

(February 18, 1935)

Extracts from the Repertory of the Mayor of Montreal

By MAYOR CAMILLIEN HOUDE.

VICE-PRESIDENT FELL:—Your worship Mayor Houde of Montreal, Mayor Simpson, honored guests, Members of the Canadian Club of Toronto, the first task of your chairman today is indeed a very pleasant one. Mayor Simpson has decided to exercise his prerogative as our first citizen, and has requested the opportunity of expressing to Mayor Houde the official greetings of the City of Toronto. I have very much pleasure in calling upon Mayor Simpson.

MAYOR SIMPSON:—Mr. President, our distinguished guest, distinguished guests, ladies and gentlemen, it is a very important event in the history of a city like Toronto to have a visit from the chief magistrate of the city which is regarded as the first city of the Dominion of Canada. It is not frequently that the citizens of Toronto receive such a distinguished visitor. When we consider the importance of this event, we must more or less regard it as a great municipal event, more so than a national event and because of that there is attached to it a rather peculiar and exceptional interest.

The City of Toronto being the second largest city of Canada is naturally conscious of the fact that there is another city—a larger city with a larger population, with larger financial interests involved and a great many activities which naturally carry on the development of great Municipalities, and the visit of our good friend Mayor Houde of Montreal at this time comes at rather a fortunate period in the history of both cities because there is one thing common to us both. We are facing problems en-

tirely new in civic administration because of very important and serious changes in the economic, industrial and financial conditions of our great country. Therefore, there is a bond of sympathy established at the very outset between the city government of Toronto and the city government of Montreal.

I want to assure Mayor Houde that I think I am expressing the thoughts of the citizens of Toronto when I say it is a very welcome visit that we are recognizing at this particular time. And that there is one thought uppermost in the minds of those who are here and of the other citizens of Toronto and that is: there is nothing but the highest quality of goodwill that we want to extend to the chief magistrate of Montreal today. Our desire and hope for him is that in the very important problems he is dealing with in Montreal at present—and they are serious problems—the genius of his mind and the interest he takes in the affairs of his office will give him the support of the citizens of that city and carry him through to success. We welcome you and trust that, through you, we may express our feeling of goodwill to the citizens of Montreal, on this very distinguished occasion.

MR. FELL:—Gentlemen, that very distinguished statesman, Sir Wilfred Laurier, addressing the students at McGill University in December, 1913, passed the remark that life was composed of ups and downs. He set himself up as an example. I believe he was then in opposition. The political fortunes of our distinguished guest from French Canada today give another evidence of this same truth. Since last he addressed the Canadian Club of Toronto in January, 1929, the downs, I believe, have far excelled the ups for most of us. Not so with our distinguished guest. It is true that after four years in the highest office of the citizens of Montreal he was defeated. It was also said that when he was leader of the Conservative Party in Quebec he intended to become Premier of that great province, but unfortunately, Mr. Taschereau became annoyed and Mr. Houde neglected to get enough votes. Less than one year later he again headed the polls in Montreal with the largest vote in the history of the city.

There are many voters who played their part in that great, absorbing contribution which French Canada has made to the Province of Quebec and to Canadian life. There is the rural love of home and handicrafts, a reverence of customs and traditions of Old France, and last but not least there have been many clever and practical personalities. Mayor Houde typifies all these and we honor him for them. We welcome him as the first citizen of Montreal.

MONSIEUR:—*Vous avez été nommé maire de la grande ville de Montréal à une époque critique de son histoire. A Toronto, aussi bien qu' à Montréal, c'est un moment où il faut un conduit capable et prudent des affaires publiques touchant le soulagement des chômeurs et la finance. Nous sommes sûrs, Monsieur, que vous donnerez à la métropole du Canada, une direction constructive, et nous attendons avec le plus grand intérêt et avec le plus grand plaisir ce que vous avez à nous dire.*

Gentlemen, I have very much pleasure in asking Mayor Houde to address you.

MAYOR HOUDE:—Mr. Chairman, Mr. Mayor, gentlemen of the Board of Control, distinguished guests, gentlemen, I beg to be excused at the beginning of my remarks for not being able to speak to you in more fluent English, but when you know the condition under which I was first elected Mayor of Montreal, I know that you will be very lenient. When I was first elected in 1928 I could not speak a word of English. Since that time I have added a few words to my vocabulary and try to have better pronunciation. I hope that you give me the same cordial welcome as you gave your chairman when he spoke French.

I wish to thank the chairman for his kind words and to thank, at the same time, the Mayor of Toronto, Mr. Simpson, for his kind words. I desire to thank the Canadian Club of Toronto for their invitation. I was told I had to give you some extracts from my repertory. I do not know in the forty-two minutes at my disposal the best excerpts of my repertory, but I will do my best. I suppose we will discuss together (and I will do the talking), the problems of our country.

