

**John Edward Brownlee**  
**Premier of Alberta: November 23, 1925 – July 10, 1934**

**by Franklin Lloyd Foster, Ph.D.**

The only reason John Brownlee became Premier of Alberta was because he was clearly more competent than any of his colleagues. He had grown up in small town Ontario, and graduated from the University of Toronto, and yet here he was a determined and effective advocate of Alberta's political and economic rights. He was a lawyer who never farmed and yet he was a major figure in Western Canadian agriculture before, during, and after his career in politics. He was the dominant leader of the United Farmers of Alberta (U.F.A.) during their fourteen year stint as the Government of Alberta despite the sheer incongruity of the most radical agrarian group in Canadian being led by a man who continually used reason and analysis, and who always worked to find a fair and equitable compromise. Yes, the only way to explain John Brownlee's leadership was that he was clearly more competent, better educated, and more talented than his colleagues, and on top of everything he had a literally religious devotion to hard work.<sup>1</sup> And yet, in the true nature of the Shakespearian tragic figure he became, the very qualities which brought him to the premiership of Alberta, and to prominence across Canada, were qualities which played a role in his precipitous political demise.

The major issue for Brownlee upon becoming Premier was what he termed "the competent management of the province's financial situation".<sup>2</sup> Some put it simply as "balancing the budget" but, as usual, Brownlee thought more deeply and comprehensively. There was always something of the accountant in how Brownlee approached any issue – toting up the credits and debits on their separate sides of the question. The most glaring expense item resulted from that long running financial

quagmire surrounding the provincially owned railways. There was also the ongoing need to closely monitor the province's financially exposed agricultural sector. However, where others might concentrate only on slashing expenses, Brownlee was also looking at adding revenues, particularly in the longer term. The key to this, he was convinced, long before others grasped its significance, was the successful completion of the seemingly everlasting negotiations to transfer to Alberta, from the federal government, the control of the lands and natural resources of the province.

Brownlee was intensely familiar with these and the myriad of other issues demanding attention. He had been, from the beginning of the U.F.A. administration, the "first minister" in terms of his understanding of issues, his ability in the Legislative Assembly, and his frequent position as spokesperson for the Government. All of this had proved the wily old president of the U.F.A., Henry Wise Wood, correct in offering the premiership to Brownlee in the very beginning in 1921.<sup>3</sup>

The U.F.A. contained a body of reform ideas, variously understood within its membership. One of the more simplistic versions of what they were doing in 1921 was expressed as "farmers representing farmers". So it was that when the U.F.A. surprised even themselves in the July provincial election by winning 38 of 61 seats, Henry Wise Wood, revered leader though he was, dismayed the membership by refusing the Premiership for himself and then shocked them by suggesting Brownlee fill the role. To Wood, the provincial government would be only one (and not necessarily the most important) branch of the larger and more significant U.F.A. movement. Since leading the government required someone knowledgeable about the law, competent in administrative technicalities, and confident and able in dealing with the other, non-farmer groups in

society, Wood thought Brownlee was the obvious choice. The radical members could not get their heads around the idea that after campaigning for “farmers representing farmers” they would set up a government headed by a non-farmer and a lawyer to boot.

The first example of Brownlee’s importance to the new government came during the deliberations over the selection of their first Cabinet when they had to ask him for a legal opinion as to whether or not the Attorney General needed to be a lawyer. Brownlee answered that there was no constitutional requirement the Attorney General be a lawyer, but, he added, if the Attorney General was not a lawyer he would be “dependent almost entirely on the advice of his Deputy Minister or other members of his staff since his duties consist almost entirely of matters of law.”<sup>4</sup> His answer convinced all but a few reluctant radicals to accept his appointment as Attorney General but they were soon to realize that Brownlee’s duties would go far beyond mere “matters of law”.

During his tenure as Attorney General, John Brownlee dealt with a vast range of issues under the auspices of his department. Certainly the most controversial of these arose out of the enforcement of the province’s prohibition legislation. Alcoholic beverages were treated as prescription drugs under the law and there were ongoing complaints that some medical doctors were signing far too many prescriptions for brandy, gin and the like. Bottles of same were kept in local drug stores and temperance advocates were concerned about “leakage” once bottles had been opened. There were also complaints that the Alberta Provincial Police (A.P.P.) was not vigorous enough in pursuing those manufacturing and distributing alcohol through the black market. Brownlee was irked by these complaints pointing out that manufacturing was a federal

jurisdiction and thus outside the realm of the A.P.P. Many, even in the U.F.A., dismissed this as “lawyer talk” to get out of enforcing prohibition.

Brownlee also pointed out three A.P.P. members had been killed contending with the rampant “rum running” which was going on, especially in the Crow’s Nest Pass region. The murder of Special Constable Steve Lawson, who was gunned down on the sidewalk in front of his Blairmore home, while his horrified wife and daughters looked on, caught national attention. The shots were fired from a sleek McLaughlin Buick occupied by notorious rum runner, Emil Picariello, and a “female companion”. The pair was soon captured and when brought to trial Brownlee took the unusual step of sitting at the prosecution bench in order to underline the Government’s interest in the case and its resolve to enforce law and order. When both the accused were sentenced to be hung, Brownlee believed the vigour of the law had been demonstrated.<sup>5</sup>

When the various appeals were exhausted, including an appeal to the federal cabinet to commute the death sentences, the day for the executions arrived on May 2, 1923. The day previous, Brownlee had been besieged by wailing and gesticulating relatives demanding the release of the bodies to them after the execution. Brownlee had heard rumours that an ostentatious funeral was planned in Blairmore, a “hero’s welcome” which might spark further violence in “the Pass”. Brownlee met with Roman Catholic Archbishop O’Leary and worked out an agreement that the bodies would be released to the family only if they were buried in an Edmonton area cemetery. The families agreed to this classic Brownlee compromise.

Shortly after six the next morning, the two, whom the press termed “the bootleg king and his female accomplice”, were hung. (Florence Lassandra would earn later

notoriety as the last female executed in the Province of Alberta.) However, public opinion was turning against prohibition. The two who had been executed, along with the murdered constable, were all seen as victims of legislation which, Brownlee was convinced, “a large segment of society did not actively support”.<sup>6</sup> So it was that he set about devising a compromise between strict prohibition and the “open bar”. Brownlee drafted legislation providing for retail sale of alcohol but only through strictly controlled, government owned liquor stores. The resulting Alberta Liquor Control Board and its network of outlets served Alberta for almost 70 years. It was another compromise in which Brownlee took pride.

Also, while Attorney General; John Brownlee played a crucial role in the creation of the Alberta Wheat Pool. His background as solicitor for the United Grain Growers Company and other farmer owned companies and co-operatives served him well. The spread of the Pools to Saskatchewan and Manitoba and the creation of a Canadian Wheat Pool, which would have liked to recruit Brownlee as its General Manager, all suggested that farmers had found a way to surmount the vagaries of the open market and avoid the ravages of the boom and bust cycle.

In addition to these major files, Brownlee soon emerged as the most competent spokesperson for the Government, especially when it came to dealing with the challenges and taunts of the Liberal Opposition in the Assembly. The Liberals were understandably miffed that the U.F.A. had usurped their accustomed place as the governing party and they were working hard to regroup and take advantage of the naive and gullible U.F.A. members. After some stinging charges in the Assembly, even the bipartisan advocates could scarce forbear to cheer Brownlee when he parried Liberal shots in debate and came

out the better. Coupled with this was the growing evidence that Premier Greenfield was beyond his depth. He enjoyed touring constituents around the Legislative Building and meeting with his cronies for long hours at the Corona Hotel downtown but he did not impress in the Assembly or as the leader of the Government. Many members were aware, and the rest suspected, that most of the important files that came to the Premier's attention were routed to Brownlee with a simple memo which stated: "Kindly let Mr. Greenfield know what to reply to this."<sup>7</sup>

Greenfield's ineptness began to worry U.F.A. members as the time for the next provincial election neared. The Farmer government in Ontario had been swept away and the Liberal Opposition members in Alberta were increasingly confident that they could win their rightful return to power by characterizing the U.F.A. in terms applicable to Premier Greenfield – well-meaning, perhaps, well-intentioned, possibly, but despite all, not nearly competent enough to be entrusted with the serious business of governing the Province of Alberta.

So it was that some stalwart U.F.A. Members of the Legislative Assembly (MLA's) broached the idea of a leadership change to Brownlee. He rejected any possibility of disloyalty to his leader, so Henry Wise Wood was recruited to again urge the Premiership on Brownlee. "If I had the ability, I'd damned sure take it," Wood proclaimed in his gravelly bass voice, "but it's you, John, who has the ability."<sup>8</sup> However, only when Greenfield himself was led in to declare he would have no grudge if Brownlee took over did he agree. The formalities were quickly attended to and on November 23, 1925 Greenfield and Brownlee met with the Lieutenant Governor –

Greenfield to submit his resignation and Brownlee to accept His Honour's invitation to form a ministry.

