

Chapter 4: The Great Divide

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The Depression and drought of the 1930s is the great divide in Saskatchewan history. Before the 1930s were the boom decades of settlement and immigration, the hegemony of King Wheat and the Liberal Party, and a seemingly unlimited optimism about the province's future. After the 1930s came decades of slower population growth, diversification out of wheat and agriculture into oil, potash and uranium, the CCF-NDP as the governing party, and a less optimistic—some would say realistic, others would say pessimistic—view of the province's future.

What is it about the Great Depression and the Great Drought that so changed the province? And does it still shape the way we manage the present and view the future? These are the central questions addressed in this chapter. Before assessing the impact of the 1930s on the collective psychology of Saskatchewan, however, we must begin with the predominant mentality of the province prior to the Great Depression and the Great Drought.

Years of Boom and Optimism, 1905–1929

At its birth, the new province of Saskatchewan was the embodiment of the spirit and dynamism of the New West. In the same way that Prime

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Minister Wilfrid Laurier believed that the 20th century would belong to Canada, it was easy to believe that the future within the Confederation belonged to Saskatchewan. On the day of its creation, Saskatchewan was already poised to become the third wealthiest and third most populous province in the country, growing at an unprecedented rate as immigrants poured in from Europe and North America.¹

Laurier himself had often pondered what this might mean in terms of the future of the country. He was so concerned about the extent to which the juggernaut of settlement and expansion in the western prairies might eventually upset the delicate balance of population, religion, language and ethnic identity in the two central Canadian provinces that he decided to divide the region into Alberta and Saskatchewan rather than permit one behemoth province to emerge out of the West. Frederick Haultain, the long-serving and well-respected premier of the North-West Territories, had wanted only one province, arguing that two provincial jurisdictions would not only be administratively more expensive but “would split the ‘political individuality and identity’ of the territories.”² As a Conservative and a proponent of the one-province concept, Haultain was brushed aside by Laurier, and Walter Scott, a Liberal and a supporter of the two-province concept, became the province’s first interim premier.

Walter Scott would quickly become the province’s greatest booster. Soon after taking office, he wrote: “The province has as yet less than half a million souls and there is plenty of room for at least ten million.” In a subsequent letter, he became even more ebullient about the potential of the province: “Just as sure as the sun shines there will be within this Province alone some day a population running into the tens of millions.”³

Agreeing with Disraeli’s assertion that “nothing more completely represents a nation than a public building,” Scott devoted his early years of premiership to building the structures that would soon define the province. He viewed the construction of the University of Saskatchewan in Saskatoon as essential in satisfying the educational and intellectual aspirations of a rapidly growing population. As the provincial capital, however, Regina required a great building that would reflect the weight and dynamism of one of the country’s most important political actors, and Scott spent considerable time ensuring it achieved the grandness he felt the province so deserved. Constructed

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on an enormous site of 168 acres, the building was 167 metres (542 ft) long, 94 metres (308 ft) wide and 56 metres (183 ft) high. When completed in 1912, the Legislative Building and its striking dome towered over the burgeoning city of Regina. The elegant interior drew on the Palace of Versailles and was decorated with 34 types of marble quarried from all over the world. In Scott's mind, nothing was too good, too expansive, or too expensive—the actual cost of \$1.8 million by 1912 was double the original estimate—for the province of Saskatchewan.⁴

These new edifices were being built on the wheat economy. Along with the majority of Saskatchewanians, Premier Scott believed that wheat was, and would remain, the engine of the province's prosperity: "Saskatchewan is essentially an agricultural province, which is no misfortune. Agriculture is the basis of the business of the world. Farming is the foundation of civilization."⁵ To emphasize this fact, the new College of Agriculture became a mainstream part of the University of Saskatchewan's academic program, the first time such status was accorded the subject by a university in Canada.⁶

The respect shown agriculture was hardly surprising given that Saskatchewan was at the epicentre of wheat-growing in the Prairie West. From July 1, 1905, until June 30, 1906, fully two-thirds of all homestead entries in Canada were concentrated in Saskatchewan. Wheat replaced all that went before it. Even in southwestern Saskatchewan where cattle-ranching had become the mainstay before 1905, an army of wheat farmers invaded in the aftermath of a killer winter in 1906–07 that had devastated the existing ranch operations.⁷

