

D.O.

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G 578/71*

INDEX HEADINGS.

affairs.

FOR CIRCULATION -

- Registry 1-8-44
- Mr. Gaultier
- Mr. Wiseman
- Mr. R110
- Mr.
- Mr.
- Mr. Liesching
- Mr. Stephenson
- Dep. U.S. of S.
- Permt. U.S. of S.
- Parly. U.S. of S.
- Secretary of State

From

Date

CANADA POLITICAL AFFAIRS.



Monthly Political & Economic Report
mid-June to mid-July 1944.

FOR ACTION -

- Mr.
- Conf. Clerks
- Copying Dept.
- X Despatch Section
- Registry

Connected Papers

MINUTES.

1 Rep C'da - Dep. 445 - 25.7.44

(duplicates circulated the D.O. in accordance with minutes on G. 578/42)

W. Cutting
P. 111
1/8/44

I have used this report in connection with the monthly summary.

Points of interest are contained in para. 4 (c) manpower

" " (d) Japanese disarmament

" 5 (b) Quebec Election Campaign

and para 2 on the leadership of the Conservative party.

Dupl. to

- Mr. Greenwood
- Mr. Maclean
- Mr. Sandall
- Mr. Camp

Printing Instructions

L.A.
1/8/44

at once DOW
1/8/44

MONTHLY POLITICAL AND ECONOMIC REPORT
Mid-June to Mid-July, 1944

1. INVASION:

The attention of Canada continues to be focussed on the operations in Normandy, and, in particular, on the fortunes of the Canadian forces. On the 10th July the Minister of National Defence described casualties as lighter than had been expected. The interest awakened in Quebec by the sentimental appeal of the liberation of French soil received a further impetus from the visit of General de Gaulle, but this interest has not been reflected in any marked increase of co-operation in the war effort, particularly as regards military service.

2. FEDERAL POLITICS:

The Prime Minister has confirmed that the General Election will take place within the next 12 months. The Liberal Party preserves an outward demeanour of calmness and confidence in face of their crushing defeat in the Saskatchewan Provincial Election last month. Uneasiness appears to be growing in Progressive-Conservative circles, and there is increased criticism of the ineffective leadership of Mr. Bracken, who is still making no apparent attempt to find a seat in the House of Commons and whose prospects of securing election have not improved. Colonel Drew has denied rumours that he is planning to oust Mr. Bracken from federal leadership. The C.C.F. are preparing to place candidates in nearly all constituencies at the general election and have published an outline of their post-war objectives for extended social services which is chiefly notable for its moderation.

3. THE BOUCHARD AFFAIR:

The sensation created by Senator Bouchard's charge of subversive activities by French-Canadian extremists has somewhat quieted down, but in retrospect his exposure of the influence and plans of the Jacques Cartier Order, allegedly aiming at the establishment of an independent state of Quebec, is seen to have marked a new stage in relations between French- and English-speaking Canadians. What previously had been confined to private discussions has now become a public issue. It is generally considered that the violence of the reaction to the Senator's charges on the part of the Quebec authorities, the Roman Catholic Church and almost the whole French language press is evidence in support of the charges. Baldly stating "I am afraid of a revolution in Quebec", Senator Bouchard has reaffirmed his allegations in statements and press articles

/and has announced

Office of the High Commissioner
Barracks,
Ottawa.

No. 443
Date 25th July, 1944.
The High Commissioner in Canada
for the Majesty's Government in the United Kingdom presents his compliments to
the Secretary of State for Dominion Affairs, London,
and has the honour to transmit to him the under-mentioned documents.

Reference to previous correspondence
High Commissioner's Report of the 27th July, 1944.
Despatch No. 119 of the 27th July, 1944.

DATE	DESCRIPTION OF INCIDENT
	Monthly Political and Economic Report Mid-June to Mid-July, 1944.

bc 2.8.44

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and has announced that he will continue the fight. Present indications are that the accusations will not be permitted to become an immediate issue of party politics.

