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**ALBERTA'S FIGHT FOR FREEDOM... Nichols**



# **Alberta's Fight For Freedom**

**Part 1 A History**

**Part 2 Public and Private Debt**

**Part 3 Sovereignty and Constitution**

**Part 4 The Road To Reconstruction**

**Part 5 For Economic Democracy**

This is a series of five booklets, compiled from the archives of the Alberta Social Credit League, giving a factual account of how the people of Alberta fought the money monopoly.

**H. E. NICHOLS**

**1963**

A Publication of the  
**ALBERTA SOCIAL CREDIT LEAGUE**



H. E. Nichols, the compiler of this history, first homesteaded in Alberta in 1907, and has therefore had a close, personal experience of many of the events recorded herein. To supplement this knowledge, he has also made use of appropriate extracts from authoritative documents in the archives of the Alberta Social Credit League. Although retired, he is still very actively interested in Social Credit, and carries on research work for the League.

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# **ALBERTA'S FIGHT FOR FREEDOM**

## *The Road To Reconstruction*

This is the fourth of a series of five booklets giving a factual account of how the people of Alberta fought the Money Monopoly, compiled from the archives of the Alberta Social Credit League,

by H. E. Nichols.

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### **PART 4**

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The next booklet will continue the history, which will be complete in five handy pocket-size editions.



## To the Reader:

This factual history tells of the beginning and growth of the Social Credit political movement in Alberta.

It has never before been published, but the facts have been compiled by those who were eye-witnesses and participants in the events related.

These events are the roots of a movement that is now due to grow, and bear flower and fruit.

The extent to which it does so, will now depend upon the response made to this call, by the people living in the other provinces of Canada.

The succeeding part of this history will complete the basis for the call, which now goes out to ALL THE PEOPLE OF CANADA.

“Join with us and live, freely and  
democratically, or

“Serve the enemy and die, a slave  
under a Financial Dictatorship.”

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It is hoped at a later date to incorporate the five parts into one volume, and amplify it considerably. The effort will be made to give an historical introduction to the philosophy and policy of a movement, the mechanics of which must be developed and implemented before mankind can realize in full, the fruit of his human efforts to attain a prosperous and leisured economy—world-wide—with freedom and dignity for all.



## FOREWORD

At this vital stage in the progress of Social Credit in Canada, more and more people want to know about the beginning of the movement in Alberta. The question is often asked, why was Alberta the only province to endorse it at first, and why were the people of the neighboring province of Saskatchewan not energized at the same time, or stirred as deeply as were the people of Alberta.

Both of these questions will be answered in the following pages.

It is hoped that a recital of these historic facts will impel the people in the other provinces of Canada to realize the mighty issues that are now at stake—issues that are now, not only nation-wide, but world-wide—and that all the people of Canada will become imbued with the same enthusiasm that inspired the early Social Crediters in Alberta 40 years ago.

The need is greater now and the opportunities are also greater, because like the cultural heritage of Social Credit, this generation is heir to the experience and knowledge gained by the early pioneers in the Social Credit movement and they can, if they will, profit by the mistakes of their forerunners as well as by their accomplishments.

“There is a tide in the affairs of men,  
Which, taken at the flood, leads on to fortune,  
Omitted, all the voyage of their life  
Is bound in shallows and in miseries.  
On such a full sea are we now afloat  
And we must take the current when it serves  
Or lose our ventures.”

Wm. Shakespeare.

The contents of this short work have been gleaned from the records of the Social Credit Board,



and those who were in touch with the very genesis of the movement even before it was known as Social Credit.

These facts—for such they are—have been compiled in this small book to acquaint people even in Alberta, of an earlier manifestation of the philosophy of Social Credit—which is really as old as the human race itself—in the hope that their recital will inspire the people in every Canadian province to emulate what was accomplished in Alberta in 1935, so that Canada may, in the near future, have a Social Credit government at Ottawa.