All wheat farmers in the province benefited from new technical developments, including tilling and seeding machinery especially designed for dryland conditions and the introduction of a high quality milling wheat called Marquis that could ripen in the short prairie growing season. An immense transportation and storage infrastructure was erected in a few short years. Grain elevators—towering prairie sentinels—were built at, and rail branch lines extended to, countless distribution points throughout the prairies. In 1906, Scott established a new department of railways and during the first session of the Saskatchewan assembly, five new railways were incorporated.⁸

By the census of 1911, the population had grown to almost 493,000 souls, well over five times what it had been just a decade before, and

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about 118,000 more than Alberta and 100,000 more than British Columbia.⁹ Only Ontario and Quebec had larger populations.

An elaborate municipal system was erected to provide an array of basic services for farm and town dwellers throughout the province. In 1908, the Scott government had passed legislation setting out the organization, powers and responsibilities of village, town and city governments, with villages being between 50 and 500 people, towns between 500 and 5,000, and cities defined as 5,000 or more residents. Rural municipalities came a year later with the division of the province into units of nine townships each, with local ratepayers deciding whether to become rural municipalities with expanded powers or to remain local improvement districts largely run by the province. By 1914, Saskatchewan would have 295 rural municipal governments, as well as 288 village, 71 town and 7 city governments in place.¹⁰

Many settlers, some of whom had never had the opportunity to participate in the democratic process, leapt at the opportunity to have their influence felt and their beliefs and preferences reflected in the decisions that most affected their families and communities. With so many farmers already involved in advocacy organizations such as the Saskatchewan Grain Growers' Association, it was a small step to local government office and the responsibilities that went with it. The time, energy and commitment expended in these organizations earned the province a reputation as the most politically engaged in the country. Out of this democratic hothouse in Saskatchewan would emerge the most vigorous co-operative movement in the country and, eventually, the core of the Co-operative Commonwealth Federation (CCF).¹¹

Everyone understood the extent to which the province was dependent on the cultivation and sale of wheat on international markets. Yet few were concerned about the implications of this extreme dependence on a single commodity until the 1930s, despite some prominent early warning signals. The first came with the worldwide recession of 1913 that drove down the price for wheat along with a crop failure in southwestern Saskatchewan the following year. The impact was short-lived as World War I would soon create food shortages and rising wheat prices. Rain and good weather not only restored the dry southwest but delivered a bumper wheat crop throughout the province in 1915. This cut short the nascent diversification that had begun in 1913 in response to

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the recession, and wheat farming expanded into even more unsuitable parts of the province.¹²

Stating that the war had “been the economic salvation of Saskatchewan,” the provincial treasurer (and future premier) Charles Dunning claimed following the war that the “people of the province were more prosperous now than ever before.”¹³ Dunning was right. The world price for wheat stayed high following the armistice, crop yields were good and exports continued to grow. By the 1920–21 season, however, another global recession had begun to bring down wheat prices. Having built up significant debt in their headlong dash to mechanize and increase holdings, farmers saw their futures threatened. They blamed the Winnipeg Commodity Exchange and the elevator companies for purposely pushing wheat prices down. But this too would turn out to be a very temporary setback.

In 1922 and 1923, bumper crops choked rural elevators throughout Saskatchewan.¹⁴ The railway companies did not have enough cars to get the glut of wheat to saltwater ports. Farmers demanded a government Wheat Board to help get their grain to market in an orderly fashion. When refused, many came together to establish the Saskatchewan Wheat Pool.¹⁵ By 1925, the province was experiencing a full-fledged boom that was spreading beyond the wheat farms to the province’s growing towns and cities.¹⁶ The next four years would give way to the unbridled optimism that had been present at the time of the province’s birth.

The boom would end with a shocking abruptness. Most expected the good times to continue indefinitely. Almost no one could predict the hardships that lay in store for so many. And once Saskatchewan had passed through the dismal decade of the 1930s, the province and its people would never be the same again.

