



THE GREAT DEPRESSION

Newfoundland and Labrador



TABLE 5

OCCUPATIONS AND EARNINGS IN NEWFOUNDLAND 1935

	% Total Employment	% Total Earnings	Per Capita Earnings
All Industries	(88,710)	(\$24,952,700)	(\$280)
Forestry, Fishing, Trapping	48 %	24 %	\$ 140
Services:	15	19	350
-Professional (Male)	1.3	5.4	830
-Public Administration (Male)	2.3	6	750
-Personal Service (Female)	6.5	2	60
Unspecified	8	4	140
Trade	7	16	640
Manufacturing	7	14	610
Transportation and Communication	5	10	500
Agriculture	5	4	155
Construction	3	4	350
Mining	2	4	500
Electric Power	0 (0.3)	1	1,100
Finance	0 (0.2)	1	1,350

NOTE: All calculations are rounded in the major breakdowns to the nearest 1%.

SOURCE: Calculated from *Tenth Census of Newfoundland and Labrador, 1935*.

How did the Great Depression in Newfoundland and Labrador compare to Canada?

- In your note book, make a few predictions regarding the state of Newfoundland and Labrador in the 1930s.
- **Potential Questions:**
 - *What issues/problems were the same as Canada?*
 - *Which were different?*
 - *Did NL fare better or worst?*
 - *Does the Depression have a significant impact on the islands future?*
- At the end of the lesson you should look for supporting or contradicting evidence for your hypotheses!

Great Depression in NL

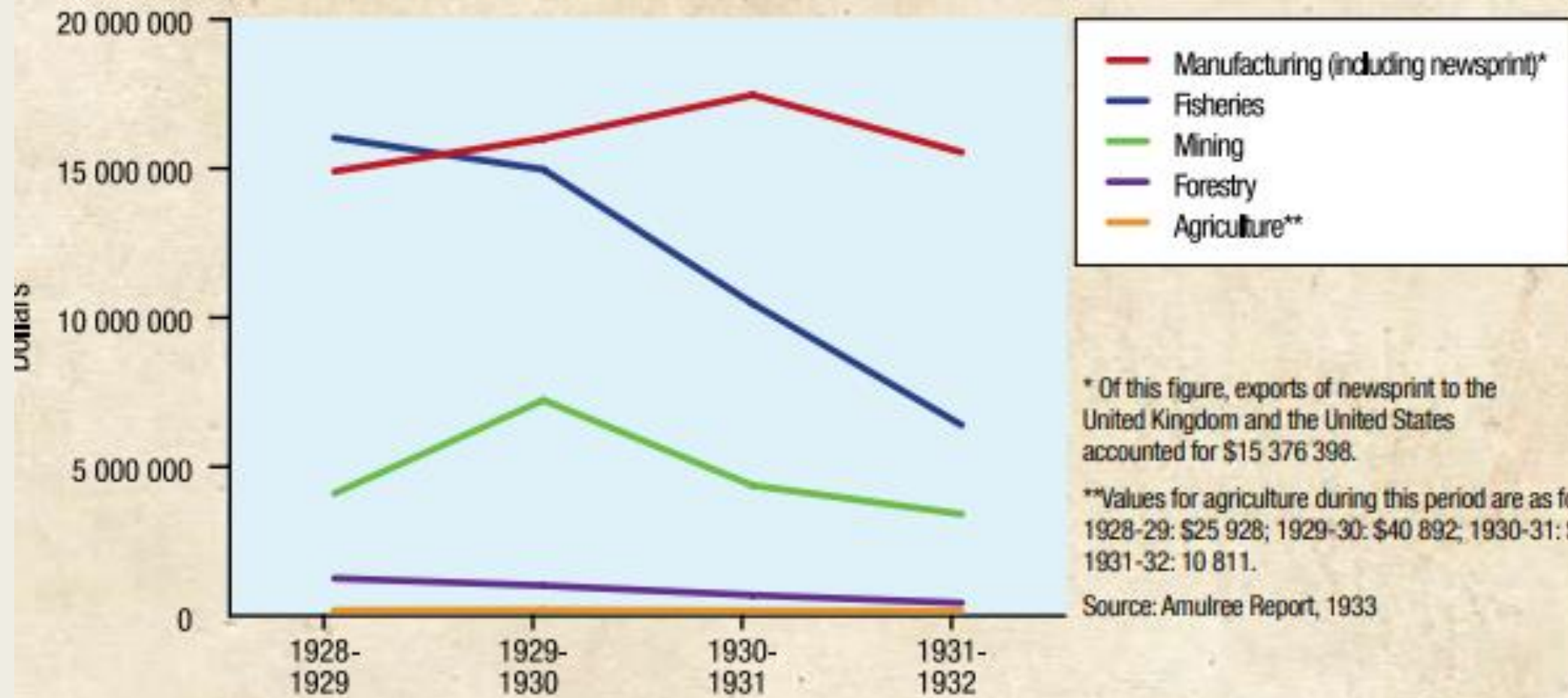
- In Newfoundland and Labrador, a number of factors contributed to the country's financial troubles.
 - *Spending during the First World War had resulted in a large national debt, as did the costs of maintaining the Newfoundland Railway.*
 - *The price of cod dropped as rival fisheries flooded the market after WWI.*
 - *The government also borrowed heavily throughout the 1920s to meet its expenses.*
 - *Like Canada, Newfoundland and Labrador struggled to find a market for their goods after the stock market crash in 1929 !*