**R. N. THOMPSON,**  
**National Leader.**



## PREFACE

The penetrating message of Democracy in Alberta must of its very nature find recognition and response in the minds of freedom-loving people in all lands. The dynamic action of Albertans in the field of social and financial reform is the manifestation of the greatest social force known to man. It is Social Credit; the belief that, in association with his fellows, man can obtain and secure the results of that association.

As the bewildered world moves closer to the centre of a social maelstrom, the message of Social Credit is heard by growing numbers everywhere. In that message is the one human promise of hope for the future; a future in which the aspiration of man may, in the light of a Christian concept of society, elevate him to new heights of achievement and a fuller enjoyment of his heritage.

The struggle outlined in the pages that follow is a record of war between policies. But it is more than that; it is a war between philosophies. On the one hand is the growing philosophy of the jungle, manifest in stateism, centralization and a militant materialism. On the other hand is individuality, personality, a militant Christianity. The battle is joined. The message of Social Credit is more than a cry of hope; it is a challenge to all men of good will to heed the call—join with us and live under a real democracy, or continue to serve the enemy under an oppressive financial dictatorship.

*What is related here will be a revelation to most people who are not familiar with the efforts made by the Social Credit Government of Alberta to restore democratic rights to their people.*

*The narrative recounts what was practically a revolution to recover the rights of a democracy, which rights had been gradually filched from the people under cover of process of law; or downright usurpation of authority by financial institutions.*

## THE ROAD TO RECONSTRUCTION

As early as 1936, it had been evident to the Alberta Government that two major tasks awaited accomplishment. First, there was the establishment of a Social Credit economy in accordance with the demands of the people; and secondly, the reconstruction of a broken-down administrative machine, so as to provide the social services also demanded by the people.

By virtue of such specific demands, it was plain that neither program could be shelved in favor of the other. If delay should be experienced in accomplishing the first, headway must nevertheless be made in the second. And this on the announced pay-as-we-go basis, without recourse to borrowing or increasing the rate of taxation.

There was much to be done. Labour and agricultural reforms, new health and welfare services, industrial expansion and marketing enterprises, encouragement of co-operative organization and the rehabilitation of the education system were all tackled without delay.

At a special session of the Legislature in August



1936, new debt protective legislation was introduced. The existing "Debt Adjustment Act" was amended to include all debtors, rather than a specified few, and the Debt Adjustment Board was given definite powers to aid debtors in various ways, even to the extent of rescinding specific commitments made by debtors under pressure from creditors. **An added feature was that providing for the proclamation of a moratorium in times of undue stress.**

Also introduced at this session was the "Reduction and Settlement of Debts Act", which distinguished between debts contracted before, and those contracted after, the first day of July 1932. This distinction was made because of the all-round drop in prices and values that occurred and reached rock-bottom in 1932. The Act provided for the reduction from principal sums of any payments made, and for creditors, other than mortgage companies, to share in debtor's payments; also for an interest maximum of 5% on new debts.

Once again the forces of financial monopoly moved to attack. Pressure was brought to bear on the Dominion Government, which had by this time about-faced in its attitude to **"usury in control"**, and legal action was commenced. This illustrates the unreliability of the Liberal Prime Minister who had declared, **"Mr. Aberhart has Alberta in his hands—I hope with all my heart he is successful"**.

However the Social Credit Government of Alberta determined to go to the fullest extent that the law allowed, to try and do something for the people, and so it passed the **"Reduction and Settlement of Debt Act"**.

#### **Why passed:**

1. Because under the present financial system debt cannot be paid without creating new and larger

debts. The people of Alberta possessed only about 20¢ for every \$1.00 of debt—this they owed to the banks, and they could get no money except as a debt to the bankers.

2. Because private debts, largely due to accumulated interest, had increased to such an extent that they were out of all proportion to value received.

3. Because many outstanding debts had been incurred during the first World War and immediate post-war years when values were high.

4. Because the original debts had already, in many cases, been paid in interest charges, while the principal remained unchanged or showed little reduction.

