

# ONTARIO

## A Quiz



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1. Who is the Premier of Ontario? When was he elected? What party does he represent?
2. Out of the 245 members in the Federal House of Commons, how many does Ontario elect? Is it 65? 82? 94?
3. Is Ontario larger or smaller than Quebec? Which has the larger population?
4. Where in Ontario do you find nickel? Gold? Iron ore?
5. In 1942 Ontario had about 33% of the Canadian population. What per cent of the industrial output of Canada was produced there? 35%? 50%? 65%?
6. In which province has more waterpower been developed—Ontario or Quebec?
7. Next to those of British and French origin, which is the largest national group in Ontario?
8. How many trade unionists are there in Ontario? 100,000? 200,000? 500,000?
9. What is Ontario's share of Canada's agricultural production? Is it 30%? 40%? 50%?
10. What proportion of Ontario's population lives in cities and towns? Less than half? Half? Two-thirds?

*(Answers to Quiz on page 19.)*

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# ONTARIO

By D. G. CREIGHTON and HELEN MARSH



# CANADIAN AFFAIRS



# Ontario and Canada

"Self Education in National Unity" was the phrase we used last month to describe this series of articles on the different regions of Canada. It sounds stiff. All it meant was that Canadians should know more about their own country. Something about the problems of each part of it.

This time it's Ontario—the strategic key to Canada, rich in natural resources, our second largest province in size, largest in population.

Here are some of the points the article makes:

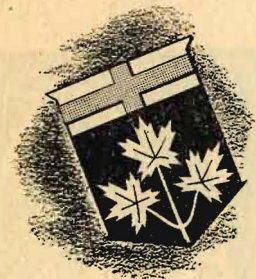
First—Ontario is in the right place. It is well situated. Within its boundaries are forest and mineral wealth, cheap power. It's close to markets, and near the big industrial development south of the Great Lakes in the United States.

Second—These are all reasons why the wealth of Canada has concentrated in Ontario. A Maritimer would probably add that the Canadian tariff had a hand in it too.

Third—But Ontario isn't a province of millionaires. It is a province of Canadians, whose annual income on the average is higher than those in other provinces, whose educational facilities are a little better, but who have their own problems and have a long way to go to achieve perfection.

And fourth—the future of Ontario is tied up with that of the rest of Canada. If the West and the Maritimes are well off, then Central Canada goes ahead too. The prosperity of the country is indivisible.

That's the lesson the article should teach.



# ONTARIO

By D. G. CREIGHTON  
and HELEN MARSH



TO many a Westerner, to many a Maritimer, Ontario is the villain of Canada's economic life. It is the province that got rich at the expense of the rest of the country—that drains the wealth of the West and thwarts the hopes of the East.

Ontario people, some of them, disagree violently. They insist that it is Ontario which is always being milked for the benefit of the rest of Canada. They complain loudly that their money is used to prop up broken-down provinces—to foot bills that other sections of the country are too poor to pay.

## One Point in Common

The argument is endless. But at least the two parties in the dispute have one idea in common. They agree that Ontario is well off—compared to the rest of the country. The figures bear that out.

According to the census of 1941, the average income of the Ontario farmer was \$1,580. The average industrial male worker in Ontario earned \$1,120; the average female worker, \$577. These totals are higher than those for any of the other provinces. And this better-than-average income has enabled the people of Ontario—with the help of governments—federal, provincial, and municipal—to keep up a fairly high standard of living.

## Better Off Than Most

The good things of life come more often to Ontario people than to most other Canadians. Proportionately, Ontarians have more automobiles than the citizens of any other province (16 to every 100 people). Except for the residents of B.C., they have more radios (17 to every 100 people); and more telephones (19 to every



100 people) than the citizens of any other province.

### *But There Was a Depression*

Ontarians don't roll in luxury. At times they suffer badly. The province took a hard beating during the depression of the 1930's; but it was never knocked out completely. In those dark years, the citizens of Ontario suffered an average drop in income of 44 per cent; but in Alberta the decline was 61 per cent, and in Saskatchewan it was 72.