4. PARLIAMENT:

(i) Manpower:

The Minister of National Defence has declared the Government's intention to retain the volunteer system of recruiting for the Army overseas unless and until the numbers of volunteers fall short of requirements. He gave an assurance that there were enough general service troops in Canada to meet requirements for reinforcements up to the end of 1944. There was an increase in recruiting in June. Nevertheless the Government are employing various propaganda devices to induce men in the Home Defence Army to "volunteer" for overseas service and are even appealing for recruits from men in the factories. At the same time there is a surplus of recruits for the R.C.A.F. The Minister of National Defence for Air has announced that recruiting for the R.C.A.F. had been suspended until the 1st October.

(ii) The Budget:

The Budget was brought down in June and the resolutions have been passed after a debate devoid of special interest. No increase in taxation is proposed, and there are certain concessions, in particular the suspension of compulsory savings, reliefs to certain classes of Income Tax payers, and removal of tariffs on agricultural machinery and implements.

(iii) Department of Health:

A bill to establish a Department of National Health and Welfare has been passed with general support. This Bill provides the machinery by which any national policy, if agreed upon with the Provincial Governments, can be carried out.

(iv) A Mutual Aid Agreement with New Zealand was tabled on the 30th June. It is generally in the same terms as those completed by the Canadian Government with other members of the United Nations.

(v) Japanese Disfranchisement:

An amending Bill to the Electoral Act, designed to disfranchise all persons of Japanese racial origin, aroused considerable controversy through objection in principle to

/racial discrimination

60.7 comps. 2.8.44

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It has announced that it will continue the fight for the abolition of the franchise for those who are not of British descent in the immediate future.

THE PROVINCES

(i) Alberta

The Minister of Education has announced that the Government will continue to support the fight for the abolition of the franchise for those who are not of British descent in the immediate future.

(ii) Quebec

The Premier of Quebec has announced that the Government will continue to support the fight for the abolition of the franchise for those who are not of British descent in the immediate future.

(iii) New Brunswick

The Premier of New Brunswick has announced that the Government will continue to support the fight for the abolition of the franchise for those who are not of British descent in the immediate future.

(iv) Ontario

The Premier of Ontario has announced that the Government will continue to support the fight for the abolition of the franchise for those who are not of British descent in the immediate future.

(v) Manitoba

The Premier of Manitoba has announced that the Government will continue to support the fight for the abolition of the franchise for those who are not of British descent in the immediate future.

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racial discrimination. The Government have now proposed a revision making the disfranchisement applicable only to those Japanese who were previously barred from voting in B.C. In practice this means almost all the Japanese in Canada.

5. THE PROVINCES:

(a) Election Arrangements:

General Elections are to take place in August in Alberta and New Brunswick as well as in Quebec as follows:-

<u>Province:</u>	<u>Date</u>	<u>Parties strength on dissolution:</u>	
Quebec	8th August	Liberal	59
		Union Nationale	17
		Others	2
		Vacant	8
Alberta	8th August	Social Credit	35
		Independent	17
		C.C.F.	1
		Liberal	1
		Others	2
New Brunswick	28th August	Liberal	25
		Prog. Conservative	16
		Vacant	7

(b) Quebec:

The aggravation of sectionalist sentiment in which the election is being carried on has attracted unusual interest throughout the Dominion. The election is regarded as a test of the seriousness of French Canadian separatist aspirations, and of the extent to which the extremists have the backing of the Roman Catholic priesthood, the decisive political influence in the Province. M. Godbout, the Premier, in announcing the date of the Election, expressed the fond hope that the fight would be confined to strictly Provincial issues. But neither the opposition nor the electorate are prepared to exclude the staple topics of Quebec political discussion - conscription and the real or fabricated grievances of the French-Canadians in national affairs. M. Godbout himself, clumsily, though perhaps effectively, blunted the point of the Opposition's attack on the

/conscription