5. Because people could no longer continue to pay interest of 8 to 10 per cent.

6. Because financial corporations refused to recognize that the inability of people to meet their obligations was due to lack of adequate financial returns on what they produced.

7. Because no people or country can prosper and progress so long as they labour under a burden to those who deal in money as a commodity.

### **What the Act would have done:**

1. Would have established a basis of settlement for all outstanding debts.

2. Would have reduced all debt incurred previous to July 1932, by applying all interest paid from that date to the passing of the Act, to reduction of principal.

3. Would have settled definitely any question involved in debts which had become uncollectable.



4. Would have led to a restoration of confidence and encouraged those who, through no fault of their own, were living in poverty and struggling against odds which they could not possibly overcome.

### **What happened**

#### **Declared ultra vires of the Province by the Courts.**

It was difficult to reconcile such a judgment with the B.N.A. Act provisions for Provincial jurisdiction over property and civil rights. But the judgment stood. Meanwhile, the mortgage corporations made ready to foreclose on a wholesale scale.

The Alberta Social Credit Government moved first. A 60 day moratorium was declared in order to provide a breathing spell and stave off the creditors. The moratorium was not intended to halt debt proceedings on account of transactions between private individuals—storekeepers and customers for instance. But it did prevent the debt institutions from seizing homes and farms.

Meanwhile, the Provincial Government studied the adverse judgment in connection with the "Reduction and Settlement of Debt Act", and finally reached the conclusion that there could be no legal obstacle to the cutting of principal sums. Accordingly, the "Debt Reduction Act" was brought down, providing for the halving of the **principal** in the event that creditors would not accept a proposal to cancel accrued interest.

The usual avalanche of propaganda from the financial interests followed. Consequently the Government renewed the moratorium. A further survey of the debt system was conducted. Eventually a consolidated "Debt Adjustment Act" was passed, **which provided that no proceedings could be taken**

**against any debtor in respect of obligations incurred prior to July 1, 1936, without a permit from the Debt Adjustment Board.**

The amended act had an immediate ameliorating effect, and the "Debt Reduction Act" was not made operative, it being left to the Debt Adjustment Board to arrange, so far as was possible, agreements between creditors and debtors.

### **The Social Credit Board**

An unabated campaign of finance-inspired misrepresentation and abuse continued through the early months of 1937. As the Government struggled to find a legislative formula for equitable debt easement, charges were made to the effect that Social Credit was dead, and that the Government had either forgotten or abandoned its mandate.

Nevertheless, headway was being steadily made in the actual work of reconstruction. Male and female minimum wage laws, improved working conditions, revised Workmen's Compensation regulation and provision for worker-management agreements had tended to stabilize industrial employment. Social services were being extended as rapidly as finances permitted. Agricultural improvement policies were showing results, and a ceaseless fight for adequate farm prices was also being waged.

Through it all, the Government **had not lost sight of its major objective, despite charges to the contrary**; and at the spring session of 1937 the "Alberta Social Credit Act" was passed. Provision was made for a Social Credit Board, with authority



to investigate and recommend such measures as would **implement the mandate of the electorate.**

Provision was also made for the establishment of a credit structure under the effective control of the people.

Following passage of this Bill, the Provincial Treasurer addressed a communication to the banks, seeking their co-operation in providing the people with the results desired.

Meanwhile, the Social Credit Board chairman journeyed to Great Britain to confer with Major C. H. Douglas, and shortly after his return he was followed by two representatives of Douglas, appointed technical advisers to the Board.

These developments had created consternation in financial circles, and the flood of propaganda was further increased as their public relations advisers set up offices in Edmonton and embarked on a new program of calumny and detraction.

The campaign rose to fever pitch when another Special Session was called. The letter addressed to the banks by the Provincial Treasurer had solicited their co-operation, but rather than express themselves in specific terms, the banks gave evasive answers

At the Special Session, the financially inspired "Sales Tax" was abolished, and "The Credit of Alberta Regulation Act" became law. This was essentially a Provincial measure, providing for the establishment of Provincial Directorates to exercise effective control of Provincial credit policy in the name of the people.