Weighing Dried Cod at St. John's Harbour, n.d.

Following the stock market crash in 1929, the international market for Newfoundland and Labrador saltfish decreased dramatically. Dried cod that sold for \$8.90 a quintal in 1929 fetched only half that amount by 1932.

5.35 Exports by sector, 1928-1932





5.38 Fishers, St. John's Harbour

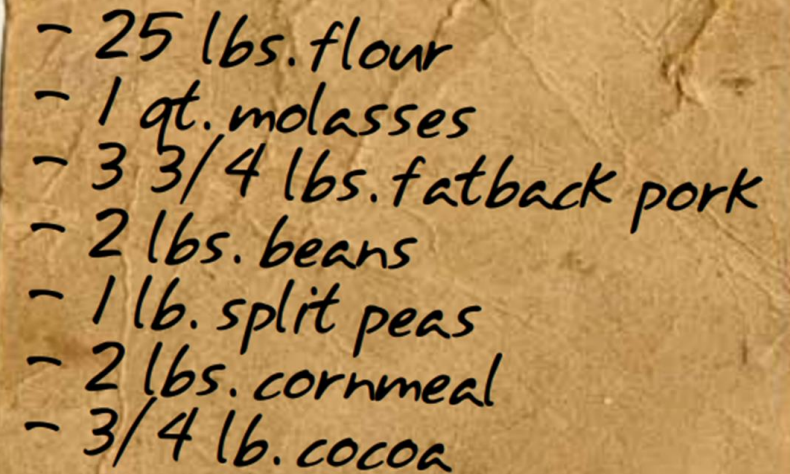
Poverty was common among Newfoundland and Labrador fishers during the Great Depression. As prices for dried cod tumbled throughout the 1930s, many fishers became continuously indebted to merchants who loaned them gear, food, and other supplies on credit and took their catch as payment. Some fishers fell into such deep debt that merchants refused to give them any more supplies on credit.

Unemployment and the “Dole”

- The decline in demand for Newfoundland and Labrador products led to widespread unemployment as paper mills, logging and mining companies, and other industries reduced salaries and dismissed workers.
- Steadily declining cod prices made it almost impossible for fishers to make a living. The income of everyone involved from merchants to sharemen, plummeted.
- With thousands of men and women newly unemployed, the government was forced to spend heavily on relief programs. These, however, were often inadequate and left many people without enough food, clothing, and other necessities to properly support their families.
- Malnutrition became rampant and facilitated the spread of tuberculosis and other diseases.

5.39 Example of food rations for a month

The following were the maximum food rations that an adult could receive based on the 1932 dole of \$1.80/month. This meant an adult was surviving on 6¢ a day.

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- 25 lbs. flour
 - 1 qt. molasses
 - 3 3/4 lbs. fatback pork
 - 2 lbs. beans
 - 1 lb. split peas
 - 2 lbs. cornmeal
 - 3/4 lb. cocoa

Consider Perspective: What was it like on the dole?

- Do you think most people were grateful and happy?
- Or resentful and miserable?
- How has social security changed since then? Has it improved?