### THE AUTHORS

Donald Creighton is a Torontonian, now Associate Professor of History at Toronto University. He holds an M.A. from Oxford and is the author of "Commercial Empire of the St. Lawrence", "British North America and Confederation", and "Dominion of the North".

Helen Marsh is the wife of Dr. L. C. Marsh of Marsh Report fame. She has done freelance writing for papers and magazines in Canada and the United States, is now with the Wartime Information Board.

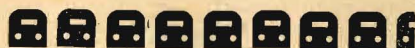


## ONTARIO'S STANDARD OF LIVING

1941

PERCENTAGE OF ONTARIO HOMES WITH:

RADIO



84%

TELEPHONE



52%

AUTOMOBILE



50%

VACUUM CLEANER



35%

AVERAGE  
FOR  
CANADA

78%

40%

37%

24%



## ROCK, SOIL AND WATER



Ontario started with certain natural advantages. To begin with, it is big. Big enough to include vast forests and fine farmlands, great waterways and power-sites, gold ores and base metals. In both north and south, there is wealth stored up in the rock and soil and water of Ontario.

### *Northern Mines*

Northern Ontario has its own distinctive character. Most of it is part of the enormous rocky upland which geographers call the Pre-Cambrian or Canadian Shield. The Shield, a low-lying plateau nearly two and a half million square miles in extent, stretches around Hudson Bay in a huge, lop-sided arc of ancient, worn-down rocks. Its thin sheet of soil, its endless stretches of scrub and forest, its lakes and lakelets, rivers

and spillways have thwarted agriculture and starved settlement, at least in most parts of the region.

From the days of the French Empire onwards, the Shield has always held out prizes rich enough to fire men's imaginations and to fill their pockets. Generations of soldiers of fortune have ventured north to seek its furs, its timber, and its minerals. Lumber, wood-pulp, and paper are still important factors in the prosperity of the north; but years ago the forest yielded the place of first importance to the mines. The nickel and copper of Sudbury, the gold of Porcupine and Kirkland Lake, have provided the main basis for a mining industry which expanded without interruption even during the depression, and now accounts for nearly half the total Canadian mineral production, with a gross



production value of over \$200 million annually.

### *Good Farms*

Prominent among Ontario's natural resources are the rich farmlands of southern Ontario. This was the first homeland of the people of the province, and is still the most thickly populated and best loved region. As the cars whiz along the King's Highway No. 2, as the trains roar on past Toronto, Guelph, and Stratford, Hamilton, Brantford and London, they drive deeper into the green heart of one of the richest farming countries in the whole of Canada.

In this old rural Ontario, which stretches almost as far south as Rome, Italy, climate and soil are equally friendly, equally generous. And the result is a greater variety of products and a better balance in agriculture than perhaps exists anywhere else in the Dominion.



The Ontario farmers are more independent and self-sufficient than the western farmers. They compose 22 per cent of Ontario's working population, and get their cash incomes—as much as \$345 million in 1943—from a great variety of products: milk and butter, eggs and poultry, hogs and cattle, tobacco, vegetables and fruits.

### *A Natural Highway*

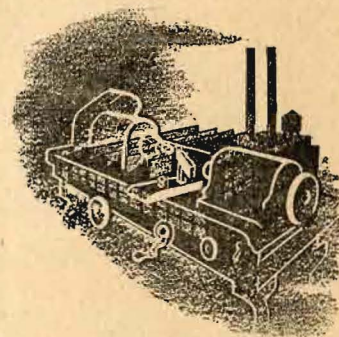
But if Ontario owes much to the wealth of its own resources, it owes perhaps even more to the advantages of its strategic position. From the days of the fur trade onward, the economic life of Canada has shown a natural tendency to find its focus in the great waterway lying along the lower rim of Ontario. Most of Ontario's southern border curves around the shores of Lake Superior, Lake Huron, Lake Erie, Lake Ontario, and the St. Law-

rence River. This system has always been a great natural transport route. Within the last half-century it has also become the centre of a region strong in industrial power and industrial raw

materials. Close to its borders lie the iron of Minnesota and the coal of Pennsylvania. In its waters are stored the great—and potentially far greater—sources of hydroelectric power.