With a provincial election needing to be called before July 1926, Brownlee moved quickly to generate progress on at least some of the issues facing Alberta. In so doing he revealed his superior command of political strategy and his growing reputation on the national stage. First, he met with the U.F.A. Members of Parliament (MP's) to obtain their support and co-ordinate efforts. There was a unique opportunity in history to use this leverage. The Mackenzie King Liberals had been dealt a set-back in the 1925 Federal Election, returning with fewer seats than the Conservatives. However, to the utter frustration and contempt of Arthur Meighen, the Conservative leader, W. L. Mackenzie King clung to power on the strength of support from the so-called Progressives – including the U.F.A. Withdrawal of U.F.A. support in the House of Commons would mean the immediate defeat of the King government.

Believing that he had the support of the U.F.A. MP's, Brownlee sent off a string of telegrams to the Prime Minister urging immediate action on such issues as freight rates, the provincial railways question, and, of course, the transfer of control of the lands and resources. "May we be assured that this question will be included in the Speech from the Throne?",<sup>9</sup> he blithely directed King. In January, he took the train to Ottawa and had a long fireside chat with the Prime Minister at Laurier House. He reassured King that the Progressives would support the shaky Liberal Government, especially once the announcement of the transfer of control of the natural resources was made public in the Throne Speech.

Brownlee was busy with several other files on his eastern trip. Among the defunct Alberta railways, the largest was the Edmonton, Dunvegan and British Columbia (E.D. & B.C.) whose major shareholder had become the Royal Bank. Brownlee and his Minister of Railways, Vernor Smith, went to the bank's head office in Montreal and despite the fact that the bank valued the shares at \$2 million; Brownlee was able to secure an agreement to purchase the shares for \$1.3 million. As majority owner, the Alberta Government now had much more latitude to sell, lease or even operate the railroad, perhaps as part of a system with its other provincially owned rail lines. Brownlee, though, on the same trip visited the presidents of both the Canadian Pacific Railway (C.P.R.) and the Canadian National Railway (C.N.R.) and made direct offers for sale of all the province's railways to both corporations. Back in Ottawa, Brownlee urged King to intervene to help solve the province's railway predicament as well.

There was an even more important event in Ottawa. King had obviously thought over his situation, and Brownlee's earlier remarks, and had decided to agree in principle to the transfer of control of the resources to the Province. The details and timing would be worked out by a joint Federal-Provincial Commission but Brownlee had secured the commitment which successive Alberta governments had sought since 1905 when Alberta and Saskatchewan were created as second class provinces, without control of their own lands and natural resources. As King described the event in his diary for January 9, 1926, "at noon Brownlee of Alberta ... came in with Lapointe and Mr. Stewart and signed the agreements for the transfer of the Natural Resources to Alberta."<sup>10</sup>

There it was. In less than six weeks since becoming Premier, Brownlee had made important progress on almost all the major issues facing the province. A large part of the

reason for this was that in his dealings with bank presidents and railway presidents, federal ministers or even the Prime Minister himself, Brownlee was accepted as one among equals. Unlike Greenfield or Wood, he did not lack a formal education and did not have to rely on advisors to explain intricate financial and legislative details. He projected an air of competence and confidence. King referred to him as “Brownlee of Alberta” and that title, suggestive of his authority to speak for his adoptive province, was to sum up his place in Canadian affairs for almost a decade.

There were to be some complications. As the discussions regarding the details of the transfer of control of the lands and natural resources got under way, the federal government asked for the attachment of a rider requiring the Province to administer the remaining school lands and the school lands fund “in accordance with the provisions of Section 17 of the Alberta Act.”<sup>11</sup> Brownlee understood the provision simply tied school lands and funds to school purposes, even though the Section had, in 1905, caused a larger hullabaloo than the withholding of control over lands and resources since it foisted on Alberta denominational schools long after the North West Territories Council had voted to abandon them in favour of one publicly financed non-denominational system. Soon, the *Orange Sentinel* of Toronto raised the alarm that Alberta was being forced to support Catholic schools. Brownlee immediately telegraphed King about the rider raising “the whole question of provincial rights in relation to education.”<sup>12</sup> In fact, the rider had been inserted precisely to reassure French Canada that in transferring control of the natural resources to the Province the rights of the Catholic minority to separate schools would be protected. The even finer point was that Federal cabinet heavyweight Ernest Lapointe believed he needed such a provision to defend against criticism by Nationalist leader

Henri Bourassa.<sup>13</sup> Since the King government depended mightily on its Quebec support, the prospect of changing or withdrawing the rider was slim or none. Neither for the first time nor the last time, the attempt of westerners to direct their own affairs precipitated a squabble between Quebec and Ontario over how the West would be ruled.

With evidence of progress by their new premier, along with the threat of federal intrusion into provincial jurisdiction, Brownlee called a general election for June 28, 1926. He stood firmly on the record, calling it “Five Years of Progress”.<sup>14</sup> In campaign speeches across the province, Albertans saw him, extraordinarily tall, well over 200 pounds, fixing them with a rivet-like gaze from behind the strong lenses of his circular wire-framed glasses. He spoke in line with his belief that government was “essentially the administration of business” and so he reviewed the issues and accomplishments dryly as one might present an annual report to a meeting of shareholders.<sup>15</sup> There was little personality but his competence shone through and again the election results were surprising. Not only did the U.F.A. become the first “Farmer Government” to win re-election, it actually increased its majority. Going to the polls with 40 seats, the final results were: U.F.A. 43, Liberals 7, Labour 5, Conservative 4, and Independent Labour 1. One of the gains was in Edmonton where lawyer, J.F. Lymburn, a Brownlee recruit before the election, won and assumed the duties of Attorney General, relieving Brownlee of much of the minutia he had carried for five years.

The election results dashed the fond hopes of the Liberals of sweeping back into power after the voters’ rendezvous with the Farmers. The Liberals saw, perhaps more clearly than most that it was Brownlee who had saved the government and thus cost them their deserved places in the halls of power. Some began to speak darkly of the

“Brownleeites” and Brownlee’s great strength became a U.F.A. weakness since it was to become even clearer as time went on that if the Liberals could only remove Brownlee as the head, the U.F.A. body would evaporate. Their analysis was even truer than they realized, as Brownlee himself knew. The grassroots fervour which had swept the U.F.A. to power in 1921 was fading away in many parts of the province. During the 1926 election campaign there had been difficulty recruiting constituency associations and as Brownlee wrote in a memo to the U.F.A. executive, “in two or three constituencies [there was difficulty] in even getting a nomination meeting together because the Locals had pretty much passed out of existence.”<sup>16</sup> Despite Brownlee’s warnings, U.F.A. officials resisted the obvious need for central leadership and direction because of their commitment to the dream of an active grassroots based political movement.

For the time being though, with a fresh and strengthened mandate, Brownlee settled into the routine of administration and the task of forming his own cabinet. Alex Ross, a Labour member, had been Minister of Public Works and Labour in the first U.F.A. administration. However, Ross lost his seat in the general election and Brownlee chose not to reach out to the Labour members to replace him, instead naming O. L. McPherson, a somewhat head-strong farmer leader as the new Minister. The move reflected Brownlee’s comfortableness with the more traditional conventions of party government as against those who continued to advocate Farmer Labour co-operation and a much more socialist agenda. In Saskatchewan and Manitoba, where Farmers’ organizations were weaker politically, this co-operation with Labour was pursued, but in Alberta it was not necessary. Brownlee’s strength allowed him to pursue his inclination.

Another of Brownlee's appointments also generated controversy and that was his naming of the former Premier, Herbert Greenfield, as Alberta's representative in Britain. Even U.F.A. members regarded the appointment as a political reward and sinecure for the now redundant Greenfield. Brownlee defended his appointment forcefully and Greenfield's outgoing personality and familiarity with Alberta did enable him to perform well in his role of advising emigrants and hosting Albertans on visits to Britain. Brownlee regarded the appointment as a good business choice but some saw not business as usual but politics as usual and lamented the passing of the glory days of the U.F.A.

Despite some signs of distancing between the U.F.A. organization and the U.F.A. government, Brownlee was the key-note speaker at the 1927 U.F.A. Annual Convention. The formality and dignity associated with the Premier's Address seemed to suit him. He was no longer an expert appended to the organization but in a very real way he had become the centre. When he told them that they were "fostering an active, aggressive public opinion" and making a great "contribution to the welfare of Alberta", he was explaining their place in reality.<sup>17</sup> Just as Henry Wise Wood had done a decade earlier, Brownlee made them feel proud of their significant role in the shaping of the world. He had gone from being a mere source of information to being a source of inspiration. He had assumed the mantle of leadership and, far from distancing him; it seemed to make him more understandable and thus more human.

In the Legislative Assembly too he seemed more relaxed in his dominant role. Better prepared, more expert, with more information at his ready recall, he was able to toy with the Opposition, his jibes eliciting hearty laughter from his admiring backbenchers. He abandoned the former practice of the Premier occupying the seat to the

right of the Speaker and began the custom of the Premier's desk being in the centre of the front row. Given his towering height, this central position subtly reinforced his dominance.