5.43 Many people went hungry during the Depression.

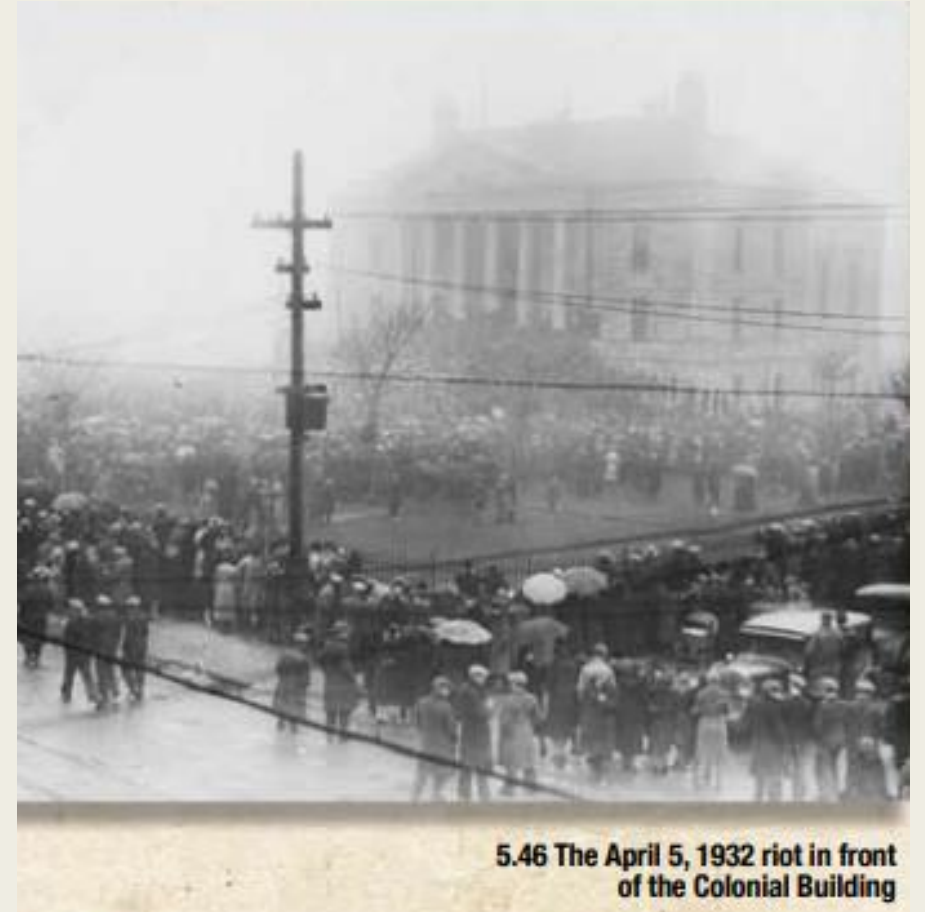
This picture of an unidentified man was taken at the St. John's waterfront in 1939.





Outrage on the island

- The government was flooded with telegrams calling for help.
- Thousands of children stayed home from school because they had no shoes or proper clothing.
- The St. John's penitentiary was full.
 - *Dozens of cases of unemployed men being arrested and thrown in jail for living on the street*
 - *Many men were convicted of cheating on the dole, poaching rabbits and moose, and stealing food, clothing and liquor. Others threatened government officials.*
- Families were thrown out of their homes because they could not pay their rent. Landlords smashed windows and took off doors, freezing out tenants who refused to leave.
- Small groups blocked roads in protest. Poorly paid woodsmen jumped trains and headed for home in despair. Their wages were so small they had no choice but to steal a ride.



5.46 The April 5, 1932 riot in front of the Colonial Building

Riot of 1933

- 3 500 people marched toward the Colonial Building to present a petition demanding investigation of the corruption charges against Prime Minister Squires.
- The peaceful protest degenerated into riots and violence as protestors grew impatient waiting for a response to the petition, and eventually breached the door.
- Police attacked everyone they saw with batons, including several uninvolved spectators, both inside and outside the building. In response, protestors began throwing objects through windows, breaking most windows in the building.
- There were also attempts to set the building on fire, which all failed. Prime Minister Squires had to be snuck out of the building. The riots would lead to the fall of the Squires government and the defeat of Liberal Party.



Loss of Independence

- By 1933, Newfoundland and Labrador owed close to \$100 million and faced bankruptcy.
- Britain, meanwhile, feared that if one of its colonies defaulted on a loan it could negatively impact the Commonwealth; it agreed to support Newfoundland and Labrador, but wanted greater political control over the country to protect its investment.
- On 16 February 1934 Newfoundland and Labrador ceased to be a self-governing nation and the Commission of Government was sworn in; it remained in power until Newfoundland joined Canadian Confederation in 1949.



Reflecting on the Great Depression

- In your opinion, what was the most significant consequences of the Depression in Newfoundland and Labrador?
- Use your smartphones and tablets to find supporting or undermining evidence for your earlier hypothesis. Record your answers in your notes.

