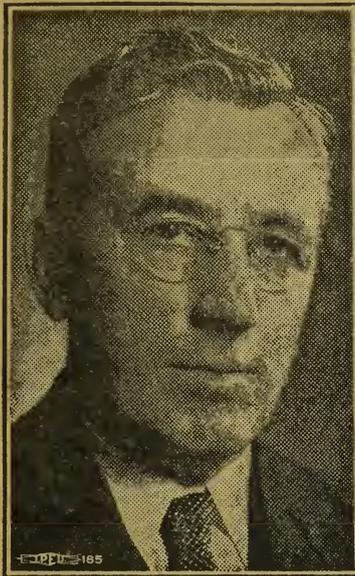


WHAT

Does

THE C. C. F. STAND FOR?



—Photo by Karsh.

By M. J. COLDWELL, M. P.

As Quizzed By BRUCE HUTCHISON

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The EDITH *and* LORNE PIERCE
COLLECTION *of* CANADIANA



Queen's University at Kingston

What Does The CCF Stand For?



How would the CCF use power? Where does it stand on private enterprise? Does it want the State to run everything? What is its policy on war debts, social services, postwar reconstruction? Here are the answers to 33 vitally important questions by M. J. Coldwell, the CCF leader.



THE Co-operative Commonwealth Federation is now one of the major political parties in Canada. No matter what his views may be in regard to the CCF, every thoughtful Canadian should understand what this party would do if it ever formed a Government in this country. Most thoughtful Canadians do not know that yet.

At the head of the CCF is M. J. Coldwell, one of the outstanding figures in our Parliament and a man who would be an outstanding figure no matter what party he belonged to. In private life he is a man of singular charm and fine integrity. I do not agree with all Mr. Coldwell's ideas but I respect his advocacy of them. And I think it highly important that they should be clarified so that the Canadian people may examine and reach an opinion about them.

It was suggested to Mr. Coldwell, therefore, that he let there be submitted to him a series of questions designed not to express particular views or to argue with the CCF but simply to elucidate the CCF policy on specific and practical public issues. To this Mr. Coldwell agreed. He placed no restrictions on the questions to be asked. No comment whatever is attempted on Mr. Coldwell's replies. The questions and replies follow:

(1) Question—There is a good deal of confusion in the country as to what the CCF stands for. It has been suggested there is also a degree of confusion in the official literature of the CCF. For example the Regina Manifesto of 1933, the original platform of the party, contains definite proposals for the socialization of various

industries and services. Later declarations and particularly your own pronouncements would seem to fall rather short of the long-term policy stated in the Regina manifesto. This manifesto says you would socialize monopolistic industries, the banking system, the mining and forest industries and even such services as the delivery of milk and bread. Would the CCF do this immediately after taking office and, if not, how long would it require to put this broad program of socialization into effect?

Answer—The questions which have been put to me together cover the whole field of national and international, economic, political and social problems which democratic socialist movements like the CCF and the labor parties in the British Commonwealth seek to solve by their philosophy and programs. Obviously the specific solution to a specific technical problem will depend in large measure on the precise circumstances of the time. To deal fully and adequately with every point raised would require a large-sized book. In the present instance it is, therefore, possible only to outline in very general terms the position of the CCF on the various questions raised.

I welcome this opportunity of clarifying the CCF position. I wish to emphasize that the CCF is a democratic movement in the full sense of the term. Our program and policies are

not laid down by any leader but by the party through its conventions and, between conventions, through its National Council and Executive. The following are, therefore, not only my personal views and convictions but those of the published statements of the CCF, and of the other national officers of the party.

Question (1) is wrong in seeming to assume that there has been any confusion between the original Regina Manifesto and any later pronouncements either by myself or by the party as a whole. The Manifesto was and remains a statement of the basic principles of the CCF. It is, however, a statement of long-range view whereas, particularly since the outbreak of the war, my explanations of CCF policy have dealt mainly with some of the fundamental immediate issues in the planning and control of Canadian economy.