## MACHINE AND LATHE

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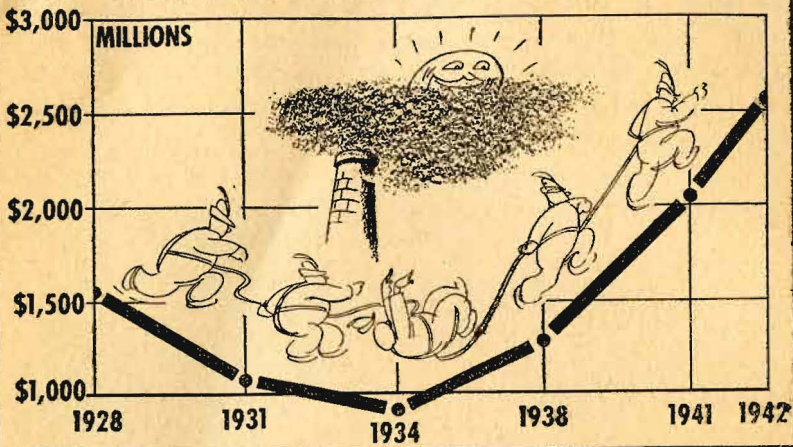
On the broad sound basis of these advantages a great manufacturing system has been built up on both sides of the international boundary. Huge cities — Montreal, Toronto, Hamilton, Buffalo, Cleveland, Detroit, and Chicago — have arisen, crammed with people who finance and manage the industries, with workers who make and distribute the products, and with other workers who serve the myriad needs of all. Ontario has 22 per cent of her workers in manufacturing, and the gross value of her manufactured products — over \$3 billion in 1943—is about

half the total for the whole Dominion. Along with the metropolitan region of Montreal, southern Ontario has become the financial headquarters, the distributing centre and the transport terminal for the entire country. It is tied into the economic life of the whole of Canada. Its prosperity stands or falls with that of the Dominion.

Ontario draws great strength from its position and its resources. But even so the province has had its economic ups and downs, its sudden changes of fortune, as the history of the past fifteen years shows clearly enough.



# NET VALUE OF PRODUCTION IN ONTARIO



## Depression Memories

During the depression of the 1930's it was probably the great armies of industrial workers who were hit hardest in Ontario. Even here the province had some natural shelter, some artificial protection against the cold winds that the depression had unloosed. The prices of manufactured goods, supported in part by tariffs and other devices, did not fall nearly so low as the prices of raw materials. Professional men, salaried people, skilled wage earners—if they could keep their jobs—did not suffer nearly as much as farmers, lumberers and fishermen. But, of course, there were far fewer factory workers needed

during the slump, for the markets for manufactured goods were steadily shrinking all over Canada. Prices could be kept up fairly well, but output had to be drastically reduced. In Windsor, Hamilton, Toronto, and other manufacturing cities, the industrial firing-line grew dimly longer and longer. Of the perhaps half a million unemployed in Canada during the depression, a large proportion were certainly to be found in the province of Ontario.

Since 1939 Canadian production has shot up to previously unknown peaks. Close to the main sources of economic power and to the chief supplies of industrial raw materials, Ontario has kept

well abreast of the advance. The gross value of manufacturing in the province was one and a half billion dollars in 1936; over three billion in 1941. Ontario plants used eight and one-half billion kilowatt-hours in 1938; twelve

and one-half billion in 1943. To quote one example of war production: Over six hundred thousand armoured vehicles have been turned out for ourselves and our allies by Ontario plants since the start of the war.

## HOW ONTARIO LIVES



Up until the '30s, Ontario had been slowly working out various measures of social legislation—pensions for the blind and the aged, compensation for workers injured at their work, allowances for needy mothers, and social services of various kinds. Not until the bitter lessons of the depression, which ruined hundreds of thousands of citizens and beggared whole communities, were

truly learnt, did Canadians openly recognize the responsibility of the state to maintain decent standards of food, clothing, shelter, medical care, and recreation for those people who could not obtain them through their own efforts. The bitter memories of the '30s have put real conviction into the war-time struggle to win freedom from fear and want. Lessons like that, don't have to be learnt twice.