However, the provincial railways question was still resisting domination by anyone. Having acquired the ownership position in the E.D. & B.C. the previous winter, but with no prospects of sale, Brownlee agreed reluctantly that the province should operate the line directly. This decision was eased by the hiring of John Callaghan, one of the few successful railway contractors in Alberta, who agreed to come out of retirement because of his love for the Peace River country. Brownlee appointed him Superintendent of Railways and together with Vernor Smith, the three set out to inspect the line.

Brownlee, always an avid traveler, enjoyed the trip immensely, putting along the line in a Packard touring car specially fitted for travel on railway tracks. Callaghan pointed out deficiencies and potentials and Brownlee returned convinced that with sound management the railway could be turned into a profitable operation which would of course make it far more saleable.<sup>18</sup>

Strangely, the achievement of this was aided greatly by one of the most unlikely heroes of the Peace River country - Herman Trelle. Trelle's ideas about how grain should be grown had so infuriated his father that he had thrown Herman off the family farm. Nevertheless, in the fall of 1926, Herman won first prize for samples of wheat and oats at the Chicago Exhibition. The Americans, as is their wont, called this a World Championship and Trelle won instant notoriety as the World Champion Wheat grower. The fact that he had grown his grain 600 miles north of the United States, in the northernmost grain growing area in the world, added a colourful dimension to the

glowing press accounts. To Trelle his celebrity status was no more than he deserved, but the wider result was that Alberta, and the Peace River country in particular, received an enormous amount of publicity which renewed interest in the area and sparked the beginning of a period of growth and prosperity. With increased traffic into the north and renewed optimism, the Government's decision to operate the railway, and its timing, looked like strokes of genius.

Of course, the E.D. & B.C. was only a branch line and an agreement had to be reached with one of the transcontinental systems. The C.P.R. had operated the line in the past but Brownlee awarded the new contract to the C.N.R., an astute move of which he was proud. As the traffic on the line increased and a more optimistic tone swept the Canadian economy in the late 1920's, the C.P.R., having operated the line at a loss, would have a good idea of what it was now losing by not having the line in their system. The C.N.R., now handling the traffic coming off the line, knew exactly what it stood to gain by acquiring the line. The stage was set for resolving Alberta's long standing railway question in a way that not even the most optimistic had predicted a year earlier.

Another problem that was always part of Brownlee's concern while premier, indeed throughout his entire career, was the problem of the financial viability of Western Canadian farms. Again Brownlee was a traditionalist in the sense that he looked at the balance sheet of agriculture as he would at any other business enterprise. Some in the U.F.A. waxed eloquent about moral superiority of life on the family farm and a few recommended large scale government involvement or even more radical changes to "the system". These people did not have Brownlee's sympathy. He saw occasional unfairness but believed that essentially agricultural problems could be solved in the same

way as any other business problem; increased efficiency, competent management, and, of course, hard work – all within the existing political, legal and economic framework.

Brownlee had been a central figure in the development of farmer owned and operated businesses, well before his adventure into politics. As Attorney General, he had been crucial to the development of the Alberta Wheat Pool, arguing strongly and successfully against the wilder notions and always advocating “sound business principles”.<sup>19</sup> The Pool concept spread to Saskatchewan and Manitoba with such success that the three Pools created a Central Selling Agency (popularly known as the Canadian Wheat Pool) to manage the overseas marketing and sales of Pool grains. By 1927, the once Utopian sounding idea of Canadian producer co-operatives directly supplying British consumer co-operatives was very close to reality. For Brownlee though the potential was more because of business efficiencies than any world-wide camaraderie of co-operators. Brownlee had realized sooner than most and as keenly as anyone that the basic problem facing Western Canadian agriculture was that in normal times the food growing capacity in the world was surplus to the demand. In short, most times the world did not need Western Canada’s bountiful harvests. This reality explained the typically low and volatile prices for agricultural commodities, especially grains. The Pools ameliorated this somewhat by providing volume enough to generate some market clout and by providing producers with an annually averaged price to lessen the risks and vulnerabilities associated with selling into a usually over-supplied market.

So it was that Brownlee and A. J. McPhail, President of the Board of the Central Selling Agency, accompanied by their wives, traveled to Europe in the summer of 1927 to get to know principal figures in the British and Continental grain trade. The hope was

to secure contracts to supply large quantities of Pool grain but little came of their intense activities. British millers were reluctant to tie themselves to overseas suppliers and France and Germany both shuddered at the suggestion of large quantities of Canadian grain coming on the market and instead moved toward protectionism. However, at the time it appeared that it might be possible to secure some overseas contracts for the farmer owned Pools, thus cutting out the traditional private grain traders.<sup>20</sup>

In November of 1927, Brownlee represented Alberta at a much heralded Dominion-Provincial Conference called by Prime Minister King to discuss Senate and constitutional reform. Like so many other such conferences over the years, by the time the Premiers gathered, economic matters seemed much more pressing. In retrospect, Brownlee's comments at the Conference were by far the most perceptive. He pointed out that there was a growing public demand for education, health and welfare, and other services which were provincial responsibilities. At the same time, he emphasized, provincial revenues were limited and largely fixed. Given his interest in the balance sheet and his inbuilt caution, he worried that the provinces would not be able to cope if there was an unexpected economic adversity. According to the Eastern press, though, prosperity was rampant and the future rosy. Brownlee pointed out that grain prices were down from their 1926 highs and farm incomes were stable only because of increased yields. As he knew better than anyone else at the Conference, given the world wheat surplus, basing economic prosperity on high yields was a risky position. Urban unemployment, Brownlee continued, was another sign of economic sluggishness. Every Western city faced growing demands for unemployment relief, growing to serious proportions in winter. Brownlee, as did many others in Canada at the time, cited one

important cause of the growing unemployment as the federal government's continuing recruitment of immigrants. Brownlee argued that immigration should be curtailed to allow for economic consolidation. If Western farmers and Western governments were allowed to consolidate their economic position, and if federal policies were aimed at assisting in this direction, a degree of prosperity would arise that would attract immigrants without the federal government's existing sales campaigns. Brownlee's analysis had no impact on federal immigration policies. Prime Minister King, as we now know, viewed worries about the country's economy as devious plots to pry funds away from the federal treasury.<sup>21</sup>

Over the next two years, the seeds that Brownlee had planted in his early months as Premier began to reach fruition. The provincial railways were sold to an equal partnership of the two national rail companies for the incredibly high price of \$25 million. The deal relieved the Province of \$9.5 million in bonded debt; provided three instalments of \$5 million payable every five years starting in June 1929, and, most noted by Brownlee, lifted a burden of over \$1 million in annual interest charges to the province.<sup>22</sup> What accounted for the remarkable success? Yes, there was a rising sense of optimism in business. Yes, the huge yields in the 1928 crop promised strong traffic on the rail lines but even his critics conceded that Brownlee had been central to the success. His ability to deal with heads of government and business as an equal, his skill as a negotiator, (he had turned down an earlier offer) and his keen business sense all seemed confirmed by the deal. It was an enormous boost to his prestige.

His reputation would soon soar even higher. However, the victories were hard won. Brownlee performed as a shrewd and prudent manager in gradually bringing the

province's balance sheet into a healthier position. In 1929, the Alberta government achieved a surplus of over \$1.5 million. To Brownlee, a reserve would be a useful cushion given the number of potential setbacks that might happen. News of the surplus though prompted cries for assistance from such diverse groups as those advocating sweeping educational reform to those demanding more assistance to indebted farmers. When Brownlee urged caution on both counts, he drew sharp criticism. He consoled himself by his conviction that he was correct and that his course was in everyone's best interest regardless of what they might think of him in the short term.

Brownlee would overcome even his naysayers with his handling of the conclusion of the negotiations over the transfer of control of the natural resources. The issue was not simply handing over control of the lands and resources. There was general acceptance that there should be some form of compensation to the three Prairie Provinces for the loss of what should have been their assets. Most people understood the granting of millions of acres of lands to "homesteaders" was intended to serve national purposes but what about the lands given to the Hudson's Bay Company and to various railway companies over the years. Even imperturbable John Brownlee was outraged that 6.4 million acres of some of the finest and most fertile land in Alberta had been granted to various Eastern corporations to subsidize construction of railways, not in Alberta, but in British Columbia, Manitoba and even in Ontario.

As well, several Indian Reserves, large military reserves, forest reserves, mining reserves, and, at the time, fully 95 per cent of Canada's National park land, had been hived out of Alberta. In addition to the straightforward alienation of lands, usually outside the tax jurisdiction of the province, there were a number of sweetheart deals,

often to the advantage of assorted political friends of federal politicians, for the exploitation of forest, mining and hydro-electric resources within these alienated lands, even including park land. Federal policies had also permitted huge wastage of resources such as the billions of cubic feet of natural gas which had been burned off as waste during the attempts to develop the Turner Valley oil field.

As the negotiations proceeded, the idea was adopted of compensating these losses with an ongoing annual payment by the federal government to each of the three affected provinces. The federal proposal was to set these payments according to the then existing population. Thus, Alberta would receive \$526,000 annually compared to Saskatchewan's \$750,000. Brownlee argued that this was unfair since Alberta had larger mineral reserves, had had more lands and resources alienated, and might well one day have a larger population and economy than Saskatchewan. He proposed a sliding scale tied to the population as it changed into the future.

