

5 members returned
24.6% of popular vote

Socred

56 members returned
54.2% of popular vote

British Columbia
June 1, 1937.

<u>Conservatives</u>	8 members returned 28.6% of popular vote
<u>Liberals</u>	31 members returned 37.3% of popular vote
<u>C.C.F.</u>	7 members returned 28.6% of popular vote

NOTE - because this Table is primarily an examination of the Conservative Party in relation to its major rivals, parties which did not actually elect members have been omitted from it. Note that if this criterion were applied literally, the Conservative Party would not appear in three provinces (Prince Edward Island, Quebec and Saskatchewan).

APPENDIX IVoting at the Conservative National Convention July 1938.

Because the delegates were not seated provincially, it is impossible to tell how the vote went by provinces although it is safe to say that Manion was the overwhelming choice of the party. It is interesting to speculate what might have happened if the MacPherson boom had started three weeks earlier.

First Ballot (Source: Mimeographed proceedings of the convention found in Bennett Papers)

R.J. Manion	726
M. MacPherson	475
J. Harris	131
D. Massey	128
J.E. Lawson	105

Second Ballot (Source: Ottawa Journal, July 8, 1938)

R.J. Manion	830
M. MacPherson	648
D. Massey	49
J. Harris	49

END OF

REEL