## HOW ONTARIANS HAVE EARNED THEIR LIVING



(EACH FIGURE = 10% OF GAINFULLY EMPLOYED)



# ONTARIO

...FARM, FOREST and MINERAL WEALTH



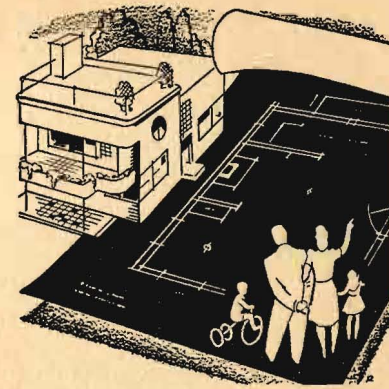
## Not Enough Homes

Many parts of Ontario are suffering from a housing shortage. As elsewhere in Canada, construction of dwellings lagged badly during the depression. Then, just when it began to pick up in the late thirties, the war came along, and quashed hopes for large-scale building. Some temporary dwellings were put up in various war-centres. Of seventeen thousand units built to date by War-time Housing Limited in Canada, fully 9,700 were put up for Ontario war-workers.

Ontario is not too proud of much of its existing housing. In the cities there are far too many slum areas in which people live in the most crowded and degrading conditions, as the Lieutenant-Governor's Committee on Housing in Toronto made clear as many as ten years ago. While most city houses have heating equipment and bathrooms, and while the Ontario-owned Hydro-Electric Power Commission provides electric energy at the lowest cost in the world for comparative service in similar territory, very few rural homes—only about one in ten—can boast of these conveniences.

## The People's Health

Health is another responsibility of the provincial government. In



the last 20 years Ontario has built up a fairly well-developed system of hospitals, sanatoria, mental institutions, clinics, and other health services. There is, at present, no government scheme of health insurance, but there is a large private co-operative scheme operating in the province. Those who cannot afford to pay for medical care may obtain it through provincial and municipal assistance. The death rate from the old terrors of humanity — tuberculosis and typhoid, diphtheria and scarlet fever — has been whittled down by free provincial T.B. sans, free diphtheria immunization, improved water supplies and preventive attention through school nurses. Ontario has a moderate infant mortality rate: in the province as a whole, 43 out of 1,000 babies died in 1940; in Toronto, 38 per thousand.



These figures are a decided improvement on the past, but have a long way to go before they reach the lowest figure in Canada, that of Vancouver with 25 infant deaths per thousand.

*Money for Schools*

Ontario is justly proud of her hundred-year-old educational system. During and after the Great War, Ontario pioneered the way in the development of the scientific, technical, and vocational training which was becoming more and more obviously necessary in the twentieth century. The province has not kept all its early lead, for the rest of Canada has happily improved its position, but the standards are high, and a complete revision of the public and high school curricula about six years ago modernized Ontario's scheme of free public instruction. The amount spent on education in Ontario—more than \$80 per student per year—is the highest for the whole Dominion.

Ontario has always been proud of its contribution to Canada's culture. The famous "Group of Seven"—the first group of painters to paint Canada from a Canadian point of view—had its birth and growth in Ontario. Toronto is the centre of the great majority of Canada's publishing houses. Of

16 national associations of artists, sculptors, architects, painters, etchers, engravers, writers, landscape architects, town planners, theatre actors and producers, 15 of them have their national headquarters in Toronto.