You will readily admit, gentlemen, that the worst problem that we have now is unemployment; and what rocks our economic system is direct relief. In my city we have over 40,000 families on relief, which means 200,000 people at a cost of \$1,500,000 a month. At the present time we do not have an agreement with the Quebec Government. I am trying my best. I am at the Legislature three days a week trying to convince Mr. Taschereau, I need money and being now all smiles to him. I am afraid, however, he knows me.

Now what strikes me in that problem is that we do not know what we are going to do about the unemployed—spending money—if we knew when the thing would stop, all right, we could find the money. But, in my opinion, 40,000 heads of families won't be employed any more in our city in a way most of them want. What are we going to do with them? Are we going to wait till they won't wait any more? That is the problem. Do you think in a couple of years we will be as quiet, if we don't remember all these people? I am afraid not. We must find something. We must find employment if we can, but as you know the problem of employment, if we face it, is through spending on public works, and most of the cities I am speaking about cannot go much further in contracting new obligations. Our debt is \$300,000,000. What are we going to do, gentlemen? I have only one solution. There are others.

I do not know the situation in Toronto. In the City of Montreal 30 years ago, we had a population of 250,000 and we now have a population of 1,250,000. Now, at the same time, the same period we have changed from 68% rural to 68% urban. We have reversed the figures entirely. Now have you a better solution than a huge, well-organized, back-to-the-land movement? Have those unemployed I am speaking about, my own unemployed, anything better before them than to have a little piece of land of their own on which to raise a family and become someone again, rather than wait as they are doing now for too little money to eke out a living? I have not found any other plan better suited to my own unemployed in the City

of Montreal. Most of them are in the city since a generation only. They know the land. They came from the land. In the Province of Quebec, as you know, for 300 years we have been on the land. We belong to the land. Compared to this, city relief can only offer them \$2.50 to \$4 a week for a whole family. I think we should offer them a piece of land, well-organized before we ask them to go there, with animals on the land and a well dug up with a shack erected. They can be on their own land and they can be somebody and they can play a role in this country that belongs to them and not be as pitiful as they are now for a few dollars—not enough for a decent living.

Now I want to go back 2,000 years. What happened 2,000 years ago when they disbanded the Roman Legions? Didn't they settle them on the lands? The answer will be: We want to stay in cities. We want to have comfort. We want the young generation to have more advantages than we have had in our time. Why don't you execute public works, slum clearance, any kind of public works? But what after public works are through? Start another scheme. I am not against public works. But when once we have gone into a scheme of public works we have to find another one, if things are not better, and what will we do? Where will it lead to unless we borrow with the intention of never paying back? If we have a scheme of public works we must find proper taxation to provide for it. That is what I am trying to do in Montreal. But you should have read the Montreal papers, since I told them I would tax them eight and a half millions between income tax and sales tax. They became very critical. I do not think in the past two weeks I could get the majority I had last April. But since I am elected I will take a chance.

The best scheme I have heard of is the New Zealand scheme. I think you have here in Toronto Mr. Collins, representative of New Zealand. I discussed the matter in New Zealand with him. They tax the salaries of everyone employed 5%. They have pooled that money and they have given grants to proprietors who wanted to better their property—residential properties, new walls, new painting, new verandahs. They got in one year \$20,000,-

000 out of that and they granted \$18,000,000 and they have no outlay. I do not know if a system like that would be applicable here. It struck me that was a way for providing work, which seems rational. But any new taxation such as unemployment insurance, I do not know how labor will take it. Mayor Simpson can tell you more than I. But we cannot increase our debt. The banks stopped us from borrowing. I do not know what the public will do if we issue bonds, so we have reason not to do it in Montreal.

There is another problem which is just as acute and serious as unemployment—the problem of youth. If you had 40,000 young boys who had gone out of schools in the last four or five years, as we have in the City of Montreal, with no jobs in view, going day after day, week after week, month after month, in the streets of the city having nothing to do, having despaired of their age and their future—what are we going to do with them? I would like very much anyone here to tell me.