The Great Depression and the Great Drought

Numerous popular accounts depict a similar picture of dust storms, unemployment, relief and bankruptcy. Titles such *Ten Lost Years*, *Men against the Desert*, and *The Winter Years* convey the devastating impact of drought and depression.¹⁷ While the memory of this time has been dying with the seniors who lived the experience, the attitudes and habits formed in the crucible of the Dirty Thirties have been passed down

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through their children. Caution replaced optimism, saving and risk-avoidance replaced past eagerness to invest in new ventures, and a sense of foreboding, even dread, replaced the sunny optimism of the past. On the other side of the ledger, however, came incredible perseverance in the face of adversity, unstinting generosity in the face of poverty, and a powerful sense of community responsibility in the face of economic disaster.

While the Great Depression was a worldwide phenomenon, countries such as Canada were hit particularly hard because of the precipitous slide in basic commodity prices in the face of protectionist measures taken by most of the country's trading partners to protect their own domestic markets. Canada's staple resources, originally fish and fur, later wood and wheat, had made it wealthy, but the punishing recoil of the Great Depression would make a liability out of these same staples. As the wheat province, Saskatchewan was at the epicentre of this economic earthquake. In Ontario and Quebec, provincial per capita incomes fell by 44% between 1929 and 1932. Over the same period in Manitoba, it fell by 49%. In Alberta, the second-most agricultural province in the country, per capita income fell by 61%, while in Saskatchewan it fell by an astounding 72%.¹⁸

Even these statistics do not adequately convey the depths to which the province fell. In 1929, the southern-central part of the province experienced the first of many crop failures and total net farm income fell from its high of \$185 million in 1928 to \$51 million in 1929. In 1930 it was even worse, with most of the province—including for the first time extensive areas north of Saskatoon—suffering from drought. The 1931 drought covered the southern half of the province and, for the first time, net farm income was *minus* \$31 million with numerous farm families no longer able to live off their capital and past resources. In 1932, the south-central portion of the province was again the hardest hit. In 1933, it was the southwest's turn, although over half of the south-central part of the province was also affected by drought. Much the same area was affected by the drought in 1934. In 1935, the rains finally came, but rust devastated yields through most of the province. In 1936 drought returned to the western and far southern regions. 1937 was the worst drought year of all with two-thirds of the province's farmers losing their crops. In that lowest of years, the average provincial yield was 2.6 bushels per acre, a little more than one-tenth the average yield of 1928.

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Once again, farm net income was pushed below zero, hitting a record minus \$36 million.¹⁹

These droughts brought to mind Captain John Palliser's western Canadian expedition in the mid-19th century, when Palliser had carefully described the near-desert conditions of a triangle that covered much of southern Saskatchewan and concluded this region was unfit for agriculture.²⁰ 1938 finally brought some respite from the drought if not from the depression. William Patterson, the premier of the province, was so excited that he telegraphed Ottawa in May to report that "heavy rains coupled with other moisture has [sic] made seeding prospects and conditions most favourable we have experienced in years," adding hopefully that the province was finally "back into production" after almost a decade of drought and dust.²¹

While wheat farmers throughout the prairies were affected by low wheat prices, these successive droughts hit Saskatchewan much harder than Alberta, where wheat yields during the depression years exceeded those in Saskatchewan by nearly 60%.²² The provincial government as well as the urban and rural municipalities tried to assist the human casualties as the depression dragged on, and as drought after drought sucked the lifeblood out of the land.

Although responsible for delivering relief to destitute farmers and the unemployed, the municipalities quickly found their tax bases undercut by dropping land values, bankrupt farmers and business owners unable to pay their taxes, and people literally moving in order to find greener pastures. The provincial government was forced to step into the breach and did so in at least two ways. The first was to take over the distribution of relief from the municipalities and the second was to encourage resettlement from the drought-stricken south to the generally drought-free northern regions of the province.