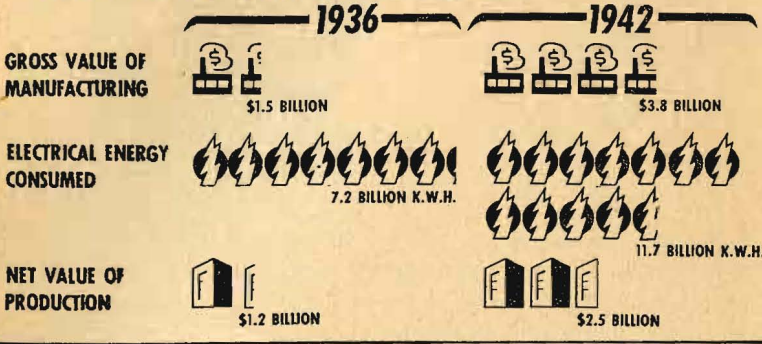
*The Ontario Worker*

Working conditions in Ontario, like living conditions in general, have altered a great deal with the coming of the war. More people are working than ever before; their earnings are, on the average, 50 per cent higher than they were in 1939. The employment index, which takes the rate of employment in 1926 as "par" of 100, gives a figure of 107.9 for 1939, and 180.8 for 1944.

*Union Growth*

For long years the struggle for the improvement and standardization of wage rates and working conditions has been carried on vigorously in Ontario by the various unions affiliated with the Trades and Labour Congress of Canada and the Canadian Congress of Labour, which together take in 80 per cent of organized labor. Membership in these unions has increased by 61 per cent since 1939, and the greatest increases have taken place in the metals industries, including automobile and

**WARTIME EXPANSION IN ONTARIO**



aircraft workers, machinists, steel workers, boiler-makers and iron-ship builders. Substantial increases were also recorded in union membership in the printing, pulp and paper industries, in building and construction and in railway transport.

In March, 1944, the Dominion government put into effect a Labour Code providing for compulsory collective bargaining and

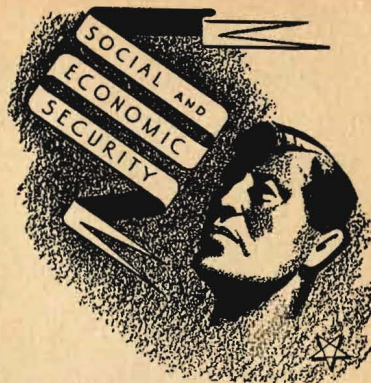
for the arbitration of disputes arising out of collective agreements. These regulations are operative under the War Measures Act, and will lapse at the end of the war. They apply only to war industries, but provincial governments may extend the regulations to cover all industry in the province. This, Ontario with five other provinces, has done. The postwar problem has still to be solved.



*Articles which appear in Canadian Affairs should be regarded as expressing the views of the individual Canadians who write them. These are not necessarily the views of the Defence Departments, the Wartime Information Board, or any other Government Authority. Indeed, occasions will arise when in order to complete the picture of some aspect of wartime life an issue will present opposing views of different authors on one subject.*



# ONTARIO'S TOMORROW



Canada has prepared plans for her postwar development. She has expressed a determination to maintain full employment, and to a large extent her postwar plans revolve around the twin basic problems of economic prosperity and social security.

And here Canada's great constitutional problem makes itself felt. How can the Dominion undertake to legislate for the country as a whole on matters that the B.N.A. Act has reserved to the provincial governments?

## *Peacetime Difficulties*

The old division of powers laid down by the British North America Act in 1867 worked well for some years while the country was still 85% agricultural and while its population could be counted in hundreds of thousands. But the Fathers of Confederation could

not foresee the day when Canada's population would rise to nearly 12 million, her agricultural population fall to 45% of the total, and a need develop for state care of the old, the unemployed, and the sick. They could not foresee the depression of the thirties when millions of Canadians would require assistance in order to keep alive.

Under the B.N.A. Act, as it was before the war, most of the social services—such as unemployment insurance, unemployment relief, old age pensions, and widows' pensions—were the concern of the provinces, not of the Dominion. Many of the provinces found themselves overburdened with these necessary but expensive measures of public welfare. They had the legal power to set up social services, but found it hard to raise money to do so. The Do-

minion could raise the money, but did not possess the power.

## *A Recent Amendment*

By an amendment to the B.N.A. Act in 1940, the Dominion was enabled to set up an Unemployment Insurance scheme. Under the War Measures Act, which expires after the war is won, the federal government has also dealt with a number of other problems normally under the control of the provinces.