The second point that must be kept in mind regarding the CCF program of socialization is that we anticipate socialization of more than one kind. Thus there will be some industries which will be socialized on a national scale — for example, transportation, communications and the like. There will be others such as electric power which it may be more advantageous to socialize on a provincial scale. Still other sections of the economy such as the distribution of milk, bread and coal might be brought under municipal ownership and direction. Moreover we visualize and welcome the possibility of social ownership through co-operative organization in certain fields, such as the field of the distribution of goods to the consumer. Indeed the development of co-operative endeavour would modify the proposals suggested in the preceding references. It is important to bear these alternatives in mind. The CCF does not propose an over-burdening bureaucracy at one centre but, on the contrary, would seek to decentralize the ownership and control as far as possible without injuring the national

plan and the national welfare. Rapid development of co-operative ownership would simplify this problem.

To answer Question (1) more directly, obviously it is not possible to contemplate the complete transformation of a complex economic system in 24 hours after the CCF takes office. Obviously too it is impossible to say how long exactly it would require to achieve the full program of the CCF. I should think that the complete achievement of the program would probably take a generation. However there are certain key industries control of which automatically brings about control over the economy as a whole. The financial machinery, transportation, electric power and large monopolies are such key industries. As a fundamental step the CCF proposes in the Manifesto and in all subsequent literature the socialization of these key industries as soon as possible after taking office. This would be coupled with a National Investment and Planning Board to plan the best use of the economic resources for the welfare of the Canadian people.

(2) Question—You have said that the CCF proposes to socialize monopolistic industries and financial institutions and all those industries which the State could not afford to leave in private hands. In the light of developments since the Regina Manifesto was drafted, has there been any change in your views as to the kinds of industries and services you think should be socialized?

Answer—I do not believe that developments since the Regina Manifesto have lessened the need for the socialization of the industries specified in it, although it should be emphasized that these industries were named merely as examples. On the contrary, in the past 10 years and particularly during the war, there has been an accelerated development of the concentration of capital and resources in the hands of monopolies. This increased monopoly control endangers the very foundations of Canadian democracy and threatens even

more seriously the future of our country. The need, therefore, for social ownership under democratic management and social control has increased rather than decreased since the Regina Manifesto.

(3) Question—Would you compensate the owners of industries or services taken over by the State?

Answer—Yes. This has been the policy of the CCF since its inception and the Regina Manifesto states: "We do not propose any policy of outright confiscation." In another place in the same paragraph the Manifesto adds: "We recognize the need for compensation in the case of individuals and institutions which must receive adequate maintenance during the transitional period before the planned economy becomes fully operative." The rates of compensation might differ in different cases. The principles which will govern every decision will be (1) fairness to the individuals concerned and to the country; (2) the requirements of the national plan and the national welfare.

(4) Question—Would you operate these industries or services through semi-independent boards or would you favor direct government administration?

Answer—In answer to this question also I can quote directly from the Manifesto: "The management of publicly owned enterprises will be vested in boards who will be appointed for their competence in the industry and will conduct each particular enterprise on efficient economic lines." Thus, while the machinery of management may vary from industry to industry, the general pattern would be that of independent boards free from the rigidity of Civil Service rules and from the day-to-day political pressures. In every case where possible, the workers, through their trade unions, would be given full place in the management of industry.

(5) Question—Statements have been noted from some CCF spokesmen that it would be impossible for socialism and capitalism to exist together; that they are so antagonistic in principle that only one can finally survive. How could the gradual policy of socialization be worked out in this kind of political climate?

Answer—This question arises, I believe, from a basic confusion as to the nature of a social system. Social systems are necessarily a continuous development and in the very nature of human progress there can never be any such thing as a "pure" system. Thus the capitalist systems in the various countries have often differed in many essential respects. Very early in the history of capitalism measures of public ownership and direction were introduced. I need only mention the post office and in Canada such enterprises as the Ontario Hydro Electric, Trans-Canada Air Lines, the Canadian Broadcasting Corporation and a host of other provincially and municipally owned enterprises.

However, in spite of these variations from "pure" capitalism, there remains the basic principle of our present system, namely: private ownership of a country's resources, private profit as the motivating consideration in economic activity and the inequality of distribution of the nation's goods and services. On the other hand the basic principles of the democratic socialist society would be the social ownership of the *principal* means of production and distribution, the elimination of profit as the *sole* motive in industry and its substitution by a national objective of plenty for all and as equitable as possible a distribution of goods and services so as to give all our citizens the highest possible share of the total national income.