By 1931, Premier J.T.M. Anderson realized that the sheer task of relief threatened to overwhelm his government so he established an arm's-length commission to facilitate the effective and non-partisan distribution of rural relief in the most drought-stricken parts of the province. The Saskatchewan Relief Commission provided food and clothing to those farmers most in need. In addition to direct relief, the Commission distributed seed grain, binder twine, fuel, as well as animal feed and fodder and even gopher poison to keep destitute farmers in the

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business of farming. In keeping with the predominant attitudes of the day, relief was neither welfare nor charity.²³ Everyone applying for relief had to provide proof of their poverty as well as sign a commitment to repay the Commission once conditions improved. Although dismantled by the Gardiner Liberal government in 1934, the Commission's relief work was continued through the provincial departments of agriculture and municipal affairs, and by 1935, about 227,000 people in Saskatchewan had received some relief payment.²⁴ Although the provincial government worked on other fronts to help people cope with the depression and ongoing drought, including legislation to protect farmers and others against creditors, organizing and managing relief remained the government's most important function until 1939.²⁵

Despite governmental efforts to keep them going, farmers were abandoning their farms and homes and moving away from the drought-stricken regions. Between 1930 and 1938, some 36,000 individuals—almost 7,000 farm families—moved from southern Saskatchewan to northern Crown Lands.²⁶ They settled onto 1.5 million acres in a wide swath that extended from Meadow Lake and St. Walburg through Big River, Shellbrook and Nipawin to Hudson Bay and Preeceville. Although actively promoting migration to the north as part of its response to drought in the south, the Anderson government's policy on northern settlement was far less effective than its relief policies through the Saskatchewan Relief Commission, and many desperate farm families found themselves trying to again work land that was barely fit for agriculture. After the defeat of the Conservative coalition, the new Liberal government established an agency within the Department of Municipal Affairs to relocate at least some of the northern farmers off muskeg and onto land that could produce a crop.²⁷

More promising was the major effort at land reclamation efforts that were begun under the federal Prairie Farm Rehabilitation Act of 1935 and the Prairie Farm Rehabilitation Administration (PFRA) towards the end of the depression. Both as premier and then as federal minister of Agriculture, Jimmy Gardiner hammered home the point that the federal government had an obligation to fix the problem since it had originally lured immigrant settlers to the dryland regions of the prairies including the semi-arid Palliser triangle.²⁸ The PFRA's early work included the introduction of new cropping practices, the ridging of fields to

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prevent drifting, and turning abandoned land into seeded pastures. Later, the PFRA would initiate major water conservation and irrigation projects.²⁹ The total spent on these land-use initiatives amounted to \$9 million between 1935 and 1945, and the PFRA's efforts were more than repaid from the income that was earned on land salvaged from the droughts.³⁰

Land reclamation cost a fraction of what governments were paying out in relief. These costs made municipal governments throughout the province insolvent, and would eventually cripple the provincial government. To cope, the province had cut other expenditures to the bone, even using the entire construction budget of the Department of Highways for relief purposes.³¹ The government tried to both raise taxes and borrow money, difficult propositions for a province and a people that were virtually bankrupt. The province called upon Ottawa, and in response to the deepening crisis, the federal government put ever-larger amounts into relief. Between 1930 and 1937, the provincial government would end up pouring about \$100 million into relief to supplement the meagre \$5 million initially put in by bankrupt municipalities. Over the same time, the federal government would end up contributing \$72 million to the relief effort in Saskatchewan.³²

The relief burden forced the provincial government into deficit financing. In 1933, the province's expenditures were almost double its revenues while in 1937, when two-thirds of provincial farmers faced drought, the province took in about one-third in revenues of what it actually expended.³³ By 1939, Saskatchewan was by far the most heavily indebted province in the country, and one small step from bankruptcy. Although in slightly better shape, Alberta and Manitoba had also been ravaged by the fall of the wheat economy and were only two short steps from insolvency.³⁴ The near-bankruptcy of the prairie provinces had so destabilized the federation that Prime Minister Mackenzie King was forced to establish two royal commissions, one on employment and relief and another on the future of federal-provincial relations.³⁵