In the City of Montreal I have 85,000 women at work and 100,000 unemployed. I know it is not very orthodox to ask the women to go back to their homes and give a chance to the youth of the country to earn a living and have a home of their own and bring up their own family. You are mostly all business men here. What chance has a youth against a fine-looking or clever girl to get a job? Now let us be frank. Will a young man marry a girl who is working, when he does not work? Have we enough population in this country? No. Has immigration stopped? Yes. If we employ in my city 85,000 women and I have 100,000 unemployed with 60,000 youngsters amongst those, I think that part of the problem is there. I do not mean they should be out of their jobs right away but I mean this: If we are going to pay direct relief we might as well pay it to the women who need it and not to the men who are ready to take jobs and earn their living. Fortunately you have in this Province pensions to mothers and pensions for old age. We have not got that in the Province of Quebec. But is it not better to pay direct relief to a poor woman who needs it and keep her at home

with her children? Who is the father who can bring up children like a mother? What we need in woman is moral strength. We take the jobs and increase rationally the population of this country. It is pretty plain. But when I see a girl earning \$15, \$18 and \$20 a week and boys just as clever and just as capable as that young girl not going to the office in the morning, I do not think it is just. I know it is just an opinion. I know after I leave this place I will be discussed. I talked to the Local Council of Women one day. I got a reaction. They say it is because I hate women. I would not like to be reproached both ways.

Now the reasons for the crisis. They are numerous. We have all been feeling them, which is why most of the leaders are afraid we are going too much to the left. Well, if they do not give them cause to go to the left, they won't go. But if we give them cause they will go quicker than we want. Have we met this crisis in the same way that we met the war crisis? I am afraid not. Let us start a campaign for one year to get money for public works and settle that crisis in the way we settled the war; let us get together and all work at it, having one frame of mind, one sole idea to win over the crisis as we won over the war, and you will tell me the results in a year's time. We have not been taking it the same way. We have let the thing drag along and we have watched the New York market day by day for shares going higher. They have not been going higher. There are more unemployed today than last year in my own town. So we must do something about it.

I am sure, gentlemen, that the members of the Canadian Club here today, if they would set their minds on a solution of that crisis as they set their minds in the time of war to win the war for the country, conditions would be different. In that war we increased the debt by two billion. While I do not feel we should add another two billion, that is the spirit which is lacking in this country now. I am not pleasing everyone but we must think it over. We must admit that this crisis may become the end of this civilization, if we do not settle it. Are we ready to become what the Romans became after 200 years of

ruling the world? We can very quickly. These troubles there in China and India mean something, when they are looking for a new form of government. When you see a leader like Gandhi, for instance, swaying 300,000,000 people, do you think there is no danger there for us if we do not get awakened to the situation? That is going a little deeper than I intended to go. It means we must realize that this crisis is worse than a war—than any war we used to see. This crisis is much more than a world crisis because it is the beginning of the end, I feel, if we do not see it today—not the end of the world but the end of our civilization. Now we have tried to do two things at the same time, to ruralize and to industrialize. I am afraid these two things cannot be done with ten million population. We have tried to compete with the United States where they have mass production and a population of 120,000,000. I was telling you about my problem in the City of Montreal where most of the increased population came from the rural parts of the Province. Now how can we compete and hold our own against the United States with a population of 120,000,000 on a mass production basis? That brings me back to my back-to-the-land-movement. I feel if the people on the land had stayed there, there would not be any crisis now. If we try to industrialize we are in a vicious circle. Think about it. What are we going to do about it? Let us start a back-to-the-land-movement. I do not know about the people in Toronto, but you would be surprised how many people here in Toronto have been only one generation in this city, at the most two, so if we cannot industrialize and ruralize, keep the people on the land.

The railway development! One of the reasons of the crisis! We owe a great deal of our over-development to the railways. What is the solution? I do not know. If I did know, I would not dare say. That is a huge problem. What is the labor aspect of it? The question of fusion—amalgamation—dispensing with the debt structure of the C.N.R.? We are all divided on the issue. Nobody knows what they should say about it before election but everybody knows what they should do after election:

So it is all right, I think the next government, whatever it is, will have to face that problem, and right *after* the election, but *before*—I wonder who is going to talk about it. We have too many governments. But here we have the racial question. You know that we fear, we in the Province of Quebec, any amendment to the B.N.A. Act which would entail loss of influence in the Province of Quebec, but we all know and admit we have too many governments. We must find some way that Canadians will feel they are not losing privileges and reduce and have less government. But that is another question that may be brought up after elections and not before. Party politics! Well, we are not such partisans as we were years ago. May I say, I, for one, do not belong to any party. I was leader of the Conservative Party. As your chairman said, I had my downs. I lacked a few thousand votes to get elected. I think it is a matter now of men, of principles, of ideas rather than party politics. I do not know how many of you Conservatives voted the other way in the last provincial election in Toronto, which means we are not the fanatics we were before. I am in politics no more. I have to go to the Legislature three days a week, but I am out of party politics and I am going to stay out. If I can bring new ideas, if my ideas are right, if I can be convincing, I feel I shall be playing just as big a role for my city, my country and my province as any party in Canada.