Essentially Brownlee's position was that Alberta should receive terms at least as favourable as Manitoba and Saskatchewan who were also attempting to negotiate their own settlement of the issue. When Brownlee met with Prime Minister King in early December 1929, in Ottawa, he raised the recent recommendation of a federal commission that Manitoba, in addition to the ongoing payments, should also receive an immediate cash payment. Brownlee asked for a similar one-time payment to Alberta. King became frustrated and upset with the course of the negotiations and abruptly got up and left the room. Brownlee, not to be outdone, got up and left as well, leaving their officials to try and decide where to go from there.<sup>23</sup> Cooler heads prevailed and King was soon persuaded of the political advantage of coming to an immediate agreement with Manitoba

and Alberta in order to isolate the obnoxious (and non-Liberal) Premier Anderson from Saskatchewan.

King proposed to Brownlee that they immediately sign the agreement and leave the matter of an additional cash payment to be studied by yet another commission. Brownlee also raised concerns about federal plans for large scale, private development of resources within the National Parks, then being championed by former Alberta Premier and current Liberal Cabinet Minister, Charles Stewart. Stewart, still helping Alberta Liberals, became Brownlee's nemesis, constantly doing whatever he could to scuttle Brownlee's initiatives. King sided with Brownlee on this occasion, commenting in his diary, "Brownlee strikes me as knowing his subject and his province, and as such being superior to Mr. Stewart, who is handicapped in his dislike of B.[rownlee]." <sup>24</sup> The agreements with Manitoba and Alberta were speedily prepared for signing on the Friday but Premier Bracken of Manitoba made the observation that Friday was the inauspicious thirteenth and Prime Minister King quickly agreed to move the signing ceremony to Saturday. So it was that at 3:30 on the afternoon of December 14, 1929, amidst the glare of photographer's flood lamps, the historic documents were signed. They provided that as of October 1, 1930, Alberta would have control of its lands and natural resources.

The main thrust of the natural resources agreements was to place the three Prairie Provinces, finally, in the same constitutional position as the other provinces of Confederation by having ownership of all Crown lands and resources, and being able to derive royalties from them and administer them in the best interest of the Province. Bringing the Prairie Provinces to a position of equality with the others was an obvious and important step in completing Confederation. In one stroke it erased a political

liability for the Liberals in the West. King boasted that the settlement was a “great triumph” for his government.

It was an even greater triumph for Brownlee. Their inferior constitutional status was important factor in the developing feelings of regional alienation. Every Alberta administration had grappled with the question and Brownlee himself had worked on it for almost a decade. Now, he had succeeded both in obtaining control and securing such additional benefits that everyone in Alberta hailed the agreement. [Future generations would benefit far more than they would realize from Brownlee since he would also draft the legislation which would implement the agreement. It was that legislation that, fifty years later, the federal government attacked as part of the so-called National Energy Program. It is a testament to Brownlee’s competence that even after half a century, the best lawyers that federal tax dollars could buy were not able to find a loophole in his legislation protecting the exclusive right of the Province to tax its own natural resources.]

In 1929, though, the psychological effect of seeming to be recognized as an equal and coming into possession of an immense inheritance produced a spurt of celebration and optimism about the future. The resources seemed enormous: 89 million acres of lands, the world’s largest coal reserves, enormous hydro-electric potential, sweeping forests, any number of precious metals, and, still not completely realized, what would eventually be determined as one-third of the world’s supply of oil and natural gas. There was cause for celebration.

And celebration there was. A crowd of more than 3,000 gathered in below zero temperatures and a biting north wind to welcome Brownlee back to Edmonton at the C.P.R. station. As he alighted, the Edmonton Newsboys’ Band struck up a rousing

arrangement of “Hail, Hail, the Gang’s All Here”. A large bonfire was alight and fireworks punctuated the frigid darkness. Striding to the top of a makeshift platform, Brownlee accepted the welcomes of the Mayor and the President of the Chamber of Commerce. When he stepped forward to speak, a voice in the crowd yelled, “Three cheers and a Tiger for the Premier.”<sup>25</sup> He spoke briefly, telling them a new era was opening for Alberta, the prosperity of which would depend on the inspiration they could obtain from possession of such untold resources. “It also means a lot to Alberta to have control of her oil resources at their present stage of development,”<sup>26</sup> he concluded with incredible prescience, to another burst of cheers. John Edward Brownlee was at the peak of his political career.

Central to the tragedy of Brownlee’s political career was that having worked so hard, for so long, to painful manoeuvre Alberta into a position of financial soundness and with so much upside potential now almost about to be realized, the next challenge was to be the world’s worst depression. Contrary to the way it is told now-a-days, people did not wake up one morning in late October 1929 and ruefully shake their heads that they were now in the Great Depression. Brownlee, who enjoyed spending his Sunday mornings reading the Toronto papers, was likely one of the few Albertans to take serious note of the stock market crashes. He was also well aware of the falling grain prices and the rising urban unemployment. However, when he had mentioned these to the Prime Minister at their December 1929 meetings, King had sharply rebuffed him as another whining premier trying to get his hands into the federal cookie jar.<sup>27</sup>

By the time the Alberta Legislative Assembly met in February of 1930, the top price for wheat had fallen from \$1.78 per bushel the previous summer to below \$1.20.

European demand for Canadian wheat evaporated as protectionist trade walls were raised and the banking and financial systems began their meltdown. There was concern in the press over Argentina dumping grain on the world market but we now know that that paled into insignificance beside the massive dumping that was already underway by the Soviet Union. Stalin was busy confiscating grain from his own farmers to sell on the world market for cash to finance his industrialization schemes. Farmers died by the thousands of government imposed famine in the Ukraine but Stalin's agenda would also help bring Western Canadian agriculture to its knees.

Meanwhile, the Western Pools, so lately hailed as a solution to the perennial problems of Western agriculture, were now in serious jeopardy. The Pools had adopted a system of paying farmers an initial payment upon delivery and then a later payment based on the average selling price of domestic and export sales by the Central Selling Agency. The initial payment for the 1929-1930 crop year had been set with a top price of \$1.00 per bushel. Since the Pools had not been in business long, they had to borrow from the banks in order to make these initial payments. The banks accepted the grain on hand as collateral against the loans as long as the selling price was fifteen per cent above the initial payment.<sup>28</sup> That margin was now in serious peril and the banks made it clear they would call in their loans if the margin was breached. This would mean the bankruptcy of the Pools, their collapse as a business, and a crushing body blow to the notion of farmer and Western Canadian self-reliance.

Hasty meetings were called and Brownlee, along with Premiers Bracken and Anderson, met with Pool officials in Regina and then bank representatives in Winnipeg. The upshot was that each province agreed to guarantee loans made to its respective

provincial Pool. Brownlee assured the Legislative Assembly that “wheat would have to sink to a level never reached on Canadian markets before the Provincial Governments would suffer any loss.”<sup>29</sup> However, always cautious, Brownlee provided for a security which Bracken and Anderson did not. The provision was that should any advances be made under the guarantee, they would be considered loans against the assets of the Alberta Wheat Pool.<sup>30</sup>

By March, the top price of wheat had plummeted through the margin and sunk below \$1.00 per bushel. Brownlee understood the situation better than any political leader in Canada. He pleaded for a concerted effort by all levels of government and business to meet “a situation which may spell disaster to every farmer or business man in the West, a concatenation of world conditions which may eventually drive Canadian producers and exporters alike from certain world markets if the Governments of the day stand idly by.”<sup>31</sup> He went on to advocate a federal guarantee of 70 cents per bushel, enough to sustain farmers in operation and prevent them from being a further charge on the Provincial government.

With the economy unravelling because of situations far beyond their control, Brownlee urged the U.F.A. caucus to support him in calling an immediate provincial election. The members resisted. They still retained their naïve dreams of fair play in politics. An early election, motivated only by political advantage, was distasteful to them. Some suggested waiting until 1931. The earliest date they would agree to was June 19, 1930.<sup>32</sup>

Brownlee dominated the campaign in every way. Critics and supporters alike no longer referred to the U.F.A. but instead to “the Brownlee government”. Even Brownlee

himself asked that the voters “not fail me”. He delivered 67 speeches in 38 constituencies and made two major radio addresses. His message was essentially a calm, analytical review of the record and a request for a mandate to administer the newly acquired natural resources. As for the Opposition parties, Brownlee advanced an argument characteristic of Alberta’s entire political history.