Whether the system is capitalist or socialist can therefore be determined by an analysis of its basic principles as I have just defined them. Capi-

talism remains capitalism even when certain minor sections of the economy are publicly owned and controlled and socialism will remain socialism even though certain minor sections of the economy may remain under private control. You cannot have a system in which the two sets of basic principles are in conflict with each other, but you can have a society governed by one set of basic principles but in which there may be specific variations. Under a CCF government the basic principles of democratic socialism would be established.

(6) Question—If a sudden change-over to socialism is impracticable and therefore the two systems must co-exist for an indefinite period, would not the antagonism of your party to private enterprise result in the continual restriction, discouragement and oppression of that part of our economy which remained in private hands? Could it give efficient service or even survive under such conditions? Would not the threat of ultimate socialization dry up all private investment which is the mainspring of capitalism?

Answer—The answer to the preceding question is, in part, an answer to this question. The CCF believes that at least for some time the two systems must necessarily co-exist. It follows, of course, that there should be no antagonism to any organization that performs a socially necessary service. The incentive for its efficiency would be its own survival.

In my opinion social security measures would remove the fear of want; hence savings for investment would be to that extent unnecessary. Such savings as were made by individuals to supplement social security measures could be more safely invested in government guaranteed negotiable securities than in speculative stocks and shares under capitalism. In other words, the motive of saving and investment would not be that of profitability through the exploitation of labor or resources to which the indivi-

dual has no inherent right. Desirable savings could be encouraged and become what individual savings ought to be—namely, deferred spending power to be enjoyed at some future time. Persons who desired to do so would be free to invest such savings in the expansion of socially desirable industries. Thus the fear implied by the question lacks validity.

(7) Question—In the field which you do not propose to socialize at the outset would your party allow private enterprise to expand?

Answer—The answer to this question can best be found in our war experience. As a result of the various controls set up at Ottawa expansion by private interests even under the present capitalist system in Canada is permitted only where it advances the national production program for the war effort. The expansion of industry which is not essential to our present national purpose and which might withdraw materials and labor from war production is, at least in theory, not permitted. The same general principles would apply in the case of the CCF Government. Our national objective then would be production for the people's welfare in accordance with a well-studied plan. Any expansion, private or public, which would advance this objective would be permitted. Any expansion, private or public, which might harm or hinder this objective would not be permitted.

(8) Question—What motive would you substitute under your system for the profit motive?

Answer—Before this question can be answered and in order to avoid possible confusion, it is necessary to define what we mean by profit as a social force. There is the sense in which the earnings of labor and the income of farmers are classified by the opponents of socialism as profits. I wish to make it clear that is not what we mean. What we mean by the

profit motive in this context is the fact that the decisions to invest or not invest, to produce or not to produce, and whether to produce one class of goods or another, is made solely on the basis of which course will be most profitable financially.

Thus in a co-operative commonwealth, as in any other form of society, the earning of a reward for labor in factory, office and on the farm, in order to achieve human welfare, would remain the motive for such labor. The profit motive as I have just defined it would, however, be replaced by the motive of welfare for the whole of Canada. Production would be carried on not for profit but for use. The major economic decisions would be made on the basis of the needs of the people and not, as now, on the basis of profit.

(9) Question—Would your party, like the British Labor Party, take office without a majority but with the largest single group in the House of Commons?

Answer—It is impossible to answer this question without knowing exactly what the circumstances may be. At the present time the CCF does not propose to take office without a majority or to unite with any other party to form a union or coalition government.

(10) Question—Could you summarize the policy of your party with respect to education and the social services?

Answer—At the present time our educational system has four serious defects: (1) inadequacy of educational facilities as a whole; (2) particular inadequacy of educational facilities in rural parts of the provinces; (3) the low salaries paid to teachers; (4) in many instances the school curricula are far short of the modern requirements. The CCF policy on education is designed to overcome these defects and to provide some additional improvements. It will aim at the best possible educational facilities in town and country. It will seek to raise the

salary of teachers to a level which will give the teaching profession the status and dignity which its importance requires. It would seek to modernize all school programs. It would establish a network of school and university scholarships to provide educational opportunities for all deserving students.

