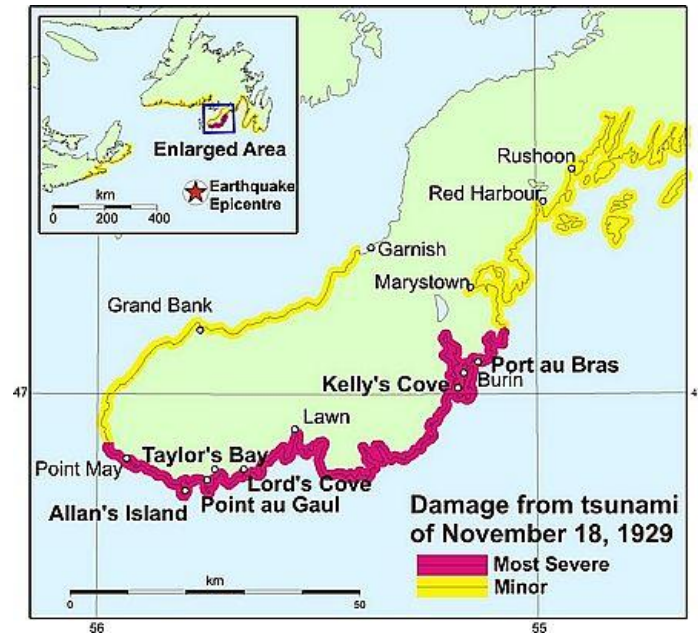


DISASTER AND CRISES

Even though the early 1920s saw a rise in land-based industries making the Newfoundland economy stronger, the late 1920s saw a string of events which brought new challenges and hardship which had a lasting effect on the people of Newfoundland and Labrador.

The 1929 Tidal Wave

- On November 18, 1929, an earthquake occurred on the Grand Banks, 400km south of the south coast of the island.
 - The earthquake was powerful enough to be felt in Montreal and New York.
- The result of the earthquake was a tsunami (tidal wave) which moved toward the Burin Peninsula at a speed of 100 km per hour, with waves measuring seven to fifteen meters (23 to 49 feet) high.
 - The tidal wave destroyed schools, stores, homes and ships, while people were swept out to sea. In all, 27 people were killed and over 40 communities were affected.
- As a result of the tidal wave, fish catches declined drastically due to the damage done to the ocean floor of the Grand Banks.



The Great Depression

In 1929, the world experienced a major downturn in the economy, called a depression. This means that the world economies go through an extended period of decreased production, decreased trade and high unemployment.

- In Newfoundland, the demand for fish and other products decreased sharply which saw a fall in prices. In order to survive, industries were forced to cut back on production and lay off workers.

- The Newfoundland government was already in debt over \$100 million by 1930, borrowing the money to help pay off the railway and the war effort. It could not borrow any more and was unable to provide support to the ill, poor or unemployed. (There were no social programs in place).
 - Many communities were affected by the depression. Falling fur prices affected trappers and aboriginals, fishermen were unable to earn a livelihood because of low fish prices, workers in the pulp and paper industry and mining were laid off because of low demand for paper and mineral products.
 - In some cases, fishermen facing starvation took food from merchant's stores in plain sight. Many people relied more on home gardens and the resources of the sea and land. In St. John's, people relied on the help of church groups, friends and relatives.
- Thousands of people who were always self-sufficient were now forced to go to the government for "relief". This was known as "going on the dole" and was seen as a disgrace for a family.
 - When on the dole, a family received items based on the family's size (see example, page 164). Applicants did not receive money to buy what they wanted, and instead had to accept items from a list. For example, a single adult on the dole could receive in one month: 25 pounds of flour, almost four pounds of fat back pork, two pounds of beans, two pounds of corn meal, one pound of split peas, three-quarters of a pound of cocoa, and one quart of molasses.
 - In order to be considered eligible for relief, an individual or family had to demonstrate absolute need. If livestock was owned, for example, it had to be sold and the family had to live off the proceeds before qualifying for relief.

The Great Depression was seen as a harsh, desperate time for many, but others saw it as a time of learning to cope and appreciating what they could get. Read "Coping with the Depression on page 165 and answer the question which follows on the writer's positive outlook.