Provision was made for a licensing system, with penalty provisions for banks which refused to follow the instructions of the electorate—with regard only

to **policy**; as transmitted to them through the Legislature and the Government, but without any interference in their technical administration.

The object of the Act was simple: to restrain banks from mis-using the public credit which they had usurped, and to assure the return of control of credit **policy** to the people. Thus the results which the people wanted from their own economy, geared to their own natural resources, could be achieved.

Again, a wide-spread storm of protest arose in financial circles. As one, the financial press and financial spokesmen demanded dis-allowance of the Act by the Federal Government. **Little heed was paid to the fact that the Federal Government had been given a mandate similar to that of the Provincial Government—"to battle the money power and restore to Canadians the right to control their own credit."**

What appeared to be a constitutional hazard seemed likely to block this demand. The Governor General of Canada, representative of the Crown, was absent in the North West Territories. But in point of fact, his absence did not prevent action in Ottawa. The federal Cabinet met, and on August 17th, 1937, the "Credit of Alberta Regulation Act" was disallowed. The intent and purpose of the Act was as follows:

### **"Credit of Alberta Regulation Act"**

#### **Why passed:**

1. Because there was widespread poverty and distress throughout Alberta.
2. Because Alberta, one of the richest provinces in the Dominion could produce abundantly for her people.



3. Because the only reason why Alberta's people were living in poverty was the lack of purchasing power.

4. Because such purchasing power should be made available to the people by using their own credit, as would enable them to obtain, at all times, what they wanted, of the things they were able to produce.

5. Because this could be done by a scientific balancing between money and goods produced.

6. Because control of Credit, being, in the words of Hon. Mackenzie King, **"A public matter not of interest to bankers alone, but of direct concern to every citizen"**, Credit Policy should be vested in an authority responsible to the representatives of the people.

7. Because banks, being manufacturers of financial credit and functioning as public utility concerns, supplying a service of primary and vital importance to the lives of the citizens of Alberta, should be licensed and subjected to supervision only in regard to **policy**—the results they provide—and unless the people of Alberta can use the resources of their own Province as they desire, and determine the results which shall accrue to them, they have no property and civil rights in the full sense. (Banking administration being under Federal Jurisdiction was in no matter affected by the Act).

### **What it would have done:**

1. Would have secured the results demanded by the people—a **lower cost to live, and monthly dividends**.

2. Would have provided markets for Alberta manufacturers and traders.

3. Would have led to tremendous industrial development in manufacturing Alberta goods by processing Alberta products.

4. Would have resulted in rapidly absorbing every unemployed person into useful employment and relieved the aged and infirm of the necessity of working for a living.

5. Would have led to increased business activity in which industrialists, wholesalers, retailers, and banks, would all have benefitted.

6. Would have enabled taxation to be reduced drastically.

7. Would have made it possible to deal with the debt problems.

\* \* \*

The Federal Government had exercised a seldom-used prerogative last used in 1924, (in behalf of the banking institutions) and in violation of the mandate given them less than two years previously.

By that act the Federal Government, assuming a power superior to that of all Provincial Legislatures, demonstrated that the domination of governments and people by the banks, was proceeding under cover of the freedoms which a democracy is designed to afford its citizens.

Addressing the people Mr. Aberhart said:

**"Today human freedom is in greater peril than ever before in the history of mankind. Steadily and stealthily, step by step, powerful forces are at work, trying to divest the great bulk of the people of their freedom and security. The security of these things depends upon our eternal vigilance and courageous action."**

## Dominion-Provincial Relations

The next ominous development was the announcement, by the Federal Government, of the appointment of a Royal Commission on Dominion-Provincial Relations. Curiously, none of the nine provinces was consulted in connection with the personnel of the Royal Commission. Nor were they consulted with regard to the terms of reference under which the Commission was established.