Agriculture, labor relations, selective service regulations, wage and price control, and control over raw materials—all these have been administered nationally for periods varying up to five years. The Family Allowance Act and the proposed bill to provide national health insurance serve to show to what extent the postwar problems of living may be carried away from the provincial to the federal fields of government.

## *Controls and Their Results*

The results of this wartime centralized control have made Canadians sit up and think. Has the time come for a new division of powers between the provinces and the Dominion—a permanent division which will outlast the special crisis of the war? Ontario, as a wealthy province, better able than

most to look after its own citizens under the old system, is vitally interested in these possible constitutional changes.

A Dominion-Provincial conference will be held next year. All these matters will be on the agenda.

## *Hints for the Postwar*

In the meantime, Ontario has also been busy with her own postwar plans. The recently elected provincial government has established a special department called the Ministry of Planning and Development. This new authority, in co-operation with other departments and organizations, both public and private, will work out plans of all kinds "to develop the human and material resources of the province".

Among other things, this program will include an effort to check the drying-up of streams and wells and the erosion of land which have been going on for some time in southern Ontario. It will also include, for the benefit of the north in particular as well as for the province as a whole, a plan to take the forests out of politics by entrusting them to a special commission on the lines of the Ontario Hydro, together with another plan for the conservation and development of the mines.



A number of Ontario municipalities have set up housing committees and town-planning commissions, and a private group of architects, landscape gardeners and town-planners called Town Planning Consultants, Inc., has organized lecture series, and is available for consultation with provinces, municipalities or private groups interested in better homes.

There is much interest in some scheme of public health. The Dominion plan is for a national system of health insurance that will be compulsory and contributory. Everyone will pay into the fund to administer health care. The government of Ontario recently put through the Municipal Health Services Act which permits and encourages the different municipalities to adopt health plans appropriate to their own local conditions. Towns and cities can choose whether or not they will participate. That will mean considerable variation be-

tween health services in different parts of the province.

### *How To Do It?*

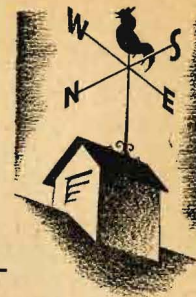
These are some of the plans and problems of the future. What do they add up to? Who is going to see that they are carried out? That is one problem that service men and women can't have solved for them. It will be up to them, and to every Ontarian, to see that projects become realities.

And one lesson of the war economy is this. Ontario cannot achieve postwar prosperity by herself. Ontario's people can't sit back in the placid belief, "We're all right, why should we pay taxes for the rest of Canada." In fact, Ontario prospers only when the rest of Canada prospers. Depressions can't be confined to one province. Prosperity has got to be nation-wide. That calls for a post-war program for Canada as a whole, in which Ontario and its people move ahead in company with all other Canadians.



CANADIAN AFFAIRS invites constructive criticism. Your comments will not be for publication. We want your suggestions so we can do a better job. Write directly to: The Editor, CANADIAN AFFAIRS, Wartime Information Board, Ottawa.

## Guide for Discussion



Discussion on this article (or the one on the Prairie Provinces) can serve several purposes. First of all it brings out points of information, gives people some idea of what their country is like. That by itself is important. Equally important is the need to find out why it is like that, how it got that way. People who pass opinions on Ontario should be able to give a reason for their view, show that they aren't repeating some old prejudice.

Servicemen are interested in the future, and these articles should outline what lies ahead for them, how the future of one part of Canada is tied up with the future of the whole country.

It shouldn't be too hard to start a discussion on Ontario. It is a province that people either love or hate. Find out how many people in your group came from Ontario. How do their views about it differ from those who have never lived there?

Do they think that Ontario runs the rest of the country? How come so much of Canadian industry is centred there? Is it an accident?

Has Ontario been more favored by the tariff than other provinces? How? Was Ontario as hard hit by the depression as the rest of the country?

What are the possibilities for post-war development in the province? Will Northern Ontario continue to move ahead? Should it be a separate province? Is there any future for farming in the clay belt of Northern Ontario?

What about the construction of the St. Lawrence waterway? Will it benefit Ontario? Who opposes it?