Since education is now and should remain a provincial responsibility, a national CCF Government would achieve these things by making financial contributions to the provinces for the purpose and the CCF Provincial Governments would apply a similar educational program, including compulsory education up to the age of 15 and 16 and free textbooks and other school supplies.

The CCF supports every sound proposal for social insurance and social security. This has been outlined in every CCF publication. I can answer your enquiry best by quoting the latest CCF statement of policy adopted at our National Convention in 1942:

The first need, in war as in peace, is to safeguard the welfare of the Canadian family. To secure this end the following measures are intended as initial steps toward a general system of social insurance to provide each citizen against the hazards of unemployment, sickness, disability and old age:

A floor below which no person's income is allowed to fall.

More adequate allowances for men in uniform and their dependents.

Increased old-age pensions starting at 60. Pensions for unemployables.

Improved nutrition standards, family and mother's allowances. A comprehensive scheme of child care and nursery schools, especially for children of mothers in industry.

National health insurance, including hospitalization and maternity benefits.

(11) Question—How do you propose to spend the five billion dollars which you think should be spent by the Government in the first two years of the postwar period?

Answer—I can only indicate a few examples of what should be done. They fall into two classes: (1) the development of our resources—industry and agriculture and a socially useful works program; (2) the extension and increase of social services and maintenance of those demobilized from the services and from war work.

Under the first would come a national housing program, reforestation, conservation, rural rehabilitation, and the like. I would also undertake a program of public development of the unexploited resources in Northern Canada, public investment in the conversion of nationally owned wartime industry to peacetime use and the development of new industry; development and research into new industrial uses for agricultural and forest products popularly known as chemurgy. In the second group there will be such things as the training or retraining of our returned men and women at public expense; the maintenance at living standards of those discharged from the services and also war workers until they are rehabilitated into peacetime occupations and the provision of the various social services on a generous and adequate level.

(12) Question—Would the kind of a government you visualize favour foreign trade?

Answer — Certainly. Naturally advantageous exchange among nations is an obvious and vital necessity.

(13) Question—Do you believe that prosperity in Canada can be maintained without a large and growing volume of foreign trade? Can it be maintained by use of the various forms of protection?

Answer—Since Canada is a developing industrial country and lacks some of the basic materials needed in industry, foreign trade is essential for

our country. The answer to the second part of your question is definitely, No. Thus the CCF Manifesto states: "The strangling of our export trade by insane protectionist policies must be brought to an end."

(14) Question—How would your party carry on the foreign trade of the nation?

Answer—We would establish import and export boards which would have the function of arranging and extending our external trade in accordance with the national needs.

(15) Question—You advocate setting up boards to take over the sale of key products—like wheat. How would such boards function?

Answer—These boards would be formed of representatives of the producers as well as the Government. It would be their function to keep in touch with the available supplies in Canada and available customers in other lands. The boards would then purchase the available surplus from, say, the farmers and sell it to the foreign countries.

(16) Question—Do you think that these boards should exercise supervision and control over the variety and quantity of production?

Answer—This question relates to a detail of machinery which would depend in a large measure on the remainder of the economic setup. I believe a better way would be to have a ministry of food whose duty it would be to supervise and control the variety and quantity of production, leaving to the boards only the functions of purchase and sale. Obviously there would have to be close relations between the boards and the supervising agencies.

(17) Question—Would payments to producers be restricted to the price of the goods in the open market or would you pay subsidies?

Answer — In this connection I would follow the practice which the

New Zealand Labor Government has followed with such signal success. We would establish a guaranteed minimum price for the farmers' products. We would pay that price to the farmer irrespective of the price in the open market. If the market price was above the guaranteed price the surplus would be retained in a special fund. If the guaranteed price fell below the market price the difference would be made up from the surplus fund. Until such time as such a surplus fund has accumulated, the difference would have to be made up from the public treasury on the principle that the farmer is entitled to a living standard and that any drop in the market price of his produce should be borne by the community as a whole and not by only one class.