Obviously, those who believe that national unity can be accomplished more effectively by what is known as a "strong central government", were alarmed at the bid for Provincial Rights embodied in the Alberta movement. The obvious strategy now was to remove, through the medium of a Royal Commission, any effective powers still remaining with the Provinces and centralize them pro tem in Ottawa, from which point centralized control could be exerted without regard for sovereign Provincial rights.

Announcement of the personnel of the Royal Commission on Dominion-Provincial Relations confirmed the doubts of Alberta's citizens. Among the commissioners were the editor of a partisan newspaper bitterly hostile to the Alberta Social Credit program; an economist who had taken a leading and antagonistic part in the 1935 election and others whose impartiality must, by their backgrounds, be considered doubtful. With such men serving on the Board of Enquiry, it was evident that for all practical purposes its findings would be prejudiced.

Alberta later, was to prepare a brief on the subject of Dominion-Provincial Relations, but after careful consideration it was not presented formally to the Royal Commission. **Instead, it was presented to The Sovereign People of Canada and their repre-**



sentative governments; and enjoyed a wide circulation under the title of "The Case for Alberta".

In passing, it should be noted that the recommendations of this Royal Commission were of a nature calculated to centralize power in Ottawa, make drastic cuts in Provincial revenue, and remove from the Provinces many of the powers vested in them at the time of Confederation.

The Province of Quebec protested very strongly against any infringement upon constitutional provincial rights, and with Alberta, made a very effective rebuttal against the attempt to subjugate the democratic rights of the provinces.

Some of these powers were voluntarily transferred to the Federal Government a few years later during the war, as a means to assist the war effort. Later, following a Dominion-Provincial Conference the various governments in Canada reached a deadlock on this same question of centralized power. Alberta has since urged through Premier E. C. Manning, that this vital conference be reconvened in the interests of Canadian unity and a real democracy. The stumbling block to progressive debate is the Federal Government's insistence on the retention of the powers transferred to that body by the Provinces, as a war-time measure only.

### **Further Legislation**

Following disallowance of the "Credit of Alberta Regulation Act", the Alberta Government gave intensive study to the amending of this law, to bring it into conformity with Constitutional requirements. At the same time, legislation was drafted, for early submission to the legislature, aimed at removing some of the tax burden from individuals and placing

it on financial institutions. This, it was designed to do through the "Bank Taxation Act".

Another Special Session was called.

## **Bank Taxation Act**

### **Why passed?**

1. Because under the present system, the Provincial Government had one source of revenue only—Taxation.

2. Because the people of Alberta were already taxed beyond their ability to pay.

3. Because banks are the only institutions claiming the legal right to monetize the credit of The People to such an extent that they create and issue monetary credits many times in excess of the legal tender money they hold.

4. Because banks can thereby create money out of nothing.

5. Because the present method of taxation of individuals is confiscatory and unnecessary.

### **What it would have done:**

1. Would place over Two Million Dollars new money in circulation.

2. Would have permitted an equal amount, otherwise paid in taxes, to remain in the ordinary channels of industry, thus aiding employment and acting as a tremendous impetus to business generally.

3. Would have provided a hospital and medical service in districts where those were not available, or,

4. Would have set up a fund for Crop Insurance, or

5. Would have decreased School Taxes.

6. Would have provided increased purchasing power for the people of Alberta.

### **What happened?**

Assent withheld by Lieutenant Governor. Declared Unconstitutional by Supreme Court of Canada. Appeal by Province from Supreme Court decision to Privy Council dismissed.

Meantime, the public relations officer of the banks was intensifying his activities. A flood of printed matter surged through the mails. Radio broadcasting was used to augment the printed propaganda. Extremely heavy advertizing appropriations in the newspapers, with "canned" editorial matter, were utilized in an attempt to wean press opinion from the cause of the ordinary reader to the cause of the banker.