You won't find the answers to all those questions in the pamphlet. Probably some of them can't be answered any too definitely. At least they will give you something to think about. You can find a good few of the answers in "*Dominion of the North*"—Donald Creighton's new history of Canada. Try and get hold of a copy.

A CANADIAN AFFAIRS PICTORIAL accompanies this issue. It tells part of the story of Ontario. Make it play a big part in your discussion.



### 1. Why has so much industry concentrated in Ontario and Quebec?

NOTE: According to the 1942 figures, 80% of the gross value of Canada's manufacturing production comes from Quebec and Ontario which together have only 62% of the population of the country. That fact has made people in other provinces feel that the central provinces have put something over on the rest of us. That they have done better out of Confederation than they should have done.

To begin with, industries grew up near centres of population, near markets. They grew up too where raw materials were accessible, where transportation was easy.

After World War I Canadians began to attack the Canadian Shield to find out what ores and minerals it held. At the same time industrialists and engineers began the development of Ontario's waterpower resources. Cheap power, plus mineral resources plus forest

resources meant that pulp and paper mills and a whole metallurgical industry grew up rapidly.

From 1920 to 1930 the developed waterpower in Ontario and Quebec rose from 2.0 million horsepower to 4.8 million horsepower.

Ontario is close to the industrial heart of the United States, where coal and iron are abundant. Skilled labor and machinery could be obtained readily. American branch plants came to nearby Ontario so as to take advantage of tariff preferences which enabled them to export more cheaply from Ontario to the British Commonwealth than from the U.S.A.

With cheap power and markets close at hand, industries in Ontario and Quebec were able to compete with smaller firms in other parts of Canada, put them out of business and increase the concentration of industry in central Canada.

### 2. Is it fair to ask Ontario to pay taxes for the benefit of Canadians in other provinces?

NOTE: Quite often when social security measures come before the Federal House of Commons, people raise the point that Ontario is contributing more in taxes than it will get in benefits. They claim this is unfair to Ontario. Each province should look after its own people.

The opposing argument is this. In a well organized tax system, the people best able to stand it, pay the largest share of the taxes. In other words the more money

you have, the higher your share of taxes has to be. So, if a large proportion of Canadian wealth is concentrated in Ontario, you would expect Ontario's share of the tax bill to be high. But of course it isn't Ontario that pays those taxes, it is people living in Ontario. And in the case of Federal taxes they pay the same rate of tax as people in other provinces.

Sometimes the people who claim that Ontario (or any other province for that matter) is being

gypped only mean that they themselves want their own taxes reduced.

The problem is to decide (and it isn't always easy) whether a

given proposal is good for the country as a whole—if so, then the job is to put it into effect and distribute the cost according to ability to pay.

### 3. Is it a good thing for a country to have industry concentrated in one region?

NOTE: Some years ago many people would probably have answered, "Why worry?" Industry establishes itself where it can produce most cheaply and efficiently. And consumers all over the country get the benefit of lower prices. Local factories or mills may have to close down but on balance the country gains.

Fewer people would agree today. The economies resulting from lower costs of production are not always passed on to the consumer. Large firms have tried to prevent competition by cutting

prices, putting smaller firms out of business and then raising prices again.

Economists aren't too fond of an unbalanced set-up, where one part of the country grows nothing but wheat, one part does all the lumbering, another part has all the industry. To begin with it means widely differing wage levels as between different regions. It means too that each region depends on exports—on trade. If world trade breaks down a region whose development is one-sided is always hard hit.



### Answers to Quiz

1. The Hon. George Drew; elected August 17, 1943; Progressive-Conservative.
2. 82 members.
3. Smaller (Ontario 412,582 sq. mi.; Quebec 594,534 sq. mi.); Ontario (population of Ontario is 3,787,655; of Quebec, 3,331,882).
4. Nickel at Sudbury; gold at Porcupine and Kirkland Lake; iron ore at Steep Rock.
5. 50%.
6. Quebec (horsepower available and developed, as at Jan. 1, 1944: Quebec 13 million; Ontario 7 million.
7. German (167,102).
8. Approximately 200,000.
9. Nearly 30% (29%).
10. Almost two-thirds (62%).