During the Royal Commission on Dominion-Provincial Relations—more famously remembered as the Rowell-Sirois Commission—Premier William Patterson drew a picture of the province's extreme vulnerability as a result of its dependence on agriculture and the natural difficulties in providing even basic services and infrastructure to a widely dispersed

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rural population. Patterson wanted the federal government to recognize these special challenges through some form of equalization payment to “make it possible for the people of Canada generally, irrespective of what part of the Dominion they live in, irrespective of what particular occupations they may be engaged in, to enjoy a somewhat comparable measure of service and attention from the government under which they happen to live.”³⁶

At the same time, Patterson could see no real alternative to the centrality of wheat in the Saskatchewan economy, and his election platform in 1944 relied heavily on an agricultural program with four main objectives: 1) markets at profitable prices; 2) protection against the hazards of nature; 3) maximum utilization and conservation of soil and moisture; and 4) independent ownership and operation of farms.³⁷ In other words, even if the wheat economy had proven to be so disastrous during the Depression, Patterson still assumed it would remain the mainstay of the province.

Some diversification *within* agriculture would occur quite naturally during the course of World War II. Wheat acreage dropped over half a million acres from 1939 to 1945, as farmers grew barley and flax in addition to wheat, and some went back into livestock and dairy farming with the advent of war-induced higher prices. At the same time, the war spurred mechanization, and with it increasing farm size and depopulation in Saskatchewan.

It was during the Depression that the inverse relationship between farm size and population began to exert its iron hold on the province, a hold that has since never been relinquished. In the census of 1951, the province discovered that its population had dropped by 100,000 people from its high of 932,000 in 1936.³⁸ Not only was it the only province that lost population during the Depression, it was the only province that lost population in the decade immediately following the Depression.³⁹ More alarming, perhaps, the province lost 116,000 people in rural Saskatchewan between 1941 and 1951. Given that this decade was relatively prosperous, there is little doubt that this population loss was due to increasing mechanization and rapidly expanding farm size.⁴⁰

While some farm families moved to the province's cities, many others left the province permanently. At the time, the dilemma was beginning to be understood. The provincial election of 1944 had already

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brought into power a party and a program dedicated to the diversification of the provincial economy beyond agriculture, and a willingness to use the state in a more activist manner to develop this new economy.

Rebuilding Postwar Saskatchewan

In the census of 1941, Saskatchewan clung to its distinction as the third most populous province in the country despite its population loss during the Great Depression. A decade later, with a population of 832,000, it dropped to fifth position behind Alberta (940,000) and British Columbia (1,652,000). Though Saskatchewan's population would inch up after the 1951 census, Saskatchewan was pushed into sixth place by Manitoba in the mid-1960s, where it has remained ever since.⁴¹

The inverse relationship between farm size and population continued to exert its power despite the enormous efforts, initiated by successive provincial governments, to diversify the economy and develop its substantial resource wealth. In 1946, there were 126,000 farms and the average size was just over 470 acres. By 1966, the number of farms had dropped to less than 86,000 and the average size had moved up to in excess of 760 acres. Although the province would see its population increase throughout this period, its growth was anaemic in comparison to Alberta and British Columbia and lagged slightly behind Manitoba. It could not have been otherwise, given the much greater importance of agriculture in the Saskatchewan economy relative to the other western provinces.⁴²

In 1975, despite the rising importance of oil, natural gas and potash, Saskatchewan was still the most agricultural province in the country, with over 50% of its value-added production stemming from agriculture; this compared to 29% in Prince Edward Island, 25% in Manitoba, 13% in Alberta, 5% in Ontario and Quebec, and a national average of 9% valued added in agriculture.⁴³ Indeed, until well into the 1960s, provincial license plates billed Saskatchewan as "The Wheat Province," but no postwar Saskatchewan government believed that wheat was a solid foundation on which to build the future of the province.⁴⁴

From World War II until the present, successive Saskatchewan governments have attempted to broaden and deepen the provincial economy beyond wheat and agriculture. Belonging to two ideologically-opposing camps, however, they have tried to achieve diversification in

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different ways. Successive social democratic governments, particularly those in the 1940s, 1950s and 1970s, have used government planning, public ownership and equity as central tools in their bid to strengthen the province. The Liberal and Conservative interregnums in the 1960s and 1980s have used public subsidies and low taxes to encourage private sector investment, mainly through mega-project development. Both camps agree on the goal but differ as to the efficacy, even legitimacy, of the methods.