You hear from one end of the Province to the other the opinion that the Government will be returned and the peculiar argument is advanced that this Province needs a strong Opposition. Now an Opposition is a thing that is no more needed in the public business of this Province ... than in the management of the affairs of any of our large corporations. The C.P.R. or the Bank of Montreal handling assets nearly as large as the assets of the Province and dealing in sums of money much greater, do not believe that their Board of Directors should be divided into Government and Opposition. The Directors sit around a Council Chamber without any division and face the problems of their great corporation in the interest of the corporation itself. After all, Governments today are nothing but big businesses ... but there is a difference: big business deals in dollars and cents and physical properties, the Government deals with these **and with the welfare of the people of the Province.**<sup>33</sup>

The U.F.A. lost three seats to finish with 40. Other totals were: Liberals 9, Conservatives 6, Labour 4, and four Independents. For those, such as Brownlee, who examined the returns more closely, there was cause for concern. The customary large majorities for U.F.A. candidates were down sharply. Minister Without Portfolio, Irene Parlby, won by fewer than 90 votes, for example. Three of the Independents had won rural seats. Brownlee told his caucus in no uncertain terms that had they waited another few months, they would have been beaten.<sup>34</sup> However, they had won and it was clear to everyone that Brownlee’s leadership and hard work, both before and during the campaign, had been the major reason for that victory.

There was little time or cause for celebration. Farm commodity prices continued to decline. The top price for wheat was now under \$1.00 per bushel but the Pools were committed to buying it from farmers at the initial payment price of \$1.00 per bushel until the end of the crop year on July 31. The banks now took the position that they would only advance the Pools funds on the security of warehouse receipts. Effectively this meant the Pools could only access their line of credit if they continued to buy grain at a loss. Again the Provinces were called on to back the Pools on the strength that their losses, estimated at \$25 million, could be covered by the eventual sale of the huge backlog of grain from the 1929 and even the 1928 crop. Even more perplexing was what to do with regard to the coming 1930 – 1931 crop year. Brownlee realized that the financial predicament of the Pools was now well beyond the capacity of the Provinces. Only the Federal government had the resources to deal with situation. The Pools set a cautious initial price for the new crop year of a maximum of 60 cents per bushel.

After the federal election of July 28, 1930, Brownlee had a new Prime Minister with whom to deal – his one time employer, R. B. Bennett. Brownlee had articulated with the firm of Lougheed, Bennett, Allison & McLaws shortly after his arrival in Calgary back in 1909. The deferential student had been awe struck by Bennett's energy and encyclopaedic knowledge of case law. They had had occasional encounters over the years and Bennett always seemed ready to offer Brownlee advice as his career evolved. Now, Brownlee sent off a telegram which read in part:

Respectfully urge that Dominion place credit of Canada behind this industry by announcing reasonable minimum price to growers, with or without the establishment [of a] wheat board to handle crop until world

conditions adjusted. Cannot too strongly urge some action necessary [to] prevent great revulsion [of] public opinion ...<sup>35</sup>

Brownlee was deeply disappointed when the reply was a brief lecture pointing out the world price of wheat was the result of a world over supply of 400 million bushels.<sup>36</sup>

Against this background, the price of wheat continued to spiral downward, soon collapsing through the margin on the initial payment of 60 cents per bushel. There was an exact replay of the previous year with the banks threatening to close down the Pools and Brownlee and the other prairie premiers being called on to guarantee the credit extended to the Pools. The Central Selling Agency was forced to appoint a new General Manager, John McFarland, acceptable to the banks and well connected to Prime Minister Bennett. While there was the pretence that McFarland reported to the Board that was soon obviously not the case.<sup>37</sup> Brownlee and his friends A. J. McPhail and H. W. Wood watched helplessly as the work of a generation of farm leaders crumbled before their eyes. Wood resigned his position as President of the U.F.A. and later as President of the Alberta Wheat Pool. McPhail would die within a year, at age forty-six.

These losses meant the loss of moderate voices. With the ascension of Robert Gardiner to the Presidency of the U.F.A. and of Norman Priestly as Secretary, the U.F.A. leadership lurched sharply to the left.<sup>38</sup> The new executive was soon advocating socialist policies that had little support among the general membership, or from the U.F.A. Legislative caucus or, especially, from Brownlee. Rural voters suddenly found themselves searching for legitimate leadership at the same time they faced the most drastic commodity price collapse in Canadian history.

To illustrate the loss of purchasing power, a study showed that a farmer could purchase an eight-foot binder in 1926 for the equivalent of 231 bushels of wheat. By 1932, the same binder cost 1,715 bushels of wheat. In other words, the farmer's 1926 currency was, six years later, worth less than 30 cents on the dollar. All other agricultural commodities experienced a similar decline.<sup>39</sup>

Brownlee also had to grapple with record levels of unemployment in Calgary and Edmonton. Employers responded to slumping sales by laying off workers at the same time as the sons and daughters of farmers were streaming into the cities in hopes of finding work to supplement the farm income. Brownlee could not resist reminding federal authorities that he had argued for more controlled immigration to guard against an over supply of labour. However, no help was coming from the Federal level on that front either. Given that there was no current prospect of raising government revenues; Brownlee took an early, vigorous and continuing role in cutting expenditures – down to the smallest detail. He refused to accept collect telegrams, cut government advertising, and had the electric lift in the Legislative Building disconnected.<sup>40</sup>

While recognizing the growing severity of the situation, Brownlee was convinced that people were becoming too demanding on government to solve their problems. Often he insisted that government backing of programs be kept secret, or that assistance be rendered on a per case basis, considering the merit of the individuals involved and avoiding any blanket programs. His rejection of government programs as a panacea and his insistence on attempting to balance the budget and maintain the financial soundness of the province led to growing criticism that he was callous to individual human suffering. His response was that if the Province were to fail financially, there would be

much greater suffering.<sup>41</sup> In 1931, such a warning was still somewhat rhetorical but in 1932 the situation would become much worse.

In January of 1932, Alberta came within hours of being forced to default on a \$3 million bond maturity. The New York markets were no longer buying Canadian securities at any price. Brownlee's frantic telegrams finally moved Bennett to authorize a \$15 million dollar sinking fund which refinanced the debt at a record high interest rate.<sup>42</sup> For practical purposes, the federal treasury had become a bank of last resort for Alberta.

To Brownlee, increasing debt and interest charges in order to finance drastically curtailed basic expenses was a horrendous situation. He continually pressed the federal government to assume a larger share of the direct relief costs. Bennett moved slowly in this direction, finally paying a larger share of the costly Old Age Pension scheme that had been introduced in 1927. Brownlee did not miss the opportunity to remind people that he had counselled caution with respect to such schemes.<sup>43</sup> In fact, he came to regard the Great Depression as an object lesson to citizens of the importance of maintaining sound financial foundations and as a vindication of his fiscal conservatism.

Meanwhile, the new U.F.A. President, Robert Gardiner, although not mentioning Brownlee by name, bitterly denounced his policy, declaring, "the only remedy for the present evil of under-consumption by those who control the system, is to curtail consumption still further by what is erroneously called "economy"."<sup>44</sup> The U.F.A. Convention, now firmly controlled by radicals, passed resolutions urging: nationalization of the monetary system; public ownership of land, radio broadcasting and hydro-electric power; across the board reductions of debt; and cancellation of all interest payments until

the price of farm commodities equalled the cost of production. Brownlee regarded most of these ideas as insane but he tried to avoid controversy.<sup>45</sup>

Ideas for solving the situation were now pouring in from all quarters: secession of the Western Provinces, amalgamation of the three Prairie Provinces, promotion of tourism to Alberta from the United States, building sports stadiums, creating a provincially owned bank, suspending debt payments for the duration of the depression and on and on. At first Brownlee responded to these proposals thoughtfully and carefully pointed out their weaknesses. Some of the proposals were outside the Province's jurisdiction but for some people his "lawyer talk" about constitutional difficulties was just an excuse for inaction. He tried to reason with one critic by writing;

I would like you to candidly face the question of the position of one Province attempting to defy the Constitution by itself. ... Immediately our action would be tested in the Courts of Canada and be declared *ultra vires*. The only course then would be open defiance of the Courts and the mobilization of our man power to defend our action. Do you think for one moment that the balance of Canada would sit idly by and allow such action to go unchallenged?<sup>46</sup>

Eventually, though Brownlee became impatient with irresponsible, half-baked schemes. He told one amateur theorist that if the results would not be so tragic, he would like to see the scheme implemented just so Canadians could learn from actual experience how utterly it would fail.<sup>47</sup>

It should not have been unexpected then that during 1932, as the depression continued to worsen, most Albertans gave up on the patient, cautious, traditional course being pursued by Brownlee and shifted their allegiance to schemes which promised a faster, easier solution. By far the most popular of these schemes became known as Social Credit.

The central ideas which made up Social Credit were not new to dedicated U.F.A. members. The works of Major C. H. Douglas, the movement's early theorist, had been widely circulated and discussed by U.F.A. locals more than a decade earlier. The notion of eliminating bank created debt by a system of credits based on publicly owned resources had contributed to calls for a Provincial Bank and other inflationary policies to address the sharp, severe depression of 1919 to 1923. The re-emergence of Social Credit as a solution to the new depression was largely the work of a popular radio evangelist and respected Calgary high school principal, William Aberhart.