Now, coming to a National Loan Board—this idea which has been put forward by Mayor McGeer of Vancouver, I must say now, I do not favor a reduction of interest by coercion or by force. I think there are many ways we have not tried to reduce the rate of interest. The City of Montreal has to pay its way. When I go to the people to borrow we will have a rate of interest acceptable. Now I think we are coming quickly to the necessity of a National Loan Board to pool the debts of this country. How do you explain in the City of Montreal I am borrowing at 4½%, another city at 5% and another at 5½%. How are we going to have a uniform rate here otherwise than through a National Loan Board,

which will pool the debts of the municipalities and put a check on the capital expenditures of the provinces? It is coming to that. We cannot go any further, unless we have no intention of paying back.

If I had put all my intentions into words, I would be here under a different title from the Mayor of Montreal. We must provide for a sinking fund because we must start to pay and redeem our debts and obligations, not only the provinces but municipalities and school boards. I think a 10% turnover tax might be applied partly to the reduction of debt. Suppose I pay for this suit \$55 instead of \$50. Do you think I would mind if it were marked no tax on my bill? Suppose the \$5 is applied to our debt, would we not be better in the years to come? We have to begin to think. We must reduce our debt. How will it be done? I do not know. I think that is an idea—a National Loan Board. We want money. Well, the National Loan Board will be there to loan money and put a check on expenditures and see that we are not in the same situation a year after. A turnover tax, in my mind, is the only tax which we do not notice because when you buy from a retail merchant the tax is not put on the bill. It is much better than a sales tax such as in Montreal, from which I will get a reaction in the next few months. As long as we do not see it we are ready to pay. We have to get new money because we have not capital here to develop all our natural resources. Things I have said in the Province of Quebec have all come true. They sent me home but they had to come to it. I will make you a prediction concerning what is going to happen to me. I will tell you, I am going to settle the Montreal situation. The population will follow. At the next election they will put me out for good. A couple of years after they will need me back and they will get me. You need someone of that type too. Once you have decided upon things you must be ready to think them out. Is that right, Mr. Robbins?

MR. ROBBINS:—That is right.

Why do we have so many difficulties? I feel we have very many difficulties in this country because the representation up to now has been mostly rural in all provinces.

Now, I had an answer the other day from Mr. Bennett that he was not ready to receive the mayors, for they were not accompanied by the representatives of the Provinces to discuss direct relief and try and pick up 50% of direct relief. Mr. Taschereau set the rate for 50%. Why? Because the City of Montreal has got most taxes this year in two avenues which used to belong to Federal and Provincial Governments. Why? Because we have taken the responsibility of direct relief which does not belong to us. Direct relief does not belong to the cities any more than unemployment insurance. If unemployment insurance is a national question, I think direct relief is on the same basis and belongs to the national government. Otherwise your city, my city and towns and cities all over Canada will have to go into avenues which they ought not to go into. Before we had direct relief it was sufficient to have taxes on property and a little income tax once in a while. But now the coming sales tax. Why not settle the question once and for all, and take off the shoulders of the different cities of the country that burden of direct relief which does not belong to us, but if they wait until we are bankrupt the central government and the country will suffer.

I am trying to get the mayors together before the 31st of March to discuss the problem. There is no danger in the rural districts but there is in cities, you all know. Now the problem must be settled and the sooner the better. Otherwise how will the cities fare in the years to come?

I am through. In my opinion, there is no short cut to prosperity. We must pay the price of our errors of the past. There are a lot of governments which won't cut down—municipal, provincial and federal, but we must pay the price. By coercion? By confiscation? Not in a new country like ours, where we need capital from outside to develop our country. We need the confidence of the countries who are ready to loan money here. We are coming to the point where they won't invest again. We must not frighten them. Democracy and capitalism are having a test. There are vices in democracy and party

politics. But before we change from democracy we must make up our minds what we are going to put in its place, and remember that dictatorships are to the right or left. That is what I tell the people in Montreal. Capitalism! I feel we do not need to chop down all the tree because there are caterpillars in the tree. We will get rid of the caterpillars and find out how the tree is afterwards, and I think the tree will be good. There are caterpillars. We must start and rid the tree of them and quickly. I say the sooner the better, but I am not ready to chop the tree. That tree has been implanted all over the world for centuries and has done great service, has given us comfort, more than comfort—luxury, which we were not accustomed to and which the middle ages never had. So I am ready to accept the services it has rendered. I thank you.

CHAIRMAN FELL:—Gentlemen, Mayor Houde has given us a lot of cold, hard facts which, I think you will agree, are worthy of a good deal more thought and, furthermore, of a good deal more action than they have received. I am sure you will agree also, that the City of Montreal is not going very far wrong when they have in the first position in the city a man of the caliber of Mayor Houde. May I congratulate you, sir, and extend on behalf of the members of the Canadian Club of the City of Toronto, our thanks to you for having devoted the time you have to come and pay us this visit.