The election of the Co-operative Commonwealth Federation (CCF) in 1944 marked an important departure from the past. For the first time, diversification out of agriculture into manufacturing, services, and—most importantly—the resource industries, was made an explicit part of government policy. The Douglas government wanted to transform a one-crop economy into a more balanced economy that would be better able to withstand a major world depression in the future. The new government's stated purpose in 1945 was "to build an economy" capable of absorbing "some of the shock of depression," if (or when) one reappeared.⁴⁵ If the private sector was not prepared to do the work on its own, the government would use the tools at its disposal to hurry along this needed diversification. The Douglas government needed an economy that would produce the revenues necessary for an ambitious set of social programs including hospitalization, improved and larger schools, better wages through collective bargaining and, eventually, Medicare itself.

In its attempts to diversify and modernize the Saskatchewan economy, the new CCF government established the Saskatchewan Transportation Company (1946), and created Crown corporations out of Saskatchewan Government Telephones (1947) and the Saskatchewan Power Commission (1949), in order to improve transportation, telephone and power services through vast rural areas as well as taking over the distribution and sale of natural gas. By 1949, legislation was passed to provide rural electrification, with 1,100 farms connected to power in that year alone. In addition to the infamous manufacturing enterprises launched by CCF Minister Joe Phelps, more solid enterprises such as the sodium sulphate plant at Chaplin (1946), were also established, and an Economic Advisory and Planning Board was established to institute a more systematic approach to economic development led by cabinet and its planning agencies.⁴⁶

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Next door in Alberta, the Leduc find triggered an oil rush that would fundamentally change the economic trajectory of that province. It also encouraged exploration in Saskatchewan. The first exploratory oil well was drilled in 1951. This was followed by a natural gas strike near Elrose and then Brock. Heavy oil finds were made near Lloydminster, and medium oil was discovered at Cantuar, Dollard, Wapella, Fosterton, Gull Lake, Midale and Kindersley. In comparison to Saskatchewan, however, the Alberta finds were huge.⁴⁷ As if in compensation for its more meagre oil deposits, Saskatchewan found itself more fortunate in terms of other resources. By the mid-1950s, enormous deposits of potash had been found deep below the surface and mining would begin on a large scale in the 1960s. Uranium had also been discovered, and its mining would eventually become part of the landscape of northern Saskatchewan as well as a regular source of controversy within the province.⁴⁸

When the Liberal government of Ross Thatcher was elected in 1964, it brought to an end two decades of CCF government and its approach to economic development. In Thatcher's mind, the CCF had "caused economic stagnation" and made the province an "economic laggard" through "high taxes" and the dead hand of the state. He promised a stronger and more diversified economy and a more rapidly growing population through "smaller, more efficient government, lower taxes and free enterprise."⁴⁹ In reality, however, Thatcher regularly deployed public money through subsidies, tax rebates, low royalty regimes as well as the power of his own office to entice potential investors into the province. He preferred mega-projects, including a \$65 million pulp mill in Prince Albert and new potash mines near Lanigan, Esterhazy and other Saskatchewan communities. Unfortunately for Thatcher, the provincial economy faltered in his second term despite the mega-projects, population began to fall again, and he was defeated in 1971.⁵⁰

Although similarly focused on economic development and diversification, Allan Blakeney's NDP government was opposed to what it perceived as Thatcher's "giveaway" policies and was more prepared to use the state directly in resource development. Similar to past CCF governments of which he had been a minister and public servant, Blakeney wanted to establish a broad social safety net that would be funded, in part, through new resource development.⁵¹ By the end of the 1970s,

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publicly owned enterprises such as the Potash Corporation of Saskatchewan, SaskOil and the Saskatchewan Mining and Development Corporation (SMDC) had given life to this vision.⁵² However, this “family” of Crown corporations, and the political philosophy it represented, was effectively attacked by a revitalized Progressive Conservative party under the leadership of Grant Devine, and after three terms in office, the Blakeney government was defeated in 1982.