(18) Question—On what principle would the subsidies be calculated?

Answer—This question is really answered by the former one. An adequate return for the farmer would be established on the basis of his needs to achieve a decent standard of living. This might be arrived at by relating the prices of farm products to the prices the farmer pays for the goods he needs to buy.

(19) Question—Would it be possible for you to attain your goal of prosperity by the management of money?

Answer—The CCF has always maintained that currency and credit must come fully under public control in order that the flow of credit and the direction of investment and the general price level may be regulated in accordance with the national plan. This is also necessary for the purpose of controlling foreign exchange operations. Furthermore, it is our belief that the control of finance is a most essential step to the control of the whole economy. For these reasons we have always advocated the socialization of financial institutions and their use to establish a proper monetary credit control. However I do

not believe that the management or manipulation of money alone can achieve the goal of prosperity.

(20) Question—Bearing in mind the policy of interest-free war borrowing you have advocated, do you think that this country can continue to carry the debt incurred during the war?

Answer—The experiences of the last war and the years which followed the Armistice show that the heavy debt charges interfered greatly with social legislation and conditions. Time and again necessary assistance to unemployed workers and drought-stricken farmers was refused on the plea that the interest charges were a more sacred obligation than the duty to the people. It is for this reason that the CCF has advocated interest-free war borrowing in order that the same excuse may not exist after this war.

Continuance of heavy taxes on high incomes, increased death duties earmarked to require public debt and/or if necessary, a levy on large accumulations of wealth would relieve the burden. See also the answer to the next query.

(21) Question—Would you favor repudiating any of the interest due on government bonds?

Answer—I would favor periodical refunding of the debt at lower rates of interest. In this connection we should refer again to the experiences of the last war. They showed that in a relatively short space of time the masses of the people who had bought bonds and certificates sold them because of necessity and the Government debt became concentrated in the hands of the bankers, the corporations and a few individuals. There is no doubt that the same process will take place this time. In fact, from my experiences it is already under way. I believe it is wrong morally and harmful socially to continue forever paying high interest rates to the few corporations and individuals who will, after this war, own most of the debt now

being incurred. I would therefore unhesitatingly favor a progressive lowering of the interest rates. I would favor, also, the continuance in the postwar period of increased income taxes on the higher brackets and in this way to bring back to the public treasury at least some of the moneys paid out in interest.

(22) Question—Are you in favor of a capital levy?

Answer—Yes. I've already given my reasons in answer to Question 20.

(23) Question—Do you think that our war effort as a whole is creditable?

Answer—Creditable, yes, but not nearly as satisfactory as it should be. I would add that the great accomplishments of Canadians in this war are due to the devotion and determination of the Canadian people who overcame many of the obstacles placed in the way of a full war effort by wrong government policy and the pressure of monopoly capital.

(24) Question—Are you in favor of the price and wage ceilings?

Answer—I am in favor of the principles of price control in order to prevent disastrous inflation of the price level. I would also be in favor of a flexible system of wage control in the case of wage levels that are already adequate. I do not, however, favor the way in which the present price and wage ceiling is applied in certain brackets since it often penalizes the farmer and freezes wages which are shamefully low.

(25) Question—What is your view of the future relations between English-speaking and French-speaking races in this country?

Answer—I believe it is possible to establish real national unity in Canada so that Canadians of all races, creeds and nationalities will work together toward a common national objective

of welfare, opportunity and security for all the Canadian people.

I believe, however, that this unanimity can be established only if we lay the necessary social and economic basis for it. To achieve this end we must not be satisfied with speeches and good intentions but must take positive action along, at least, the following lines: We should raise immediately the low wage level of Quebec; we should destroy monopoly control in Canada which deliberately sets Canadians against Canadians; we should now make positive guarantees for security in postwar Canada; we should abandon the colonial attitude which is still too frequent in Canadian affairs; we should undertake an imaginative and sweeping program of education among all the peoples in Canada as to the purpose and future of our country and finally, we should pursue a political policy which consciously eschews any tendency toward dividing the country for unworthy political interests.