Obviously, the free press was being procured, and while the Social Credit Government did not object to just criticism and reportorial accuracy, it was imperative that steps be taken to prevent the domination of the printed word planned by vested interests.

Accordingly, at another Special Session called for September 1937, the "Accurate News and Information Act" was passed. The purpose of this Act was to ensure the publishing of accurate information on Government policies and programs, without interfering in any way with the freedom of the Press to publish anything in the way of criticism and comment.



Actually, the Bill was intended to require publishers to print an official correction of any misstatements on matters concerning the government. Thus would be removed the danger of the unfair and unethical practice of giving erroneous information to the public to which the banks and their hirelings resorted.

At the same Special Session, an amended "Credit of Alberta Regulation Act" was passed. The new measure removed all possibility of its being interpreted as dealing with matters beyond the powers of the Province. During this Special Session, the Legislature also challenged the right of Federal Disallowance.

At the Sessions's close, the Lieutenant-Governor refused to give Royal Assent to the three Acts. He informed Premier Aberhart that they must be referred for consideration to the Governor-General-in-Council.

All three Acts were declared unconstitutional. The Federal power to disallow was upheld by the Supreme Court of Canada.

In his broadcasts Mr. Aberhart repeatedly pointed out how essential it was for the people to control the policy of finance if they wished to keep the freedom and advantages that democracy was able to confer.

**"So you see, men and women, by the simple process of getting control over the money system, a small group of men have gained absolute power over the economic life of the country. Do you realize that startling fact?"**

**"However we may pride ourselves upon our political democracy and freedom, the stark reality is**

that we have an economic totalitarian dictatorship. Is it then any wonder that our political democratic system does not give the people the results they want? Surely it must be plain that we can never have a properly functioning democratic system until we deal with this private money monopoly."

"That is the reason why we Social Crediters stress the importance of this money question, and insist that the first essential and basic reform, must be to transfer the effective control over the issue of all money—both currency and financial credit—to the people through Parliament.

"And further, that the monetary system must be so managed that the people will have full access to their **REAL CREDIT**—that is, to their ability to produce the goods and services they want. That is a little about Social Credit—the credit of the people handled for their welfare, not the money monopolists."

### **Legal Battle Continues**

An event of major importance at this Special Session was the arrest of a Member of the Legislature and of one of the Social Credit Board's advisors. This occurred on the same day that Royal Assent was withheld. The arrests came about as the result of a counter-campaign against that of the banks, currently being waged in defence of democracy in Alberta. The arrested men were charged with defamatory libel, counselling to murder and similar extravagant charges.

Both received terms of imprisonment. Both appealed their sentences. Clemency resolutions came from the Legislature and from hundreds of public

bodies. The appeals were dismissed, and the accused were imprisoned.

While these happenings were attracting nation-wide attention, the Province appealed the judgment of the Supreme Court on the three Bills refused Royal Assent. Appeal in respect of the judgment confirming the Federal cabinet's power to disallow was withdrawn, however, on the advice of Alberta's Counsel.

A curious feature of the judgment handed down by the court in respect of the three Acts was that consideration of each one was not individual; they were grouped with other Acts of the Legislature. The Court ruled that Social Credit—i.e.—the faith of people in association that they can gain the objectives of that association, was an illegal scheme.

Therefore the ruling continued, the "**Alberta Social Credit Act**" (which provided for the Social Credit Board) was ultra vires. And because the Social Credit Board Chairman was mentioned in the "Credit of Alberta Regulation Act" and the "Accurate News and Information Act", these Bills were **ultra vires** of the Legislature.

It was a novel, if not fantastic, ruling. But, to ensure that the Privy Council would not be hampered by an Act which was not included in the reference, the Legislature repealed "**The Alberta Social Credit Act**", and re-established the Social Credit Board under a new, "Social Credit of Alberta Realization Act".

The Privy Council also produced a novel ruling. It was to the effect that, since the "**Alberta Social**

**Credit Act**” had now been repealed, argument could not be heard from Alberta’s Counsel, and there could be no hearing.