Devine’s approach to diversification was reminiscent of Thatcher’s approach. Devine was, in practice, prepared to use the state to encourage private investment in various mega-projects in the province. However, in terms of the amount of provincial government money used to lever such investments, Devine went far further than Thatcher, and by the end of his government’s second term and despite the privatization of the Potash Corporation of Saskatchewan, a bewildering number of state-supported companies and projects had been financed by the public purse, accumulating an enormous debt in the process.⁵³ This debt load, and its repayment, was not only responsible for a fiscal crisis in the early 1990s but curtailed the ability of subsequent NDP governments to pursue as activist an economic development agenda as those pursued in the 1970s and 1980s.⁵⁴

So what did these considerable, government-led efforts at diversification in the postwar era produce? This is a question that remains difficult to answer. Certainly, the province has achieved a level of prosperity that would have seemed almost inconceivable to an observer in 1939. Based upon its own historical standard, Saskatchewan did develop a much more diversified economy. Today, for example, the oil and gas sector contributes more to the Saskatchewan economy than agriculture. It has made Saskatchewan a relatively prosperous province, although beside Alberta it often feels poor. At the same time, reliance on resource development in addition to agriculture continued to make Saskatchewan highly vulnerable to world commodity price shifts and, aside from Alberta’s cyclical economy, no other provincial economy has been as volatile. Finally, as both of these sectors have grown increasingly capital-intensive, and as farm size has grown inexorably larger, Saskatchewan’s population has continued to grow at a snail’s pace relative to the rest of Canada.⁵⁵

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Conclusion

The Depression and successive droughts of the 1930s separate the province's history into two distinct phases. The first phase involves Saskatchewan's birth and early years of development within the context of the unquestioned supremacy of the wheat economy. Boundless optimism and, in the words of historian Jim Pitsula, a muscular sense of self-identity, was the predominant psychological mindset.⁵⁶ The second phase has been marked by slow population growth, diversification beyond the wheat economy and increased prosperity despite inevitable cyclical downturns. This phase has been distinguished by a belief in the potential of the province and, particularly in recent decades, a disappointment in the position of the province especially in terms of Alberta.

Although only ten years in length, the period of the Great Divide reshaped the character of the province. The sense of boundless optimism is a faint memory. Today, even the most optimistic Saskatchewanians feels the constraints of limitations of the province's relatively isolated geography in North America and its limited population and relatively small urban centres. While the province can, and has, been able to punch above its demographic and political weight in the federation in the postwar period, the fact remains that it never likely to regain its position as the third wealthiest and most populous province in the federation.

Without doubt, diversification outside of agriculture has added immeasurably to the wealth of the province. Despite the economy's volatility, it has allowed Saskatchewan to survive the most recent agricultural recession and drought without going into a tailspin similar to what happened in the early 1930s. Moreover, for periods of time it has enjoyed among the highest rates of economic growth in the country. This was true during the resource boom of the 1970s. It was also true from 1990 until 1997 when Saskatchewan achieved an average rate of growth in gross domestic product of 4.5% per year, 0.5% above Alberta's annual rate of growth, and almost 2% above the national average.⁵⁷

At the same time, however, Saskatchewanians have never regained the sense of optimism that so dominated the first part of the province's history. In part, this is due to the fact that Saskatchewan has seen its population hold largely constant since the Great Depression and so many of its people migrate to other provinces. And from being the

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province with the largest influx of immigrants as well as migrants from other provinces during the pre-Depression boom years, it has consistently been the least-favoured destination among immigrants and other Canadians since the Great Depression. The psychological impact of these hard demographic facts is revealed in the sense of isolation, pessimism and disconnectedness that a percentage of the population have felt for decades. But at the same time, a powerful sense of identity—even loyalty—has also emerged. This can be attributed to achieving a number of firsts in Canada, including hospitalization and Medicare, to simply being able to survive—even flourish—in the face of considerable odds.