Aberhart, as the story goes, traveled by train from Calgary to Edmonton in the summer of 1932 for his customary stint of marking high school departmental exams. Along the way he marvelled at the lush crops and saw the sleek livestock in the fields, yet he knew from the high unemployment among his high school's graduates, and from the desperate letters he was receiving from his radio parishioners, that there was grinding poverty amidst this apparent plenty. While in Edmonton, another teacher urged Aberhart to read a book by Major C. H. Douglas. Aberhart could not put the book down and was literally converted to Social Credit over night.

Aberhart would simplify Major Douglass' ideas, mix in some other indigenous Alberta reform ideas, and, most importantly, incorporate all these ideas within his widely popular evangelical radio ministry and proclaim that Social Credit was Christianity in Action. Brownlee had contended with Social Credit advocates for more than a decade and continued to state that whatever merits the theory might have; to implement it in any practical way was beyond the constitutional capability of a province. For him, that ended the discussion, but for a growing number of Albertans, constitutional concerns

evaporated before the stark necessity of doing something. If Social Credit was the answer, it must be implemented regardless of constitutional niceties. If the rest of Canada remained unconvinced, Alberta must go it alone.

To Brownlee, such a prospect was nonsense. However, to Albertans suffering from hunger and malnutrition while their bins overflowed, Social Credit became more and more appealing. Aberhart proclaimed that Social Credit was the answer and that it could be applied, if necessary, in Alberta alone. He declared all this, not with pedantic convolutions or legalistic qualifications but straightforwardly with utter certainty bolstered by an emphasis on Christ's teachings, the prophecies of scripture, and topped off with good humour and rousing hymns. The walls of Jericho, Aberhart trumpeted, were not breached by constitutional amendments or economic retrenchment but by faith in God and the implementation of His will.

Just as Aberhart was introducing Social Credit into his weekly radio sermons, William Irvine, a one-time Social Credit advocate within the U.F.A., was attending a meeting in Calgary which would lead the following year to the official unveiling of the Co-operative Commonwealth Federation (C.C.F.). The C.C.F. Manifesto would also call for the nationalization of banks and a reform of credit institutions but it would go far beyond this to incorporate the ideas of European Socialism and organized labour. While the new U.F.A. leaders such as Norman Priestly were active in the formation of the C.C.F., H. W. Wood proved to still be the more authentic voice of the Alberta farmers when he declared that "the Farmers' movement [has been] turned back forty years by [this] U.F.A.-Labour combination."<sup>48</sup> The results in the 1935 election, and in many

subsequent elections, would show that some 90 per cent of U.F.A. members would transfer their allegiance not to the C.C.F. but to Social Credit.

The Great Depression was threatening the re-election prospects of every government in Canada and W. L. M. King was suitably buoyed by his prospects of winning the next federal election. He did not take this for granted, though, and began working hard behind the scenes. He sent an emissary, Norman Lambert, to Brownlee to seek co-operation in uniting all those who opposed the Conservative regime of R. B. Bennett. Brownlee was not interested and expressed some bitterness at the harsh partisanship of the Alberta Liberals. When Lambert met with the local Liberal leadership, he could not help but agree with Brownlee. As he recorded in his personal diary; “Met Chas. Stewart, McLaughlin & Howson in pm and discussed possibility of union but strong antipathy expressed to J.E.B. [Brownlee]. Met [another] group at night ... very militant and stupid with one or two exceptions ... Feeling strong vs. any relations with Brownlee, U.F.A., or anybody else.”<sup>49</sup>

It was evident that the provincial Liberals sensed the new vulnerability of the Brownlee government and were not to be distracted by talk of union or co-operation. As Lambert noted, there was particular hostility to Brownlee, who more than any other factor, was responsible for the Liberal’s frustratingly lengthy sojourn in the political wilderness. In October, 1932, they chose one of their most militant members, W. R. Howson, as the new provincial leader. Howson was to pursue an aggressive style, focusing particularly on potential scandals in an effort to hasten the demise of the Brownlee government. His attacks were aided by two of his closest friends, Peter

Campbell, publisher of the *Edmonton Bulletin*, and Neil MacLean, prominent courtroom lawyer and a member of the same law firm as Howson.

The several investigations and rumour campaigns Howson initiated had their effect, primarily because the loyalty of the U.F.A. supporters was being seriously eroded. After more than a decade in power, U.F.A. Cabinet Ministers and some other leading members lead an increasingly urban lifestyle. It was alleged, for example, that Brownlee and his ministers were not suffering any financial hardships, even though Brownlee had ordered a ten per cent salary reduction. Like others on continuing salaries, he could now afford a maid, a new car, and wore fine clothes while farmers patched their rags and worried about how they were going to feed their children.

Another illustration of the estrangement between the government and the less fortunate came with the so-called Hunger March of December 1932. Brownlee was convinced by police reports and his own suspicions that the organizers of the March were primarily radical Communists pursuing their own political agenda.<sup>50</sup> He announced that he would be prepared to meet with a small delegation at any time but he saw to it that permission for the march was not granted. The organizers went ahead and a mass meeting ensued at the Edmonton Market Square which attracted perhaps as many as 1,000. When, on cue, they attempted to march to the Legislative Building, they were met by mounted police and easily dispersed.

Brownlee was certain he had made the sensible decision, later stating; “the Government would simply not permit this gathering with the danger of violence which is always present if you get a large number of people led by irresponsible men”.<sup>51</sup> Unfortunately for Brownlee, there was the irony that on the day of the march, December

20, 1932, the price of Number 1 wheat fell below forty cents per bushel, the lowest price for wheat in over 400 years. In drafting his traditional New Year's Day message, he wrote; "The people of our Western Provinces are facing the future with undiminished courage ...". In his delivered speech, he crossed out the word "undiminished".<sup>52</sup>

While Brownlee was being seen in Alberta as a staid, increasingly out-of-touch fiscal conservative, outside the West, he was viewed as a leader of the radical, unorthodox reformers. This perception was underlined by his outspoken position on a number of issues at the Dominion-Provincial Conference convened in mid-January 1933. Some Eastern leaders were touting a "back to the farm" movement as a cure for urban unemployment. Brownlee coolly pointed out that new settlers could hardly be expected to succeed when present farmers were experiencing such difficulty. He advocated instead a system of unemployment insurance. He made a controversial call to deliver as much as 10 per cent of relief payments in cash instead of in kind as was the practice. He called on Canadians holding provincial bonds in United States dollars to be denied the foreign exchange bonus. Even more controversial, he advocated a number of banking reforms including a federally imposed ceiling on interest rates and the creation of a federal agency modeled on his own Debt Adjustment Bureau to mediate disputes between lenders and creditors.<sup>53</sup>

Brownlee also returned to a theme he had raised in earlier years, that while provincial sources of revenue were severely restricted, the services they were expected to provide were rapidly expanding. He stated strongly that the current division of jurisdictions was out-of-date and needed to be reframed. By the time the conference

adjourned, Brownlee had impressed everyone as the strongest voice from the West, and as Prime Minister Bennett confided to friends, the “ablest mind” in attendance.<sup>54</sup>

Despite the confidence of the Prime Minister in Brownlee’s mind, by March Bennett was threatening to require the Western Provinces to accept a federally appointed “financial controller” to manage each province’s finances as a condition of the provinces receiving any more federal funds.<sup>55</sup> Brownlee protested bitterly but the reality was that Alberta was now absolutely dependent on Ottawa for loans with which to meet its financial obligations.

Bennett returned to his regard for Brownlee by appointing him to the Royal Commission on Banking and Currency which was empanelled in July of 1933. The Commission was to respond to growing sentiment that the government should be playing a far more direct role in economic and monetary management. Great Britain had the Bank of England and the United States had the Federal Reserve Board but at the time Canadian banking was an entirely private sector activity. Given the growing popularity of other far more radical schemes, astute observers predicted that the Commission would recommend the creation of a Central Bank of Canada. The mode of operation of such a bank and whether it would be privately or government owned; however, were still very much undecided.

The Commission chair and one other member were British Lords, and of the three Canadians appointed, Brownlee was clearly the only representative of reform ideas. The Commission traveled across Canada holding hearings and accepting submissions. Brownlee took an active part in the Commission, frequently questioning witnesses in detail to bring out their ideas more clearly, seemingly for the edification of his fellow

Commissioners. Brownlee's guiding questions were a fine example, albeit only one small one, of his contribution as an advocate for Western Canada. He led inarticulate witnesses through their testimony and in so doing brought out themes which demolished some of the arguments which had been put forward by Eastern elites. Among these were that Western farmers were the authors of their own predicament through poor management and that the problems of the Depression could be explained as a result of poor land and adverse climate. The facts brought forward revealed that by 1933 only a small minority of Albertans had suffered severe drought while a very large majority suffered acutely because of record low prices for all their agricultural commodities. Future commentators would forget this important point and the Depression would come to be characterized as synonymous with drought. In so doing these commentators miss the point which drove so many Albertans to advocate financial and monetary reform as the proper antidote to their economic malaise.<sup>56</sup>

The official brief of the Government of Alberta, prepared by Brownlee but presented to the Commission by Acting Premier George Hoadley, pointed out five problem areas in need of reform. They were: high interest rates, lack of agricultural credit, the need for a Central Bank, the need to control foreign exchange rates, and the failure of the banks to pursue a policy of equality between East and West and between agriculture and business.<sup>57</sup>

The Commission concluded its hearing in Ottawa on September 15, 1933 and the Commissioners set about drafting their report. There would be two principal recommendations: "that a central bank for Canada be forthwith established", a recommendation opposed by the two other Canadian members; and that "an inquiry be

instituted ... to investigate the existing organizations for the provision of rural credit with a view to the preparation of a scheme for the consideration of Parliament”<sup>58</sup>.