\* \* \*

These acts, along with many others had been passed by the Social Credit Government in order to protect the people of Alberta from the unjust and un-economic infliction of poverty in the midst of plenty.

The people were producing plenty and were willing and anxious to produce more if necessary, but a perverse financial policy prevented them from enjoying equitable distribution of the goods already produced, and at the same time frustrated all attempts to make progress in any direction.

The Federal Liberal Government, whose Prime Minister, Mackenzie King, had promised in his pre-election platform— **“Canada is faced with a great battle between the money power and the power of the people, a battle which will be waged in the new parliament. I plead for a sweeping Liberal victory to carry out my policy”** . . . and to **“guarantee the issue of public credit in terms of public need”**, had reneged on its promises, and used its over-riding influence on constitutional procedure to place obstacles in the path of the Alberta Provincial Government that was trying to do something for its people.

This showed the futility of relying on either a Liberal or a Conservative government to bring about a democratic financial policy that will reflect equitably, the economic productivity of the people. Only a Social Credit government dedicated to financial reform can be trusted to carry out a mandate from



the people to introduce financial and economic democracy.

The R. B. Bennett Conservative government of 1930-35, which had been in power before the MacKenzie King Liberal Government, had also made promises to revive the economy and increase employment, similar to those recently made and repeated by Prime Minister Diefenbaker at the last two elections.

But when the time for accomplishment came, both Conservative and Liberal Governments had as eloquently excused themselves, and bowed to the over-ruling dictates of finance; and wilted under the pressure exerted by international finance.

Throughout the ensuing years the legal battle in Alberta continued. In 1938, a "Production Tax Act", designed to assist the small individual producer by limiting his tax levies to the extent of his ability to pay, was also disallowed. The large institutions apparently saw in this measure a threat to their immense profits.

Another measure disallowed was "The Home Owners Security Act", intended to prevent the loss of homes by Albertans. Still another was the "Security Tax Act", intended to ease the tax burden on individuals and place it on hitherto protected institutions. By this disallowance, the province was deprived of an estimated new revenue of \$1,500,000—sufficient to balance the budget—the money for which would have come from profit-making institutions, which had been tax-exempt in this regard.

Meanwhile the corporations and banks which held tax-free bonds and royalty-free mineral lands,

continued to enjoy their privileges at the expense of the general tax-payer.

The monopolists again held their position and the efforts of a democratic people were nullified. The time had come for action in a different sphere.

Mr. Aberhart continued to exhort the people to never let up in their fight for democratic freedom; and he pointed out that democratic control of financial policy was the key:

“Yes, Ladies and Gentlemen . . . our glorious country of Canada is blessed with a super-abundance of natural resources. It is an inheritance which should provide every Canadian with a standard of living that would be the envy of the world. Yet those resources are so hopelessly mortgaged to a few private money interests and every citizen has such a load of debt around his neck that we have been forced to scratch, day in and day out for a bare existence, while our main efforts are directed towards trying to pay off a hopeless debt burden. Instead of facing the issue courageously and changing this fantastically unjust and incredibly idiotic system, we carry on, pyramiding more debt on the already intolerable burden, stepping up taxation to pay tribute to the money lenders and mortgaging our inheritance, and with it our children’s future, more and more every day.

**“We have allowed this form of organized and legalized robbery of the people’s inheritance to be carried on long enough. It cannot be permitted to continue.”**

\* \* \*

In spite of the set-backs in the legislative field, the Aberhart Government carried on with the restricted power it did have, to ameliorate conditions

for its people; and throughout the Province, the results of the Government's Reconstruction Program were beginning to show. Employment recovery was more rapid than elsewhere in Canada. Improvement policies in agriculture were beginning to show returns in higher grade products. The school system was well on the way to re-organization and re-habilitation. And the first steps in health and social welfare were already proving beneficial to the people.

Alberta was on the road to Reconstruction, despite the set-backs encountered in the constitutional field.