I believe that by these and similar means, English and French Canada can continue to make each its own contribution to Canadian life and culture and at the same time together build a unified, harmonious nation.

(26) Question—What is your view on the future relations of Canada with the British Commonwealth? Of Canada with the U.S.A.? Of Canada in the postwar world?

Answer—The answers to all three parts of the question are basically one. I believe that Canada should, in the postwar world, seek to play a significant role as a sovereign nation toward the achievement of a world organization based on collective security and social and economic co-operation. It should not, as has been the case too often in the past, blindly follow international policies laid down elsewhere—whether in Westminster or Washington. It seems to me that in the period after this war the smaller powers will have to exert a much

greater influence in order to offset the imperialist pressures of the great powers.

With the above as a basis, I believe that Canada should play its part as an independent member of the British Commonwealth, seeking to make it stronger as a force for good in the world and exerting an influence in the direction of ever-increasing democracy throughout all parts of the Empire. In the same way I believe that Canada should continue and extend its good neighbor relations with the United States and with the other American Republics.

(27) Question—In your view what steps should be taken to prevent another World War?

Answer—This question raises the major problem in modern times. Obviously, it is not possible even to sketch adequately any comprehensive program to this end. In general, the CCF believes that three things must be done if another World War is to be prevented:

(1) A political international organization must be set up in which all powers, small as well as great, will have full democratic opportunity to shape policy. The international organization should also have the power to enforce decisions if such action is necessary. This means an international force of an appropriate kind. It also means the rule of the majority instead of the previous rule of the pressure groups.

(2) The second basic requirement is economic world co-operation designed to distribute available raw materials fairly to all nations in accordance with need, to raise the standard of nutrition and living of people everywhere, to free colonies and smaller powers from the econo-

mic domination of the great powers, to plan, regulate and facilitate increased world trade and finally, to establish proper machinery for economic and financial future development of backward countries.

(3) The third need will be the achievement of plenty and economic democracy inside each nation in order that demagogues may not again be able to capture their own people and later threaten the people of the world.

(28) Question—Are you in favor of a Canadian flag?

Answer—Yes—although I should add that minor matters like this should not be allowed to become divisive in times as critical as the present.

(29) Question—In your view, what should our relations be with Russia?

Answer—I share the belief of all who are seeking genuine international co-operation after the war—the view that every attempt must be made to establish the best possible relations with Soviet Russia. It is clear now that if it had been possible during the pre-war years to overcome the mutual lack of confidence between the Soviet Union and the western democracies the course of international events might have been changed. I therefore favor the closest possible co-operation with the Soviet Union in spite of grave misgiving which I have regarding the political dictatorship which reigns in that country.

(30) Question—What is your view of the Canadian Constitution? Do you think that it should be moved from London to Canada and made amendable by action of the Parliament of Canada without reference to the provinces? If you concede the provinces a right of veto, what is the nature and extent of this right?

Answer—I believe that the Canadian Constitution needs revision in order to bring it into line with modern economic and social developments and requirements. I believe that at the same time the rights of minorities should be fully guaranteed by some statute attached to the Constitution.

I am strongly of the opinion that the Canadian Constitution should be amendable by the Canadian Parliament and that, except in the sphere of the minority rights to be guaranteed in the special statute I have mentioned, the provinces should not have any right of veto. The Parliament of Canada must be made to represent the people as a whole and its action should not be frustrated by any section of the people.

(31) Question—Would you discontinue appeals to the Privy Council in London?

Answer—Yes.

(32) Question—Do you favor a greater centralization of power at Ottawa?

Answer—I favor greater powers at Ottawa to enable the national Parliament to deal with major economic problems and developments. To quote the CCF Manifesto: “. . . so as to give the Dominion Government adequate powers to deal effectively with urgent economic problems which are essentially national in scope . . .”

(33) Question—In your judgment has Canada been sufficiently vigorous and bold in expressing views on the relations, during this war, between this country and the other United Nations?

Answer—My answer to this question is very emphatically, No. As I suggested in a previous answer the Canadian Government has till now been satisfied with following, uncritically, international policy laid down elsewhere. It has never asserted its place in the deliberations of the United Nations. I believe that this negative policy should be reversed.