Brownlee attached a separate memorandum to the Report. He criticized the fact that bank loans to provincial governments, municipalities and school boards were routinely ¼ to ½ per cent higher in the West than for similar loans in the East.<sup>59</sup> He was the only Commissioner to recommend a statutory maximum on interest rates and to call for a closer examination of bank profits and interlocking directorates. However, his most important recommendation was that a Canadian Central Bank should be owned by the Government of Canada and that the Government should appoint the Bank’s Board and Executive Officers.<sup>60</sup> The Bank of Canada that was subsequently created had at first a mixture of Government and private ownership and control but in only a few years that was abandoned and the Bank was reorganized along the lines Brownlee had recommended.

The fact that Brownlee was the only Canadian Commissioner to recommend in favour of a central bank, and the only Commissioner to recommend its eventual character and structure might well have earned for him at least a footnote in Canadian history. However, this and all his other achievements, major and minor, were about to be lastingly obliterated from the public mind. While Brownlee was drafting his Banking Report, on September 22, 1933, Neil MacLean filed a Statement of Claim in the Supreme Court of Alberta before Mr. Justice Boyle (a former Liberal leader) on behalf of A. D. MacMillan and his daughter Vivian. John Brownlee’s reputation, and, as it would turn out, his place in history, were soon on trial.

The Statement of Claim alleged that Brownlee: had arranged that Vivian MacMillan move from Edson to Edmonton, had promised to act as her guardian, had acted to secure for her employment with the provincial government, had seduced her in October of 1930 when she was 18 years of age, and had had ongoing sexual relations with her in various locations including his automobile, his office and his home over the next three years; and that as a result of all this Vivian and her father had suffered damages for which they sought judgment in the amount of \$10,000 and \$5,000 respectively.<sup>61</sup> Brownlee's response was that "there is not a word of truth in the allegations against me and I will defend the action to the limit and hope to show before I am through, the real cause behind it."<sup>62</sup>

All winter the rumours flew. A pattern emerged that was to persist. Those who did not know Brownlee were most inclined to believe the allegations against him. Those who knew Brownlee best found it impossible to accept that gentlemanly, dour, hard-working John Brownlee could have been living the double life of which he was accused. Brownlee was torn between resigning to save his family and colleagues from further embarrassment, and his determination to fight on to save his reputation and continue to guide Alberta during these perilous times. One of Brownlee's confidants, Richard Reid, spent hours talking with Brownlee whom he would find "in the depths of despair".<sup>63</sup>

During the winter, there was no relief from the despair of the Depression either. The Annual U.F.A. Convention recaptured some of its old energy when it was bombarded with requests for it to adopt Social Credit as a panacea for the problems of the day. William Aberhart himself addressed the delegates. Brownlee attended as well and despite his politically wounded condition, used all his remaining influence to speak

against any adoption of the “unworkable” Social Credit ideas. The Convention ultimately did reject Social Credit but one heckler’s retort to Brownlee’s lengthy, analytical, and reasoned address provided an ominous signal of things to come. From the back of the hushed hall had come the simple words, “What have we got to lose?”<sup>64</sup>

As for the law suit against Brownlee, his legal team had initiated an investigation to support a counter suit alleging “a conspiracy”. The investigation revealed key Liberals all over the case. The MacMillans’ lawyer, Neil MacLean, allegedly had a personal vendetta against Brownlee dating back to Brownlee’s term as Attorney General when he had supposedly refused to waive a charge of drunk driving against MacLean.<sup>65</sup> MacLean had represented the plaintiff in a previous scandal case involving Cabinet minister O. L. MacPherson. There was even a claim by a Mrs. Schwantze that Neil MacLean had offered her money to seduce Brownlee.<sup>66</sup> Digging up scandals was Liberal Leader Howson’s style and supposedly he had been a party to a plot to trail Brownlee and Vivian MacMillan when they went on a drive together. Vivian MacMillan, and her boy-friend, John Caldwell, were thought to be motivated by the prospect of a financial windfall from the settlement.

It seemed clear that the Liberals involved had done all they could to adjust the timing of the case so that it would cause the maximum political damage to Brownlee. However, there was little evidence to support Brownlee’s position that MacMillan’s allegations were complete fabrications.

Finally, after being twice delayed, his trial began in the last week in June, 1934. It drew attention from across Canada and even British and American newspapers sent reporters. When Vivian MacMillan herself took the stand and hour after hour described

in detail various alleged sexual episodes, the Liberal *Edmonton Bulletin* twice took contempt of court charges in order to publish in explicit detail all of her allegations.<sup>67</sup> Less fulsome coverage was given to A. L. Smith who conducted Brownlee's defence. He questioned the likelihood of a cautious, legally trained Brownlee ever promising to be MacMillan's "guardian" with all the legal implications associated with that word. In numerous cases where MacMillan had claimed Brownlee and she were having sexual intercourse at a particular day and time, Smith was able to use Brownlee's official appointment book to show that he had been out of town, or at a political meeting in another part of the province, or even, on one occasion, in Winnipeg meeting with Premier Bracken.<sup>68</sup>

When Brownlee was called to the stand, the same line of defence was continued. Brownlee provided counter testimony to numerous claims by MacMillan. However, the case had become in the public mind, a simple one of whether there had been a sexual affair or not. Smith's final question was: "Did you, on your solemn oath, at any time have sexual intercourse with Vivian MacMillan?" and Brownlee's answer was firmly: "I did not."<sup>69</sup>

As the trial came to an end, Smith withdrew the counter claim, stating it had become obvious that there was a simple question of seduction or no seduction. After four hours and forty minutes deliberation the jury returned its verdict, finding in favour of Vivian MacMillan and awarding her and her father their requested damages. Instantly the courtroom was alive with controversy. Had the jury found correctly? Justice Ives immediately declared he did not agree with the jury's answers, although his argument was actually that no damages had been proven.<sup>70</sup>

As usual, Brownlee was one of the coolest heads. He recognized that the jury's verdict, whatever the result of any ongoing appeals, had ended his political career. He immediately announced that he would resign as soon as a successor could be chosen. Four years earlier there had been predictions he could be Premier for another twenty years, or even move on to the federal arena. His solid achievements, including the transfer of the control of the natural resources, should have guaranteed him a prominent place in the memory of Albertans forever. Yet, within months, he was largely forgotten, except for the so-called "Brownlee Scandal".

On July 10, 1934, John Edward Brownlee resigned as Premier of Alberta and Richard Reid assumed his place. However, Brownlee's contribution to the U.F.A., to Alberta, and to the West was not over. He continued to sit as an M.L.A. and during the election campaign of 1935 he was, even then, the most articulate voice the U.F.A. could muster. He delivered two radio addresses explaining why Social Credit could never work. He weathered bitter opposition during his own re-election bid in the constituency of Ponoka. On one occasion, Social Credit advocates hammered on the walls of the hall in which he was speaking with logs and sent up a cascade of automobile horn blowing all designed to drown out his voice of reasoned analysis.<sup>71</sup>

The Alberta Liberals, jubilant after their destruction of Brownlee, believed the way clear for their rightful return to power. When Social Credit, rejected by the U.F.A., began to transform its provincial Bible study groups into political constituency associations, the Liberals took notice and belatedly promised that when elected they would implement Social Credit policies. When the Social Credit movement exploded and won 56 of 63 seats in the 1935 Alberta election, no one was more surprised or

frustrated than the Liberal inner cadre. They immediately aimed their malevolent tactics at the new Social Credit Premier, William Aberhart.

Brownlee returned to the practice of law, founding the firm which became known as Brownlee Fryett, a firm which continued to benefit from the municipal and institutional contacts that Brownlee secured because of his reputation for competence. Brownlee even contributed, secretly, to the Alberta government's submission to the Rowell-Sirois Royal Commission in 1937 which recommended changes to Dominion Provincial relations in the post depression era. The need for these changes had been pointed out by Brownlee ten years earlier.<sup>72</sup>

Ultimately, Brownlee returned to the company he had helped found thirty years before, the United Grain Growers Ltd. He served them for thirteen years as president and general manager. He served on a number of national and international committees still studying the issues of grain marketing and the economic viability of farming. Committed as always to hard work as a valid form of spiritual development, he gave up his office less than two weeks before his death on July 15, 1961.

“Brownlee of Alberta”, Prime Minister King had called him. It was a deserved and fitting epitaph but sadly, one he was not awarded. Albertans revel in the prosperity of their resources, and vigilantly guard their provincial jurisdiction, but few know or care that the foundation for that prosperity and jurisdiction was provided by one clearly competent premier – John Brownlee.

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Further reading: Foster, Franklin L., *John E Brownlee: A Biography*. Lloydminster, Foster Learning Inc., 1996.

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<sup>1</sup> Thanks to Rev. William Sayers, some of Brownlee's personal inspirational library has recently come to light. A common theme in these essays is perhaps best captured in a sentence Brownlee had highlighted which reads; "the chief source of self-respect, self-discipline, intellectual power, and moral growth is to be found in the work one has to do".

<sup>2</sup> Brownlee, J.E., "Transcription of a Speech at the Convention of the Civil Service Association", November 28, 1925, Premier's Papers, Box 1, Provincial Archives of Alberta.

<sup>3</sup> Evans, Una Maclean, "Transcript of an Interview of Hon. J. E. Brownlee, Q.C.", March 1961, p.8, Glenbow Archives.

<sup>4</sup> Evans, Una Maclean, "Transcript of an Interview of Hon. J. E. Brownlee, Q.C.", March 1961, p.9, Glenbow Archives

<sup>5</sup> Brownlee, J.E. to A Cuddy, December 19, 1922, Attorney-General's Papers, J. E. Brownlee File C 3, Provincial Archives of Alberta.

<sup>6</sup> Evans, Una Maclean, "Transcript of an Interview of Hon. J. E. Brownlee, Q.C.", March 1961, p. 11, Glenbow Archives

<sup>7</sup> For example, Brownlee, J.E. to H. Greenfield, January 17, 1923, Attorney-General's Papers, J. E. Brownlee File G 2, Provincial Archives of Alberta.

<sup>8</sup> Glenbow Foundation Archives Staff, Interview with George Johnston, 1961, Glenbow Archives.

<sup>9</sup> Brownlee, J. E. to W.L.M. King, December 7, 1925, W.L.M. King Papers, Vol. 112, p. 95637, National Archives of Canada.

<sup>10</sup> King, W.L.M., Diary, January 9, 1926, National Archives of Canada.

<sup>11</sup> *The Canadian Annual Review*, 1925 – 1926, p. 495.

<sup>12</sup> Brownlee, J.E. to W.L.M. King, April 7, 1926, W.L.M. King Papers, pp. 109356-57, National Archives of Canada.

<sup>13</sup> King, W.L.M., Diary, May 21, 1926, National Archives of Canada

<sup>14</sup> *The UFA* (magazine), June 10, 1926.

<sup>15</sup> *The UFA* (magazine), June 10, 1926.

<sup>16</sup> Evans, Una Maclean, "Transcript of an Interview of Hon. J. E. Brownlee, Q.C.", March 1961, p.135, Glenbow Archives.

<sup>17</sup> *The UFA* (magazine), February 15, 1927.

<sup>18</sup> Evans, Una Maclean, "Transcript of an Interview of Hon. J. E. Brownlee, Q.C.", March 1961, pp.77-83, Glenbow Archives.

<sup>19</sup> Wheat Pool Broadcast (transcript), March 21, 1927, T.A. Crerar Papers, Queen's University Archives.

<sup>20</sup> Innis, H.A., ed., *The Diary of A.J. McPhail*, pp. 164 ff.

<sup>21</sup> Neatby, H.B., *William Lyon Mackenzie King*, pp. 232 – 243.

<sup>22</sup> *The UFA* (magazine), October 15, 1928.

<sup>23</sup> <sup>23</sup> Evans, Una Maclean, "Transcript of an Interview of Hon. J. E. Brownlee, Q.C.", March 1961, p.46, Glenbow Archives.

<sup>24</sup> King, W.L.M., Diary, December 11, 1929, National Archives of Canada

<sup>25</sup> *Edmonton Bulletin*, December 19, 1929.

<sup>26</sup> *Edmonton Bulletin*, December 17, 1929

<sup>27</sup> King, W.L.M., Diary, December 11, 1929, National Archives of Canada

<sup>28</sup> Fowke, V.C., *The National Policy and the Wheat Economy*, chapter 13.

<sup>29</sup> *The UFA* (magazine), March 1, 1930.

<sup>30</sup> Fowke, V.C., *The National Policy and the Wheat Economy*, pp. 251 - 254.

<sup>31</sup> *The UFA* (magazine), March 15, 1930.

<sup>32</sup> Evans, Una Maclean, "Transcript of an Interview of Hon. J. E. Brownlee, Q.C.", March 1961, p. 112, Glenbow Archives.

<sup>33</sup> *The UFA* (magazine), June 1, 1930.

<sup>34</sup> Evans, Una Maclean, "Transcript of an Interview of Hon. J. E. Brownlee, Q.C.", March 1961, p. 112, Glenbow Archives.

<sup>35</sup> Brownlee, J.E. to R.B. Bennett, November 11, 1930, R.B. Bennett Papers, p. 210369, National Archives of Canada.

<sup>36</sup> Bennett, R.B. to J.E. Brownlee, November 11, 1930, R.B. Bennett Papers, p. 216024, National Archives of Canada.

<sup>37</sup> Innis, H.A., ed., *The Diary of A.J. McPhail*, pp. 228 - 234.

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- <sup>38</sup> Rolph, W.K., *Henry Wise Wood of Alberta*, p. 181.
- <sup>39</sup> *The UFA* (magazine), November 1, 1932.
- <sup>40</sup> Brownlee, J.E. to J.C. Thompson, September 8, 1930, Premiers' Papers, J.E. Brownlee, Box 10, File 124.
- <sup>41</sup> Brownlee, J.E. to H.E. Spencer, April 30, 1931, Premiers' Papers, J.E. Brownlee, Box 4.
- <sup>42</sup> Brownlee, J.E. to R.B. Bennett, January 7, 1932, R.B. Bennett Papers, p. 352003, National Archives of Canada.
- <sup>43</sup> Brownlee, J.E. to M. Wilkens, February 13, 1932, Premiers' Papers, J.E. Brownlee, Box 15, File 158A.
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- <sup>45</sup> Brownlee, J.E. to Mrs. Gaines, June 2, 1932, Premiers' Papers, J.E. Brownlee, Box 8, File 99A.
- <sup>46</sup> Brownlee, J.E. to S.L. Fraser, August 30, 1932, Premiers' Papers, J.E. Brownlee, Box 14, File 138B.
- <sup>47</sup> Brownlee, J.E. to S.L. Fraser, September 28, 1932, Premiers' Papers, J.E. Brownlee, Box 14, File 138B.
- <sup>48</sup> Lambert, Norman, "Personal Diary", September 21, 1932, Norman Lambert Papers, Box 9, Queen's University Archives.
- <sup>49</sup> Lambert, Norman, "Personal Diary", September 28, 1932, Norman Lambert Papers, Box 9, Queen's University Archives.
- <sup>50</sup> Brownlee, J.E. to J.F. Lymburn, November 21, 1932, Premiers' Papers, J.E. Brownlee, Box 5, File 74B.
- <sup>51</sup> Evans, Una Maclean, "Transcript of an Interview of Hon. J. E. Brownlee, Q.C.", March 1961, pp. 95-96, Glenbow Archives.
- <sup>52</sup> Brownlee, J.E., "New Year's Message", January 1, 1933, Premiers' Papers, J.E. Brownlee, Box 2, File 43B.
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- <sup>54</sup> Lambert, Norman, "Personal Diary", January 29, 1933, Norman Lambert Papers, Box 9, Queen's University Archives.
- <sup>55</sup> Bennett, R.B. to J.E. Brownlee, March 9, 1933, R.B. Bennett Papers, p. 352037 ff, National Archives of Canada.
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- <sup>58</sup> Canada, "Proceedings of the Royal Commission on Banking and Currency in Canada – 1933, p. 81.
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- <sup>68</sup> "Transcript of Evidence and Proceedings in the matter of MacMillan and MacMillan versus Brownlee" contained in "Appeal to the Privy Council of the Case of Hon. J.E. Brownlee versus Vivian MacMillan", July 1, 1937, pp. 170 ff, Glenbow Archives.
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- <sup>70</sup> Bowker, W.F., interviewed by author, August 3, 1979.
- <sup>71</sup> Irving, John A., *The Social Credit Movement in Alberta*, p. 316.
- <sup>72</sup> Porter, Mr. Justice M.M., interviewed by author, February 20, 1979.

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Nominations for Photos:

1. Glenbow – NA-1451-11 Official Photo of Premier Brownlee  
Caption: “Official Photograph of Hon. John E. Brownlee near the time he became Premier in November, 1925.”
2. Provincial Archives of Alberta – A10924 Photo of signing of natural resources agreement  
Caption: “December 14, 1929 – Hon. John E. Brownlee (seated, second from right) signs the agreement to transfer control of Alberta’s natural resources from the federal government to the Province, thus laying the basis for the prosperity that Alberta enjoys today.”
3. Glenbow – NB-16-230A Brownlee seated before radio microphone  
Caption: “John Brownlee, prepares to deliver a radio address on the economic problems of Western Canadian farmers – a topic at the core of his career for more than 50 years.”